

1-1 By: Williams S.B. No. 2524
1-2 (In the Senate - Filed April 14, 2009; April 15, 2009, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 30, 2009, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; April 30, 2009, sent to printer.)

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

1-8 relating to the creation of the Liberty County Municipal Utility
1-9 District No. 6; providing authority to impose a tax and issue bonds;
1-10 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 8367 to read as follows:

1-14 CHAPTER 8367. LIBERTY COUNTY MUNICIPAL UTILITY DISTRICT NO. 6

1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 8367.001. 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 Liberty County Municipal
1-20 Utility District No. 6.

1-21 Sec. 8367.002. 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. 8367.003. 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. 8367.004. CONSENT OF MUNICIPALITY REQUIRED. The
1-29 temporary directors may not hold an election under Section 8367.003
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. 8367.005. 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. 8367.006. 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 8367.007-8367.050 reserved for expansion]

1-58 SUBCHAPTER B. BOARD OF DIRECTORS

1-59 Sec. 8367.051. 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 8367.052, directors serve
1-62 staggered four-year terms.

1-63 Sec. 8367.052. TEMPORARY DIRECTORS. (a) The temporary
1-64 board consists of:

- 2-1 (1) Mark Froehlich;
- 2-2 (2) Cynthia Gage;
- 2-3 (3) Greg Parker;
- 2-4 (4) Jeremy Newsom; and
- 2-5 (5) Cindy Leslie.

2-6 (b) Temporary directors serve until the earlier of:
 2-7 (1) the date permanent directors are elected under
 2-8 Section 8367.003; or
 2-9 (2) the fourth anniversary of the effective date of
 2-10 the Act creating this chapter.

2-11 (c) If permanent directors have not been elected under
 2-12 Section 8367.003 and the terms of the temporary directors have
 2-13 expired, successor temporary directors shall be appointed or
 2-14 reappointed as provided by Subsection (d) to serve terms that
 2-15 expire on the earlier of:

- 2-16 (1) the date permanent directors are elected under
 2-17 Section 8367.003; or
- 2-18 (2) the fourth anniversary of the date of the
 2-19 appointment or reappointment.

2-20 (d) If Subsection (c) applies, the owner or owners of a
 2-21 majority of the assessed value of the real property in the district
 2-22 may submit a petition to the Texas Commission on Environmental
 2-23 Quality requesting that the commission appoint as successor
 2-24 temporary directors the five persons named in the petition. The
 2-25 commission shall appoint as successor temporary directors the five
 2-26 persons named in the petition.

2-27 [Sections 8367.053-8367.100 reserved for expansion]

2-28 SUBCHAPTER C. POWERS AND DUTIES

2-29 Sec. 8367.101. GENERAL POWERS AND DUTIES. The district has
 2-30 the powers and duties necessary to accomplish the purposes for
 2-31 which the district is created.

2-32 Sec. 8367.102. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-33 DUTIES. The district has the powers and duties provided by the
 2-34 general law of this state, including Chapters 49 and 54, Water Code,
 2-35 applicable to municipal utility districts created under Section 59,
 2-36 Article XVI, Texas Constitution.

2-37 Sec. 8367.103. AUTHORITY FOR ROAD PROJECTS. (a) Under
 2-38 Section 52, Article III, Texas Constitution, the district may
 2-39 design, acquire, construct, finance, issue bonds for, improve, and
 2-40 convey to this state, a county, or a municipality for operation and
 2-41 maintenance macadamized, graveled, or paved roads described by
 2-42 Section 54.234, Water Code, or improvements, including storm
 2-43 drainage, in aid of those roads.

2-44 (b) The district may exercise the powers provided by this
 2-45 section without submitting a petition to or obtaining approval from
 2-46 the Texas Commission on Environmental Quality as required by
 2-47 Section 54.234, Water Code.

2-48 Sec. 8367.104. APPROVAL OF ROAD PROJECT. (a) The district
 2-49 may not undertake a road project authorized by Section 8367.103
 2-50 unless:

2-51 (1) each municipality or county that will operate and
 2-52 maintain the road has approved the plans and specifications of the
 2-53 road project, if a municipality or county will operate and maintain
 2-54 the road; or

2-55 (2) the Texas Transportation Commission has approved
 2-56 the plans and specifications of the road project, if the state will
 2-57 operate and maintain the road.

2-58 (b) Except as provided by Subsection (a), the district is
 2-59 not required to obtain approval from the Texas Transportation
 2-60 Commission to design, acquire, construct, finance, issue bonds for,
 2-61 improve, or convey a road project.

