

1-1 By: Williams S.B. No. 1464
1-2 (In the Senate - Filed March 6, 2009; March 17, 2009, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 15, 2009, reported favorably by the following
1-5 vote: Yeas 3, Nays 0; April 15, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the creation of the Harris County Municipal Utility
1-9 District No. 525; providing authority to impose a tax and issue
1-10 bonds; granting a limited power of eminent domain.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subtitle F, Title 6, Special District Local Laws
1-13 Code, is amended by adding Chapter 8326 to read as follows:

1-14 CHAPTER 8326. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 525

1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 8326.001. DEFINITIONS. In this chapter:

1-17 (1) "Board" means the district's board of directors.

1-18 (2) "Director" means a board member.

1-19 (3) "District" means the Harris County Municipal
1-20 Utility District No. 525.

1-21 Sec. 8326.002. NATURE OF DISTRICT. The district is a
1-22 municipal utility district created under Section 59, Article XVI,
1-23 Texas Constitution.

1-24 Sec. 8326.003. CONFIRMATION AND DIRECTORS' ELECTION
1-25 REQUIRED. The temporary directors shall hold an election to
1-26 confirm the creation of the district and to elect five permanent
1-27 directors as provided by Section 49.102, Water Code.

1-28 Sec. 8326.004. CONSENT OF MUNICIPALITY REQUIRED. The
1-29 temporary directors may not hold an election under Section 8326.003
1-30 until each municipality in whose corporate limits or
1-31 extraterritorial jurisdiction the district is located has
1-32 consented by ordinance or resolution to the creation of the
1-33 district and to the inclusion of land in the district.

1-34 Sec. 8326.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-35 (a) The district is created to serve a public purpose and benefit.

1-36 (b) The district is created to accomplish the purposes of:

1-37 (1) a municipal utility district as provided by
1-38 general law and Section 59, Article XVI, Texas Constitution; and

1-39 (2) Section 52, Article III, Texas Constitution, that
1-40 relate to the construction, acquisition, or improvement of
1-41 macadamized, graveled, or paved roads described by Section 54.234,
1-42 Water Code, or improvements, including storm drainage, in aid of
1-43 those roads.

1-44 Sec. 8326.006. INITIAL DISTRICT TERRITORY. (a) The
1-45 district is initially composed of the territory described by
1-46 Section 2 of the Act creating this chapter.

1-47 (b) The boundaries and field notes contained in Section 2 of
1-48 the Act creating this chapter form a closure. A mistake made in the
1-49 field notes or in copying the field notes in the legislative process
1-50 does not affect the district's:

1-51 (1) organization, existence, or validity;

1-52 (2) right to issue any type of bond for the purposes
1-53 for which the district is created or to pay the principal of and
1-54 interest on a bond;

1-55 (3) right to impose a tax; or

1-56 (4) legality or operation.

1-57 [Sections 8326.007-8326.050 reserved for expansion]

1-58 SUBCHAPTER B. BOARD OF DIRECTORS

1-59 Sec. 8326.051. GOVERNING BODY; TERMS. (a) The district is
1-60 governed by a board of five elected directors.

1-61 (b) Except as provided by Section 8326.052, directors serve
1-62 staggered four-year terms.

1-63 Sec. 8326.052. TEMPORARY DIRECTORS. (a) On or after the
1-64 effective date of the Act creating this chapter, the owner or owners

2-1 of a majority of the assessed value of the real property in the
2-2 district may submit a petition to the Texas Commission on
2-3 Environmental Quality requesting that the commission appoint as
2-4 temporary directors the five persons named in the petition. The
2-5 commission shall appoint as temporary directors the five persons
2-6 named in the petition.

2-7 (b) Temporary directors serve until the earlier of:
2-8 (1) the date permanent directors are elected under
2-9 Section 8326.003; or
2-10 (2) the fourth anniversary of the effective date of
2-11 the Act creating this chapter.

