

By: Hegar

S.B. No. 564

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 536; providing authority to impose a tax and issue bonds; granting a limited power of eminent domain.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8436 to read as follows:

CHAPTER 8436. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 536

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8436.001. DEFINITIONS. In this chapter:

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

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a board member.

(4) "District" means the Harris County Municipal Utility District No. 536.

Sec. 8436.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8436.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 8436.004. CONSENT OF MUNICIPALITY REQUIRED. The

1 temporary directors may not hold an election under Section 8436.003  
2 until each municipality in whose corporate limits or  
3 extraterritorial jurisdiction the district is located has  
4 consented by ordinance or resolution to the creation of the  
5 district and to the inclusion of land in the district.

6 Sec. 8436.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
7 The district is created to serve a public purpose and benefit.

8 (b) The district is created to accomplish the purposes of:

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

11 (2) Section 52, Article III, Texas Constitution, that  
12 relate to the construction, acquisition, improvement, operation,  
13 or maintenance of macadamized, graveled, or paved roads, or  
14 improvements, including storm drainage, in aid of those roads.

15 Sec. 8436.006. INITIAL DISTRICT TERRITORY. (a) The  
16 district is initially composed of the territory described by  
17 Section 2 of the Act enacting this chapter.

18 (b) The boundaries and field notes contained in Section 2 of  
19 the Act enacting this chapter form a closure. A mistake made in the  
20 field notes or in copying the field notes in the legislative process  
21 does not affect the district's:

22 (1) organization, existence, or validity;

23 (2) right to issue any type of bond for the purposes  
24 for which the district is created or to pay the principal of and  
25 interest on a bond;

26 (3) right to impose a tax; or

27 (4) legality or operation.

1                   SUBCHAPTER B. BOARD OF DIRECTORS

2                   Sec. 8436.051. GOVERNING BODY; TERMS. (a) The district is  
3 governed by a board of five elected directors.

4                   (b) Except as provided by Section 8436.052, directors serve  
5 staggered four-year terms.

6                   Sec. 8436.052. TEMPORARY DIRECTORS. (a) On or after the  
7 effective date of the Act enacting this chapter, the owner or owners  
8 of a majority of the assessed value of the real property in the  
9 district may submit a petition to the commission requesting that  
10 the commission appoint as temporary directors the five persons  
11 named in the petition. The commission shall appoint as temporary  
12 directors the five persons named in the petition.

13                   (b) Temporary directors serve until the earlier of:

14                   (1) the date permanent directors are elected under  
15 Section 8436.003; or

16                   (2) the fourth anniversary of the effective date of  
17 the Act enacting this chapter.

18                   (c) If permanent directors have not been elected under  
19 Section 8436.003 and the terms of the temporary directors have  
20 expired, successor temporary directors shall be appointed or  
21 reappointed as provided by Subsection (d) to serve terms that  
22 expire on the earlier of:

23                   (1) the date permanent directors are elected under  
24 Section 8436.003; or

25                   (2) the fourth anniversary of the date of the  
26 appointment or reappointment.

27                   (d) If Subsection (c) applies, the owner or owners of a

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

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8436.101. GENERAL POWERS AND DUTIES. The district has  
9 the powers and duties necessary to accomplish the purposes for  
10 which the district is created.

11 Sec. 8436.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
12 DUTIES. The district has the powers and duties provided by the  
13 general law of this state, including Chapters 49 and 54, Water Code,  
14 applicable to municipal utility districts created under Section 59,  
15 Article XVI, Texas Constitution.

16 Sec. 8436.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
17 52, Article III, Texas Constitution, the district may design,  
18 acquire, construct, finance, issue bonds for, improve, operate,  
19 maintain, and convey to this state, a county, or a municipality for  
20 operation and maintenance macadamized, graveled, or paved roads, or  
21 improvements, including storm drainage, in aid of those roads.

22 Sec. 8436.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
23 project must meet all applicable construction standards, zoning and  
24 subdivision requirements, and regulations of each municipality in  
25 whose corporate limits or extraterritorial jurisdiction the road  
26 project is located.

27 (b) If a road project is not located in the corporate limits

1 or extraterritorial jurisdiction of a municipality, the road  
2 project must meet all applicable construction standards,  
3 subdivision requirements, and regulations of each county in which  
4 the road project is located.

5 (c) If the state will maintain and operate the road, the  
6 Texas Transportation Commission must approve the plans and  
7 specifications of the road project.