2-62 Sec. 8367.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
 2-63 OR RESOLUTION. The district shall comply with all applicable
 2-64 requirements of any ordinance or resolution that is adopted under
 2-65 Section 54.016 or 54.0165, Water Code, and that consents to the
 2-66 creation of the district or to the inclusion of land in the
 2-67 district.

2-68 Sec. 8367.106. LIMITATION ON USE OF EMINENT DOMAIN. The
 2-69 district may not exercise the power of eminent domain outside the

3-1 district to acquire a site or easement for:
 3-2 (1) a road project authorized by Section 8367.103; or
 3-3 (2) a recreational facility as defined by Section
 3-4 49.462, Water Code.
 3-5 Sec. 8367.107. DIVISION OF DISTRICT. (a) The district may
 3-6 be divided into two or more new districts only if the district:
 3-7 (1) has no outstanding bonded debt; and
 3-8 (2) is not imposing ad valorem taxes.
 3-9 (b) This chapter applies to any new district created by the
 3-10 division of the district, and a new district has all the powers and
 3-11 duties of the district.
 3-12 (c) Any new district created by the division of the district
 3-13 may not, at the time the new district is created, contain any land
 3-14 outside the area described by Section 2 of the Act creating this
 3-15 chapter.
 3-16 (d) The board, on its own motion or on receipt of a petition
 3-17 signed by the owner or owners of a majority of the assessed value of
 3-18 the real property in the district, may adopt an order dividing the
 3-19 district.
 3-20 (e) The board may adopt an order dividing the district
 3-21 before or after the date the board holds an election under Section
 3-22 8367.003 to confirm the district's creation.
 3-23 (f) An order dividing the district:
 3-24 (1) shall:
 3-25 (A) name each new district;
 3-26 (B) include the metes and bounds of each new
 3-27 district;
 3-28 (C) appoint temporary directors for each new
 3-29 district, or provide that the owner or owners of a majority of the
 3-30 assessed value of the real property in each new district may submit
 3-31 a petition to the Texas Commission on Environmental Quality
 3-32 requesting that the commission appoint as temporary directors the
 3-33 five persons named in the petition; and
 3-34 (D) provide for the division of assets and
 3-35 liabilities between or among the new districts; and
 3-36 (2) is subject to a confirmation election in each new
 3-37 district.
 3-38 (g) On or before the 30th day after the date of adoption of
 3-39 an order dividing the district, the district shall file the order
 3-40 with the Texas Commission on Environmental Quality and record the
 3-41 order in the real property records of each county in which the
 3-42 district is located.
 3-43 (h) Any new district created by the division of the district
 3-44 shall hold a confirmation and directors' election as required by
 3-45 Section 8367.003. The results of that election must be filed as
 3-46 required by Sections 49.102(e) and (f), Water Code. If the voters
 3-47 of a new district do not confirm the creation of the new district,
 3-48 the assets, liabilities, territory, and governance of the new
 3-49 district revert to the original district.
 3-50 (i) Municipal consent to the creation of the district and to
 3-51 the inclusion of land in the district granted under Section
 3-52 8367.004 acts as municipal consent to the creation of any new
 3-53 district created by the division of the district and to the
 3-54 inclusion of land in the new district.
 3-55 (j) Any new district created by the division of the district
 3-56 must hold an election as required by this chapter to obtain voter
 3-57 approval before the district may impose a maintenance tax or issue
 3-58 bonds payable wholly or partly from ad valorem taxes.
 3-59 [Sections 8367.108-8367.150 reserved for expansion]
 3-60 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
 3-61 Sec. 8367.151. ELECTIONS REGARDING TAXES OR BONDS.
 3-62 (a) The district may issue, without an election, bonds and other
 3-63 obligations secured by:
 3-64 (1) revenue other than ad valorem taxes; or
 3-65 (2) contract payments described by Section 8367.153.
 3-66 (b) The district must hold an election in the manner
 3-67 provided by Chapters 49 and 54, Water Code, to obtain voter approval
 3-68 before the district may impose an ad valorem tax or issue bonds
 3-69 payable from ad valorem taxes.

4-1 (c) The district may not issue bonds payable from ad valorem
4-2 taxes to finance a road project unless the issuance is approved by a
4-3 vote of a two-thirds majority of the district voters voting at an
4-4 election held for that purpose.

4-5 Sec. 8367.152. OPERATION AND MAINTENANCE TAX. (a) If
4-6 authorized at an election held under Section 8367.151, the district
4-7 may impose an operation and maintenance tax on taxable property in
4-8 the district in accordance with Section 49.107, Water Code.

4-9 (b) The board shall determine the tax rate. The rate may not
4-10 exceed the rate approved at the election.