2-12 (c) If permanent directors have not been elected under
2-13 Section 8326.003 and the terms of the temporary directors have
2-14 expired, successor temporary directors shall be appointed or
2-15 reappointed as provided by Subsection (d) to serve terms that
2-16 expire on the earlier of:

2-17 (1) the date permanent directors are elected under
2-18 Section 8326.003; or
2-19 (2) the fourth anniversary of the date of the
2-20 appointment or reappointment.

2-21 (d) If Subsection (c) applies, the owner or owners of a
2-22 majority of the assessed value of the real property in the district
2-23 may submit a petition to the Texas Commission on Environmental
2-24 Quality requesting that the commission appoint as successor
2-25 temporary directors the five persons named in the petition. The
2-26 commission shall appoint as successor temporary directors the five
2-27 persons named in the petition.

2-28 [Sections 8326.053-8326.100 reserved for expansion]

2-29 SUBCHAPTER C. POWERS AND DUTIES

2-30 Sec. 8326.101. GENERAL POWERS AND DUTIES. The district has
2-31 the powers and duties necessary to accomplish the purposes for
2-32 which the district is created.

2-33 Sec. 8326.102. MUNICIPAL UTILITY DISTRICT POWERS AND
2-34 DUTIES. The district has the powers and duties provided by the
2-35 general law of this state, including Chapters 49 and 54, Water Code,
2-36 applicable to municipal utility districts created under Section 59,
2-37 Article XVI, Texas Constitution.

2-38 Sec. 8326.103. AUTHORITY FOR ROAD PROJECTS. (a) Under
2-39 Section 52, Article III, Texas Constitution, the district may
2-40 design, acquire, construct, finance, issue bonds for, improve, and
2-41 convey to this state, a county, or a municipality for operation and
2-42 maintenance macadamized, graveled, or paved roads described by
2-43 Section 54.234, Water Code, or improvements, including storm
2-44 drainage, in aid of those roads.

2-45 (b) The district may exercise the powers provided by this
2-46 section without submitting a petition to or obtaining approval from
2-47 the Texas Commission on Environmental Quality as required by
2-48 Section 54.234, Water Code.

2-49 Sec. 8326.104. APPROVAL OF ROAD PROJECT. (a) The district
2-50 may not undertake a road project authorized by Section 8326.103
2-51 unless:

2-52 (1) each municipality or county that will operate and
2-53 maintain the road has approved the plans and specifications of the
2-54 road project, if a municipality or county will operate and maintain
2-55 the road; or

2-56 (2) the Texas Transportation Commission has approved
2-57 the plans and specifications of the road project, if the state will
2-58 operate and maintain the road.

2-59 (b) Except as provided by Subsection (a), the district is
2-60 not required to obtain approval from the Texas Transportation
2-61 Commission to design, acquire, construct, finance, issue bonds for,
2-62 improve, or convey a road project.

2-63 Sec. 8326.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
2-64 OR RESOLUTION. The district shall comply with all applicable
2-65 requirements of any ordinance or resolution that is adopted under
2-66 Section 54.016 or 54.0165, Water Code, and that consents to the
2-67 creation of the district or to the inclusion of land in the
2-68 district.

2-69 Sec. 8326.106. LIMITATION ON USE OF EMINENT DOMAIN. The

3-1 district may not exercise the power of eminent domain outside the
3-2 district to acquire a site or easement for:

- 3-3 (1) a road project authorized by Section 8326.103; or
- 3-4 (2) a recreational facility as defined by Section
- 3-5 49.462, Water Code.

3-6 [Sections 8326.107-8326.150 reserved for expansion]

3-7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-8 Sec. 8326.151. ELECTIONS REGARDING TAXES OR BONDS.

3-9 (a) The district may issue, without an election, bonds and other
3-10 obligations secured by:

- 3-11 (1) revenue other than ad valorem taxes; or
- 3-12 (2) contract payments described by Section 8326.153.

3-13 (b) The district must hold an election in the manner
3-14 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-15 before the district may impose an ad valorem tax or issue bonds
3-16 payable from ad valorem taxes.

3-17 (c) The district may not issue bonds payable from ad valorem
3-18 taxes to finance a road project unless the issuance is approved by a
3-19 vote of a two-thirds majority of the district voters voting at an
3-20 election held for that purpose.

