

By: Hegar

S.B. No. 1073

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 534; 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 8438 to read as follows:

CHAPTER 8438. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 534

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8438.001. 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. 534.

Sec. 8438.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8438.003. 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. 8438.004. CONSENT OF MUNICIPALITY REQUIRED. The

1 temporary directors may not hold an election under Section 8438.003  
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. 8438.005. 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. 8438.006. 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. 8438.051. GOVERNING BODY; TERMS. (a) The district is  
3 governed by a board of five elected directors.

4                   (b) Except as provided by Section 8438.052, directors serve  
5 staggered four-year terms.

6                   Sec. 8438.052. 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 8438.003; 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 8438.003 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 8438.003; 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. 8438.101. 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. 8438.102. 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. 8438.103. 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. 8438.104. 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, zoning and  
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. 8438.105. 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. 8438.151. 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 8438.153.

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. 8438.152. OPERATION AND MAINTENANCE TAX. (a) If  
2 authorized at an election held under Section 8438.151, 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. 8438.153. 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. 8438.201. 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. 8438.202. 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. 8438.203. 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.  
8 534 initially includes all the territory contained in the following  
9 area:

10 BEING a 559.0006 acre tract of land situated in Section 58,  
11 Block 2 of the H. & T.C.R.R. Company Survey (George Spencer Survey),  
12 Abstract No.1368 of Harris County, Texas and being all of a called  
13 240 acre tract of land described in an instrument to Jesse Freeman  
14 filed for record under Volume 599, Page 501 of the Harris County  
15 Deed Records (H.C.D.R.) and a portion of a called 320 acre tract of  
16 land described in an instrument to Jesse Freeman filed for record  
17 under Volume 3515, Page 383 H.C.D.R. , said 559.0006 acre tract of  
18 land being more particularly described by metes and bounds as  
19 follows:

20 BEGINNING at a railroad spike in asphalt found in the  
21 centerline of Katy-Hockley Cut-Off Road (60-foot width) and  
22 Longenbaugh Road (60-foot width) for the Northeast corner of said  
23 Section 69 Block 2 of the H. & T.C.R.R. Company Survey Abstract No.  
24 459, same being the Southwest corner of Section 57, Block 2 of the  
25 H. & T.C.R.R. Company Survey, Abstract No. 443, the Northwest  
26 corner of Section 58, Block 2 of the H.& T. C. R.R. Company Survey  
27 (George Spencer Survey), Abstract No. 1368 and the Southeast corner

1 of the J.E. Cabaniss Survey, Abstract No. 1470 which is out of  
2 Section 70, Block 2 of the H. & T.C.R.R. Company Survey;

3       THENCE, N 87° 51' 45" E, a distance of 5,286.01 feet along and  
4 with the North line of said Section 58, the North lines of said 240  
5 acre tract and said 320 acre tract, the South line of said Section  
6 57 and the centerline of said Longenbaugh Road to a 1/2-inch iron  
7 rod found in asphalt at the centerline intersection of Longenbaugh  
8 Road (60-foot width) and Porter Road (60-foot width) same being the  
9 Northeast corner of said Section 58, the Northeast corner of said  
10 320 acre tract, the Southeast corner of said Section 57, the  
11 Northwest corner of Section 49, Block 2 of the H. & T.C.R.R. Company  
12 Survey Abstract No. 441 and the Southwest corner of the J.R. Garrett  
13 Survey, Abstract No. 1396;

14       THENCE, S 02° 02' 45" E, a distance of 5,145.59 feet along and  
15 with the East line of said 320 acre tract, the East line of said  
16 Section 58 and the West line of said Section 49 and the centerline  
17 of said Porter Road (60-foot width) to a point for corner;

18       THENCE, S 87° 57' 15" W, a distance of 30.00 feet to a point  
19 for corner in the West right-of-way line of said Porter Road and  
20 being the North end of the Northwest cut-back corner at the  
21 intersection of Farm-to-Market Road 529 (H.C.C.F. No. C254043) and  
22 Porter Road;

23       THENCE, S 43° 18' 01" W, a distance of 134.45 feet along and  
24 with the Northwest cut-back at the intersection of Farm-to-Market  
25 Road 529 and Porter Road to a 4"x4" concrete monument found in the  
26 North right-of-way line of said Farm-to-Market Road 529 (120-foot  
27 width) for the South corner of said Northwest cut-back;



1           THENCE, S 88° 19' 38" W, a distance of 1,847.77 feet along and  
2 with the North right-of-way line of said Farm-to-Market Road 529  
3 (120-foot width) to an angle point;

4           THENCE, S 87° 54' 38" W, a distance of 677.08 feet along and  
5 with the North right-of-way line of said Farm-to-Market Road 529 to  
6 a point for corner in the West line of said 320 acre tract, same  
7 being the Southeast corner of a called 72.792 acre tract of land  
8 described in an instrument to FM 529 Cut Off Ltd filed for record  
9 under Harris County Clerk's File Number (H.C.C.F. No.) 20070284854  
10 and from which a 5/8-inch iron rod with cap stamped "Kalkomey  
11 Surveying" bears S 01°51' 46" E, 0.60 feet;

12           THENCE, N 01° 51' 46" W, a distance of 1,223.28 feet along and  
13 with the East line of said 72.792 acre tract and the West line of  
14 said 320 acre tract to a 5/8-inch iron rod with cap stamped  
15 "Kalkomey Surveying" found for the Northeast corner of said 72.792  
16 acre tract and the Southeast corner of said 240 acre tract;

17           THENCE, S 88° 32' 00" W, a distance of 2,635.40 feet along and  
18 with the North line of said 72.792 acre tract and the South line of  
19 said 240 acre tract to a point for corner in the centerline of said  
20 Katy-Hockley Cut-Off Road (60-foot width) being the Southwest  
21 corner of said 240 acre tract, same being in the West line of said  
22 Section 58, the East line of said Section 69 and from which a  
23 5/8-inch iron rod with cap stamped "Kalkomey Surveying" bears N 88°  
24 32' E, 30.95 feet;

25           THENCE, N 02° 06' 22" W, a distance of 3,970.20 feet along and  
26 with the centerline of said Katy-Hockley Cut-Off Road, the West  
27 line of said Section 58 and said 240 acre tract and the East line of

1 said Section 69 to the POINT OF BEGINNING and containing 559.0006  
2 acres of land.

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

10 (b) The governor, one of the required recipients, has  
11 submitted the notice and Act to the Texas Commission on  
12 Environmental Quality.

13 (c) The Texas Commission on Environmental Quality has filed  
14 its recommendations relating to this Act with the governor, the  
15 lieutenant governor, and the speaker of the house of  
16 representatives within the required time.

17 (d) All requirements of the constitution and laws of this  
18 state and the rules and procedures of the legislature with respect  
19 to the notice, introduction, and passage of this Act are fulfilled  
20 and accomplished.

21 SECTION 4. (a) If this Act does not receive a two-thirds  
22 vote of all the members elected to each house, Subchapter C, Chapter  
23 8438, Special District Local Laws Code, as added by Section 1 of  
24 this Act, is amended by adding Section 8438.106 to read as follows:

25 Sec. 8438.106. NO EMINENT DOMAIN POWER. The district may  
26 not exercise the power of eminent domain.

27 (b) This section is not intended to be an expression of a

1 legislative interpretation of the requirements of Section 17(c),  
2 Article I, Texas Constitution.

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