8 Sec. 8436.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
9 OR RESOLUTION. The district shall comply with all applicable  
10 requirements of any ordinance or resolution that is adopted under  
11 Section 54.016 or 54.0165, Water Code, and that consents to the  
12 creation of the district or to the inclusion of land in the  
13 district.

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 8436.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
16 district may issue, without an election, bonds and other  
17 obligations secured by:

- 18 (1) revenue other than ad valorem taxes; or  
19 (2) contract payments described by Section 8436.153.

20 (b) The district must hold an election in the manner  
21 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
22 before the district may impose an ad valorem tax or issue bonds  
23 payable from ad valorem taxes.

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

1       Sec. 8436.152. OPERATION AND MAINTENANCE TAX. (a) If  
2 authorized at an election held under Section 8436.151, the district  
3 may impose an operation and maintenance tax on taxable property in  
4 the district in accordance with Section 49.107, Water Code.

5       (b) The board shall determine the tax rate. The rate may not  
6 exceed the rate approved at the election.

7       Sec. 8436.153. CONTRACT TAXES. (a) In accordance with  
8 Section 49.108, Water Code, the district may impose a tax other than  
9 an operation and maintenance tax and use the revenue derived from  
10 the tax to make payments under a contract after the provisions of  
11 the contract have been approved by a majority of the district voters  
12 voting at an election held for that purpose.

13       (b) A contract approved by the district voters may contain a  
14 provision stating that the contract may be modified or amended by  
15 the board without further voter approval.

16               SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

17       Sec. 8436.201. AUTHORITY TO ISSUE BONDS AND OTHER  
18 OBLIGATIONS. The district may issue bonds or other obligations  
19 payable wholly or partly from ad valorem taxes, impact fees,  
20 revenue, contract payments, grants, or other district money, or any  
21 combination of those sources, to pay for any authorized district  
22 purpose.

23       Sec. 8436.202. TAXES FOR BONDS. At the time the district  
24 issues bonds payable wholly or partly from ad valorem taxes, the  
25 board shall provide for the annual imposition of a continuing  
26 direct ad valorem tax, without limit as to rate or amount, while all  
27 or part of the bonds are outstanding as required and in the manner

1 provided by Sections 54.601 and 54.602, Water Code.

2 Sec. 8436.203. BONDS FOR ROAD PROJECTS. At the time of  
3 issuance, the total principal amount of bonds or other obligations  
4 issued or incurred to finance road projects and payable from ad  
5 valorem taxes may not exceed one-fourth of the assessed value of the  
6 real property in the district.

7 SECTION 2. The Harris County Municipal Utility District No.  
8 536 initially includes all the territory contained in the following  
9 area:

10 386.04 ACRES OF LAND SITUATED IN THE M.L. SPENCER SURVEY,  
11 ABSTRACT NO. 1455 AND THE MRS. M.L. JONES SURVEY, ABSTRACT NO. 1339  
12 (H. & T.C .R.R. CO. SURVEY, SECTION NO. 62), HARRIS COUNTY, TEXAS,  
13 BEING THE COMBINATION OF THOSE TWO CERTAIN TRACTS OF LAND CALLED FOR  
14 AND DESCRIBED AS BEING 315.63 ACRES BY DEED RECORDED UNDER HARRIS  
15 COUNTY CLERK'S FILE (H.C.C.F.) NO. 20120550787 AND 70.41 ACRES BY  
16 DEED RECORDED UNDER H.C.C.F. NO. 20120593453, THE SAID 386.04 ACRES  
17 BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS,  
18 BASED ON THE CALLS WITHIN THE AFOREMENTIONED DEEDS (WITH BEARINGS  
19 BASED ON TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, SOUTH CENTRAL  
20 ZONE, AS DETERMINED BY GPS MEASUREMENTS, AS STATED IN THE  
21 AFOREMENTIONED DEEDS):

22 BEGINNING at a point marking the northwesterly corner of the  
23 said H. & T.C.C. R.R. Co. Survey, Section 62, the northeasterly  
24 corner of the H. & T. C.C. R.R. Co. Survey, Abstract No. 452,  
25 southeasterly corner of the H. & T. C.C. R.R. Co. Survey, Abstract  
26 No. 453 and the southwesterly corner of the H. & T. C.C. R.R. Co.  
27 Survey, Abstract No. 450, being in the intersection of Katy-Hockley

1 Cut-Off Road (called 60-feet wide at present) and Clay Road (called  
2 60-feet wide at present) and marking the northwesterly corner of  
3 the called 315.63 acre tract of land;