3-21 Sec. 8326.152. OPERATION AND MAINTENANCE TAX. (a) If
3-22 authorized at an election held under Section 8326.151, the district
3-23 may impose an operation and maintenance tax on taxable property in
3-24 the district in accordance with Section 49.107, Water Code.

3-25 (b) The board shall determine the tax rate. The rate may not
3-26 exceed the rate approved at the election.

3-27 Sec. 8326.153. CONTRACT TAXES. (a) In accordance with
3-28 Section 49.108, Water Code, the district may impose a tax other than
3-29 an operation and maintenance tax and use the revenue derived from
3-30 the tax to make payments under a contract after the provisions of
3-31 the contract have been approved by a majority of the district voters
3-32 voting at an election held for that purpose.

3-33 (b) A contract approved by the district voters may contain a
3-34 provision stating that the contract may be modified or amended by
3-35 the board without further voter approval.

3-36 [Sections 8326.154-8326.200 reserved for expansion]

3-37 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-38 Sec. 8326.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-39 OBLIGATIONS. The district may issue bonds or other obligations
3-40 payable wholly or partly from ad valorem taxes, impact fees,
3-41 revenue, contract payments, grants, or other district money, or any
3-42 combination of those sources, to pay for any authorized district
3-43 purpose.

3-44 Sec. 8326.202. TAXES FOR BONDS. At the time the district
3-45 issues bonds payable wholly or partly from ad valorem taxes, the
3-46 board shall provide for the annual imposition of a continuing
3-47 direct ad valorem tax, without limit as to rate or amount, while all
3-48 or part of the bonds are outstanding as required and in the manner
3-49 provided by Sections 54.601 and 54.602, Water Code.

3-50 Sec. 8326.203. BONDS FOR ROAD PROJECTS. At the time of
3-51 issuance, the total principal amount of bonds or other obligations
3-52 issued or incurred to finance road projects and payable from ad
3-53 valorem taxes may not exceed one-fourth of the assessed value of the
3-54 real property in the district.

3-55 SECTION 2. The Harris County Municipal Utility District No.
3-56 525 initially includes all the territory contained in the following
3-57 area:

3-58 TRACT 1

3-59 Being a tract of land containing 383.184 acres, located in
3-60 the William Whitlock League, Abstract-85 in Harris County, Texas;
3-61 Said 383.184 acre tract being all of a called 383.184 acre tract of
3-62 land of record in the name of Crystal Clear Realty, Ltd., in Harris
3-63 County Clerk's File (H.C.C.F.) Number X992419; said 383.184 acre
3-64 tract being more particularly described by metes and bounds as
3-65 follows (all bearings are based on the north Right-Of-Way (R.O.W.)
3-66 line of Foley Road (80 feet wide) with a bearing of North 87 degrees
3-67 16 minutes 12 seconds East as reflected in Volume 4457, Page 321, of
3-68 the Harris County Deed Records (H.C.D.R.):

3-69 Beginning at a 1/2-inch iron rod found at the southeast

4-1 corner of aforesaid 383.184 acre tract being on the east line of a
 4-2 50 foot wide United Gas Pipeline Easement as redefined in Volume
 4-3 2350, Page 287, H.C.D.R., and being on the north R.O.W. line of
 4-4 aforesaid Foley Road;

4-5 Thence, with the north R.O.W. line of aforesaid Foley Road,
 4-6 South 87 degrees 16 minutes 12 seconds West, at a distance of
 4-7 6649.67 feet pass a 1/2-inch iron rod found at the northeast corner
 4-8 of a call 0.0747 acre tract of land of record in the name of Robert
 4-9 Edward Leger and Susan Leger in H.C.C.F. Number R991612, and
 4-10 continue in all a total distance of 6771.69 feet to a 5/8-inch iron
 4-11 rod found at the southwest corner of aforesaid 383.184 acre tract
 4-12 and the northwest corner of aforesaid 0.0747 acre tract, and being
 4-13 on the 45 foot contour line for Lake Houston of record in Volume
 4-14 2479, Page 370, H.C.D.R.;