4-11 Sec. 8367.153. CONTRACT TAXES. (a) In accordance with
4-12 Section 49.108, Water Code, the district may impose a tax other than
4-13 an operation and maintenance tax and use the revenue derived from
4-14 the tax to make payments under a contract after the provisions of
4-15 the contract have been approved by a majority of the district voters
4-16 voting at an election held for that purpose.

4-17 (b) A contract approved by the district voters may contain a
4-18 provision stating that the contract may be modified or amended by
4-19 the board without further voter approval.

4-20 [Sections 8367.154-8367.200 reserved for expansion]

4-21 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-22 Sec. 8367.201. AUTHORITY TO ISSUE BONDS AND OTHER
4-23 OBLIGATIONS. The district may issue bonds or other obligations
4-24 payable wholly or partly from ad valorem taxes, impact fees,
4-25 revenue, contract payments, grants, or other district money, or any
4-26 combination of those sources, to pay for any authorized district
4-27 purpose.

4-28 Sec. 8367.202. TAXES FOR BONDS. At the time the district
4-29 issues bonds payable wholly or partly from ad valorem taxes, the
4-30 board shall provide for the annual imposition of a continuing
4-31 direct ad valorem tax, without limit as to rate or amount, while all
4-32 or part of the bonds are outstanding as required and in the manner
4-33 provided by Sections 54.601 and 54.602, Water Code.

4-34 Sec. 8367.203. BONDS FOR ROAD PROJECTS. At the time of
4-35 issuance, the total principal amount of bonds or other obligations
4-36 issued or incurred to finance road projects and payable from ad
4-37 valorem taxes may not exceed one-fourth of the assessed value of the
4-38 real property in the district.

4-39 SECTION 2. The Liberty County Municipal Utility District
4-40 No. 6 initially includes all the territory contained in the
4-41 following area:

4-42 BEING A 1,393.8 ACRE TRACT OF LAND SITUATED IN THE MARY
4-43 MAGRUDER SURVEY, ABSTRACT 311, LIBERTY COUNTY, TEXAS, BEING OUT OF
4-44 THAT CALLED 3,696.8474 ACRE TRACT DESCRIBED IN DEED TO FORESTAR
4-45 (USA) REAL ESTATE GROUP INC. RECORDED UNDER FILE NUMBER 20070657801
4-46 OF THE HARRIS COUNTY DEED RECORDS AND FILE NUMBER 2007014954 OF THE
4-47 LIBERTY COUNTY DEED RECORDS, SAID 1,393.8 ACRE TRACT BEING MORE
4-48 PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, (BEARINGS
4-49 BASED ON THE TEXAS COORDINATE SYSTEM OF 1983, SOUTH CENTRAL ZONE, AS
4-50 DETERMINED BY GPS MEASUREMENTS):

4-51 BEGINNING AT A FOUND CONCRETE MONUMENT WITH BRASS DISK
4-52 STAMPED 'L7' FOR THE NORTHEAST CORNER OF THE CALLED 3,696.8474 ACRE
4-53 TRACT, THE NORTHEAST CORNER OF SAID MARY MAGRUDER SURVEY, A-311,
4-54 THE SOUTHEAST CORNER OF THE H.T.&B.R.R. NO. 13 1/2 SURVEY, A-635,
4-55 THE SOUTHWEST CORNER OF THE W. MCWILKINSON SURVEY, A-317, AND THE
4-56 NORTHWEST CORNER OF THE H.B. WITHAM SURVEY, A-395, FROM WHICH FOUND
4-57 A 1-1/2-INCH AXLE BEARS SOUTH 85° WEST, 0.6 FEET;

4-58 THENCE SOUTH 01°30'36" EAST, 5,337.88 FEET, ALONG THE COMMON
4-59 LINE BETWEEN SAID MARY MAGRUDER SURVEY, ABSTRACT 311, AND SAID H.B.
4-60 WITHAM SURVEY, ABSTRACT 395 TO A BROKEN CONCRETE MONUMENT FOUND ON
4-61 THE NORTH LINE OF THE E. KING SURVEY, ABSTRACT 57, AND MARKING THE
4-62 SOUTHWEST CORNER OF SAID H.B. WITHAM SURVEY, ABSTRACT 395, THE
4-63 SOUTHEAST CORNER OF THE MARY MAGRUDER SURVEY, ABSTRACT 311, AND THE
4-64 MOST EASTERLY SOUTHEAST CORNER OF THE HEREIN DESCRIBED TRACT, FROM
4-65 WHICH A 18-INCH PINE TREE BEARS SOUTH 30° WEST, 17.8 FEET AND A
4-66 36-INCH OAK BEARS NORTH 18° EAST, 29.3 FEET;