4       THENCE, North 88°05'31" East, along the common line of the  
5 said H. & T.C.C. R.R. Co. Survey, Section 62 and the H. & T. C.C.  
6 R.R. Co. Survey, Abstract No. 450, same being the north line of the  
7 aforementioned M.L. Spencer Survey, Abstract No. 1455, for a  
8 distance of 2,628.13 feet to a point for corner, being the northerly  
9 common corner of the said M.L. Spencer Survey and the  
10 aforementioned Mrs. M.L. Jones Survey, Abstract No. 1339;

11       THENCE, South 01°55'49" East, along the common line of the  
12 said M.L. Spencer Survey and the Mrs. M.L. Jones Survey for a  
13 distance of 1,373.78 feet to a point for corner;

14       THENCE, North 88°04'27" East, a distance of 324.32 feet to a  
15 point for corner marking the southwesterly corner of the called  
16 70.41 acre tract of land;

17       THENCE, North 01°55'47" West, a distance of 1,343.75 feet to a  
18 point for corner in the southerly right-of-way line of the  
19 aforementioned Clay Road;

20       THENCE, North 88°04'27" East, along the southerly  
21 right-of-way line of Clay Road, a distance of 2,282.44 feet to a  
22 point for corner at the intersection with the westerly right-of-way  
23 line of Porter Road (called 60-feet wide at present);

24       THENCE, South 01°55'33" East, along the westerly  
25 right-of-way line of Porter Road, a distance of 1,343.75 feet to a  
26 point for corner;

27       THENCE, South 01°56'43" East, continuing along westerly



1 right-of-way line of Porter Road, a distance of 1,269.46 feet to a  
2 point for corner;

3 THENCE, South 88°04'27" West, a distance of 2,607.00 feet to  
4 a point for corner in the common line of the said M.L. Spencer  
5 Survey and the Mrs. M.L. Jones Survey;

6 THENCE, South 01°55'49" East, along the common line of the  
7 said M.L. Spencer Survey and the Mrs. M.L. Jones Survey for a  
8 distance of 1,321.82 feet to a point for corner;

9 THENCE, South 88°03'16" West, a distance of 2,636.56 feet to  
10 a point for corner being in the westerly line of the said M.L.  
11 Spencer Survey, same being the said H. & T.C.C. R.R. Co. Survey,  
12 Section 62, and the easterly line of the said H. & T.C.C. R.R. Co.  
13 Survey, Abstract No. 452;

14 THENCE, North 01°48'31" West, along the common line of the  
15 said M.L. Spencer Survey and the H. & T. C.C. R.R. Co. Survey,  
16 Abstract No. 452, a distance of 3,966.80 feet to the POINT OF  
17 BEGINNING and containing 386.04 acres of land.

18 SECTION 3. (a) The legal notice of the intention to  
19 introduce this Act, setting forth the general substance of this  
20 Act, has been published as provided by law, and the notice and a  
21 copy of this Act have been furnished to all persons, agencies,  
22 officials, or entities to which they are required to be furnished  
23 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
24 Government Code.

25 (b) The governor, one of the required recipients, has  
26 submitted the notice and Act to the Texas Commission on  
27 Environmental Quality.

1           (c) The Texas Commission on Environmental Quality has filed  
2 its recommendations relating to this Act with the governor, the  
3 lieutenant governor, and the speaker of the house of  
4 representatives within the required time.

5           (d) All requirements of the constitution and laws of this  
6 state and the rules and procedures of the legislature with respect  
7 to the notice, introduction, and passage of this Act are fulfilled  
8 and accomplished.

9           SECTION 4. (a) If this Act does not receive a two-thirds  
10 vote of all the members elected to each house, Subchapter C, Chapter  
11 8436, Special District Local Laws Code, as added by Section 1 of  
12 this Act, is amended by adding Section 8436.106 to read as follows:

13           Sec. 8436.106. NO EMINENT DOMAIN POWER. The district may  
14 not exercise the power of eminent domain.

15           (b) This section is not intended to be an expression of a  
16 legislative interpretation of the requirements of Section 17(c),  
17 Article I, Texas Constitution.

18           SECTION 5. This Act takes effect immediately if it receives  
19 a vote of two-thirds of all the members elected to each house, as  
20 provided by Section 39, Article III, Texas Constitution. If this  
21 Act does not receive the vote necessary for immediate effect, this  
22 Act takes effect September 1, 2013.