4-15 Thence, with aforesaid 45 foot contour line, and the 45 foot
 4-16 contour line for Lake Houston of record in Volume 2448, Page 408,
 4-17 the following sixteen (16) courses:

4-18 1. North 18 degrees 28 minutes 00 seconds East, a distance
 4-19 of 610.10 feet;

4-20 2. North 73 degrees 25 minutes 00 seconds East, a distance
 4-21 of 760.00 feet;

4-22 3. North 55 degrees 27 minutes 20 seconds East, a distance
 4-23 of 405.37 feet;

4-24 4. North 32 degrees 50 minutes 00 seconds East, a distance
 4-25 of 404.37 feet to an angle point, from which a found 1/2-inch iron
 4-26 rod bears North 87 degrees 14 minutes 37 seconds East, a distance of
 4-27 110.95 feet;

4-28 5. North 35 degrees 29 minutes 10 seconds East, a distance
 4-29 of 127.83 feet to a 3/4-inch iron rod found at the waters edge;

4-30 6. North 07 degrees 10 minutes 00 seconds East, a distance
 4-31 of 1052.61 feet;

4-32 7. North 57 degrees 02 minutes 40 seconds East, a distance
 4-33 of 238.52 feet to a 5/8-inch iron rod found;

4-34 8. South 83 degrees 50 minutes 00 seconds East, a distance
 4-35 of 370.00 feet;

4-36 9. South 62 degrees 02 minutes 15 seconds East, a distance
 4-37 of 261.72 feet;

4-38 10. South 28 degrees 30 minutes 00 seconds East, a distance
 4-39 of 270.00 feet to a 5/8-inch iron rod found;

4-40 11. North 35 degrees 32 minutes 21 seconds East, a distance
 4-41 of 86.02 feet to a 5/8-inch iron rod found;

4-42 12. North 35 degrees 02 minutes 28 seconds West, a distance
 4-43 of 292.62 feet to a 5/8-inch iron rod found;

4-44 13. North 61 degrees 00 minutes 00 seconds West, a distance
 4-45 of 295.00 feet;

4-46 14. South 89 degrees 10 minutes 00 seconds West, a distance
 4-47 of 179.00 feet;

4-48 15. North 63 degrees 37 minutes 05 seconds West, a distance
 4-49 of 196.94 feet;

4-50 16. North 28 degrees 30 minutes 00 seconds West, a distance
 4-51 of 118.42 feet to a 5/8-inch iron rod found at the northwest corner
 4-52 of aforesaid 383.184 acre tract, and the southwest corner of a
 4-53 called 361.2455 acre tract of land of record in the name of Aron S.
 4-54 Gordon in H.C.C.F. Number G416496, from which a found 4-inch square
 4-55 concrete marker bears South 87 degrees 16 minutes West, a distance
 4-56 of 9.9 feet;

4-57 Thence, with the line common to aforesaid 383.184 and
 4-58 361.2455 acre tracts, North 87 degrees 16 minutes 12 seconds East, a
 4-59 distance of 5789.82 feet to a 3/4-inch iron rod set at the northeast
 4-60 corner of said 383.184 acre tract and being on the west line of
 4-61 aforesaid 50 foot pipeline easement;

4-62 Thence, with the east of aforesaid 383.184 acre tract, and
 4-63 the west line of aforesaid 50 foot pipeline easement, the following
 4-64 two (2) courses:

4-65 1. South 17 degrees 21 minutes 12 seconds West, a distance
 4-66 of 617.08 feet to a 3/4-inch iron rod set;

4-67 2. South 17 degrees 28 minutes 12 seconds West, a distance
 4-68 of 979.97 feet to a 1/2-inch iron rod with cap found at the
 4-69 southwest corner of a 78.5886 acre tract, of record in the name of

5-1 Crystal Clear Realty, LTD in H.C.C.F. No. Y2211837, and being an
5-2 interior corner of said 383.184 acre tract;