4-67 THENCE SOUTH 86°34'11" WEST, WITH THE NORTH LINE OF SAID E.
4-68 KING SURVEY, ABSTRACT 57, 10.33 FEET, TO A BROKEN CONCRETE MONUMENT
4-69 FOUND FOR AN ANGLE POINT IN THE EASTERLY SOUTH LINE OF THE HEREIN

5-1 DESCRIBED TRACT, FROM WHICH A FOUND AXLE BEARS SOUTH 24°51' EAST,
5-2 1.2 FEET;
5-3 THENCE SOUTH 88°14'17" WEST, WITH THE COMMON LINE BETWEEN SAID
5-4 MARY MAGRUDER SURVEY, ABSTRACT 311 AND SAID E. KING SURVEY,
5-5 ABSTRACT 57, 2,602.14 FEET TO A CONCRETE MONUMENT FOUND FOR AN ANGLE
5-6 POINT IN THE EASTERLY SOUTH LINE OF THE HEREIN DESCRIBED TRACT, FROM
5-7 WHICH A FOUND AXLE BEARS SOUTH 53°49' WEST, 1.1 FEET;
5-8 THENCE SOUTH 88°10'22" WEST, WITH THE COMMON LINE BETWEEN SAID
5-9 MARY MAGRUDER SURVEY, ABSTRACT 311 AND SAID E. KING SURVEY,
5-10 ABSTRACT 57, 8,068.22 FEET TO THE SOUTHWESTERLY CORNER OF THE
5-11 HEREIN DESCRIBED TRACT BEING IN THE COMMON LINE BETWEEN HARRIS
5-12 COUNTY AND LIBERTY COUNTY;
5-13 THENCE NORTH 20°11'08" WEST, WITH THE COMMON LINE BETWEEN
5-14 HARRIS COUNTY AND LIBERTY COUNTY, 5,390.36 FEET TO THE
5-15 NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT BEING IN A
5-16 NORTHERLY LINE OF THE AFOREMENTIONED 3,696.8474 ACRE TRACT;
5-17 THENCE NORTH 87°36'01" EAST, WITH THE NORTHERLY LINE OF SAID
5-18 3,696.8474 ACRE TRACT, 3,373.86 FEET TO A 1/2-INCH IRON ROD FOUND
5-19 FOR CORNER;
5-20 THENCE NORTH 02°23'59" WEST, CONTINUING ALONG THE NORTHERLY
5-21 LINE OF SAID 3,696.8474 ACRE TRACT, 100.00 FEET TO A CALCULATED
5-22 CORNER FROM WHICH A 1/2-INCH IRON ROD FOUND BEARS NO°W, 0.2 FEET AND
5-23 A 1/2-INCH IRON ROD FOUND BEARS N12°W, 6.7 FEET, BEING ON THE NORTH
5-24 LINE OF THE MARY MAGRUDER SURVEY, ABSTRACT 311 AND THE W.R. SEARCY
5-25 NO. 14 1/2 SURVEY, ABSTRACT 792, LIBERTY COUNTY, TEXAS;
5-26 THENCE NORTH 87°37'52" EAST, ALONG THE NORTH LINE OF THE MARY
5-27 MAGRUDER SURVEY, ABSTRACT 311 AND GENERALLY WITH THE SOUTH LINE OF
5-28 THE W.R. SEARCY NO. 14 1/2, ABSTRACT 792, AND THE SOUTH LINE OF SAID
5-29 H.T. & B. R.R. NO. 13 1/2 SURVEY, ABSTRACT 635, A DISTANCE OF
5-30 9,035.70 FEET TO THE POINT OF BEGINNING AND CONTAINING 1,393.8
5-31 ACRES OF LAND.
5-32 SECTION 3. (a) The legal notice of the intention to
5-33 introduce this Act, setting forth the general substance of this
5-34 Act, has been published as provided by law, and the notice and a
5-35 copy of this Act have been furnished to all persons, agencies,
5-36 officials, or entities to which they are required to be furnished
5-37 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-38 Government Code.
5-39 (b) The governor, one of the required recipients, has
5-40 submitted the notice and Act to the Texas Commission on
5-41 Environmental Quality.
5-42 (c) The Texas Commission on Environmental Quality has filed
5-43 its recommendations relating to this Act with the governor, the
5-44 lieutenant governor, and the speaker of the house of
5-45 representatives within the required time.
5-46 (d) All requirements of the constitution and laws of this
5-47 state and the rules and procedures of the legislature with respect
5-48 to the notice, introduction, and passage of this Act are fulfilled
5-49 and accomplished.
5-50 SECTION 4. This Act takes effect immediately if it receives
5-51 a vote of two-thirds of all the members elected to each house, as
5-52 provided by Section 39, Article III, Texas Constitution. If this
5-53 Act does not receive the vote necessary for immediate effect, this
5-54 Act takes effect September 1, 2009.

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