5-3 Thence, with the line common to aforesaid 78.5886 and 383.184
5-4 acre tracts, North 87 degrees 14 minutes 37 seconds East, a distance
5-5 of 53.28 feet to a 1/2-inch iron rod with cap found at the east
5-6 corner of said 383.184 acre tract and the northwest corner of a
5-7 called 20.00 acre tract of land of record in the name of David
5-8 Spencer and wife Janna L. Spencer in H.C.C.F. Number W570995, from
5-9 which a found 1/2-inch iron rod bears South 50 degrees 56 minutes
5-10 West, a distance of 5.9 feet;

5-11 Thence, with the east line of said 383.184 and the east line
5-12 of aforesaid 50 foot pipeline easement, South 17 degrees 28 minutes
5-13 12 seconds West, a distance of 1381.03 feet to the Point of
5-14 Beginning and containing 383.184 acres of land.

5-15 TRACT 2

5-16 FIELD NOTES of a 78.3183 acre tract of land situated in the
5-17 William Whitlock League, Abstract No. 85, Harris County, Texas, and
5-18 being out of and a part of a called 108.553 acre tract of land
5-19 conveyed by Spur Land Company, Trustee to Paul H. Krebs, Trustee, by
5-20 deed dated December 14, 1994 and recorded in County Clerk's File No.
5-21 R198447 of the Deed Records of Harris County, Texas. This 78.3183
5-22 acre tract of land is more particularly described by metes and
5-23 bounds as follows, to-wit:

5-24 NOTE: BEARINGS ARE BASED ON DEED BEARINGS AND FOUND MONUMENTS
5-25 IN THE EASTERNMOST NORTH LINE AND SOUTHERNMOST EAST LINE OF A
5-26 108.553 ACRE TRACT OF LAND CONVEYED BY SPUR LAND COMPANY, TRUSTEE,
5-27 TO PAUL H. KREBS, TRUSTEE, BY DEED DATED DECEMBER 14, 1994 AND
5-28 RECORDED IN COUNTY CLERK'S FILE NO. R198447 OF THE OFFICIAL PUBLIC
5-29 RECORDS OF REAL PROPERTY OF HARRIS COUNTY, TEXAS. REFERENCE IS MADE
5-30 TO PLAT OF EVEN DATE ACCOMPANYING THIS METES AND BOUNDS
5-31 DESCRIPTION.

5-32 COMMENCING at a point in the west right of way line of Dallas
5-33 Road, 80 foot wide right of way, being the Southeast corner of a
5-34 361.2455 acres as per deed recorded in County Clerk's File No.
5-35 G416496 of the Official Public Records of Real Property of Harris
5-36 County, Texas and the Northeast corner of that certain 336.5 acre
5-37 tract of land described in Volume 3155 at Page 658 of the Deed
5-38 Records of Harris County, Texas.

5-39 THENCE: South 87°17'29" West along the South line of said
5-40 361.2455 acres and the North line of the residue of said 336.5 acre
5-41 tract for a distance of 2680.91 feet to a 3/4 inch iron rod found for
5-42 the Northwest corner of said residue of 336.5 acre tract, the
5-43 Northernmost Northeast corner of said 108.553 acres and the
5-44 Northeast corner and POINT OF BEGINNING of this tract.

5-45 THENCE: South 02°45'43" East along the East line of this
5-46 tract, the West line of said residue of 336.5 acre tract, the
5-47 Northernmost East line of said 108.553 acres and the West line of
5-48 the residue of said 108.553 acre tract, at 719.09 feet pass a 5/8
5-49 inch iron rod found for the Southwest corner of said residue of
5-50 336.5, an interior corner of said 108.553 acres and the Northwest
5-51 corner of said residue of 108.553 acre tract, in all, a total
5-52 distance of 1499.58 feet to a 1/2 inch iron rod, with cap, found for
5-53 the Southeast corner of this tract, the Southwest corner of said
5-54 residue of 108.553 acre tract, in the North line of a residue of
5-55 158.1189 acre tract (herein called Tract 3) conveyed by Kail and
5-56 Mackinnon-Lake Houston, LTD., to Stanley H. Voelkel, et al, by deed
5-57 dated July 1, 1979 and recorded in County Clerk's File No. G226074 of
5-58 the Deed Records of Harris County, Texas, the South line of said
5-59 108.553 acres and in the North line of a 20 foot pipeline easement
5-60 conveyed to United Texas Transmission Company, as per deed recorded
5-61 in County Clerk's File No. G999981 of the Deed Records of Harris
5-62 County, Texas.

5-63 THENCE: South 87°18'10" West along the South line of this
5-64 tract, the South line of said 108.553 acres, the North line of said
5-65 residue of 158.1189 acre tract, the North line of said United Texas
5-66 Transmission Company easement, the North line of that certain 20.00
5-67 acre tract described under Harris County Clerk's File No. X174447,
5-68 and the North line of that certain 20.00 acre tract of land conveyed
5-69 to David Spencer and wife, Janna L. Spencer by Deed recorded under

6-1 Harris County Clerk's File No. W570995, and at 2498.63 feet pass a
6-2 1/2 inch iron rod, with cap, found for the Northwest corner of said
6-3 residue of 158.1189 acre tract, the Northwest corner of said
6-4 Spencer 20.00 acres and the Northeast corner of that certain
6-5 187.8474 acre tract conveyed by Houston Clinic, P.A. to Timothy L.
6-6 Sharma by Deed dated June 21, 1983 and recorded under Harris County
6-7 Clerk's File No. J044836; in all a total distance of 2551.72 feet to
6-8 a 1/2 inch iron rod, with cap, found for the Southwest corner of
6-9 this tract, the Southwest corner of said 108.553 acres and the
6-10 Southeast corner of a 195.043 acre tract conveyed by Houston
6-11 Clinic, P.A., to Timothy L. Sharma by deed dated June 21, 1983 and
6-12 recorded in County Clerk's File No. J048276 of the Deed Records of
6-13 Harris County, Texas.

6-14 THENCE: North 17°30'34" East (called in error North 16°57'15"
6-15 East) along the West line of this tract, the West line of said
6-16 108.553 acres and the East line of said 195.043 acre tract for a
6-17 distance of 979.97 feet to a 3/4 inch iron rod found for an angle
6-18 point in said line.

6-19 THENCE: North 17°21'56" East (called in error North 16°57'15"
6-20 East) along the West line of this tract, the West line of said
6-21 108.553 acres and the East line of said 195.043 acre tract for a
6-22 distance of 616.99 feet to a 3/4 inch iron rod found in the South
6-23 line of said 361.2455 acres for the Northwest corner of this tract,
6-24 the Northwest corner of said 108.553 acres and the Northeast corner
6-25 of said 195.043 acre tract.

6-26 THENCE: North 87°17'31" East along the North line of this
6-27 tract, the North line of said 108.553 acres and the South line of
6-28 said 361.2455 acre tract for a distance of 1999.88 feet (called in
6-29 error North 87°17'29" East 2014.67 feet) to the PLACE OF BEGINNING,
6-30 containing within said boundaries 78.3183 acres of land.

6-31 SECTION 3. (a) The legal notice of the intention to
6-32 introduce this Act, setting forth the general substance of this
6-33 Act, has been published as provided by law, and the notice and a
6-34 copy of this Act have been furnished to all persons, agencies,
6-35 officials, or entities to which they are required to be furnished
6-36 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-37 Government Code.

6-38 (b) The governor, one of the required recipients, has
6-39 submitted the notice and Act to the Texas Commission on
6-40 Environmental Quality.

6-41 (c) The Texas Commission on Environmental Quality has filed
6-42 its recommendations relating to this Act with the governor, the
6-43 lieutenant governor, and the speaker of the house of
6-44 representatives within the required time.

6-45 (d) All requirements of the constitution and laws of this
6-46 state and the rules and procedures of the legislature with respect
6-47 to the notice, introduction, and passage of this Act are fulfilled
6-48 and accomplished.

6-49 SECTION 4. This Act takes effect immediately if it receives
6-50 a vote of two-thirds of all the members elected to each house, as
6-51 provided by Section 39, Article III, Texas Constitution. If this
6-52 Act does not receive the vote necessary for immediate effect, this
6-53 Act takes effect September 1, 2009.

6-54 * * * * *