

By: Schofield

H.B. No. 4162

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 539; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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 7904 to read as follows:

CHAPTER 7904. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 539

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7904.001. 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. 539.

Sec. 7904.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7904.003. 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.

1       Sec. 7904.004. CONSENT OF MUNICIPALITY REQUIRED. The  
2 temporary directors may not hold an election under Section 7904.003  
3 until each municipality in whose corporate limits or  
4 extraterritorial jurisdiction the district is located has  
5 consented by ordinance or resolution to the creation of the  
6 district and to the inclusion of land in the district.

7       Sec. 7904.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.  
8 (a) The district is created to serve a public purpose and benefit.

9       (b) The district is created to accomplish the purposes of:  
10       (1) a municipal utility district as provided by  
11 general law and Section 59, Article XVI, Texas Constitution; and  
12       (2) Section 52, Article III, Texas Constitution, that  
13 relate to the construction, acquisition, improvement, operation,  
14 or maintenance of macadamized, graveled, or paved roads, or  
15 improvements, including storm drainage, in aid of those roads.

16       Sec. 7904.006. INITIAL DISTRICT TERRITORY. (a) The  
17 district is initially composed of the territory described by  
18 Section 2 of the Act enacting this chapter.

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

23       (1) organization, existence, or validity;  
24       (2) right to issue any type of bond for the purposes  
25 for which the district is created or to pay the principal of and  
26 interest on a bond;  
27       (3) right to impose a tax; or

1           (4) legality or operation.

2                   SUBCHAPTER B. BOARD OF DIRECTORS

3           Sec. 7904.051. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5           (b) Except as provided by Section 7904.052, directors serve  
6 staggered four-year terms.

7           Sec. 7904.052. TEMPORARY DIRECTORS. (a) On or after the  
8 effective date of the Act enacting this chapter, the owner or owners  
9 of a majority of the assessed value of the real property in the  
10 district may submit a petition to the commission requesting that  
11 the commission appoint as temporary directors the five persons  
12 named in the petition. The commission shall appoint as temporary  
13 directors the five persons named in the petition.

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

15                   (1) the date permanent directors are elected under  
16 Section 7904.003; or

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

19           (c) If permanent directors have not been elected under  
20 Section 7904.003 and the terms of the temporary directors have  
21 expired, successor temporary directors shall be appointed or  
22 reappointed as provided by Subsection (d) to serve terms that  
23 expire on the earlier of:

24                   (1) the date permanent directors are elected under  
25 Section 7904.003; or

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

1        (d) If Subsection (c) applies, the owner or owners of a  
2 majority of the assessed value of the real property in the district  
3 may submit a petition to the commission requesting that the  
4 commission appoint as successor temporary directors the five  
5 persons named in the petition. The commission shall appoint as  
6 successor temporary directors the five persons named in the  
7 petition.

8                    SUBCHAPTER C. POWERS AND DUTIES

9        Sec. 7904.101. GENERAL POWERS AND DUTIES. The district has  
10 the powers and duties necessary to accomplish the purposes for  
11 which the district is created.

12        Sec. 7904.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
13 DUTIES. The district has the powers and duties provided by the  
14 general law of this state, including Chapters 49 and 54, Water Code,  
15 applicable to municipal utility districts created under Section 59,  
16 Article XVI, Texas Constitution.

17        Sec. 7904.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
18 52, Article III, Texas Constitution, the district may design,  
19 acquire, construct, finance, issue bonds for, improve, operate,  
20 maintain, and convey to this state, a county, or a municipality for  
21 operation and maintenance macadamized, graveled, or paved roads, or  
22 improvements, including storm drainage, in aid of those roads.

23        Sec. 7904.104. ROAD STANDARDS AND REQUIREMENTS. (a) A  
24 road project must meet all applicable construction standards,  
25 zoning and subdivision requirements, and regulations of each  
26 municipality in whose corporate limits or extraterritorial  
27 jurisdiction the road project is located.

1        (b) If a road project is not located in the corporate limits  
2 or extraterritorial jurisdiction of a municipality, the road  
3 project must meet all applicable construction standards,  
4 subdivision requirements, and regulations of each county in which  
5 the road project is located.

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

9        Sec. 7904.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
10 OR RESOLUTION. The district shall comply with all applicable  
11 requirements of any ordinance or resolution that is adopted under  
12 Section 54.016 or 54.0165, Water Code, and that consents to the  
13 creation of the district or to the inclusion of land in the  
14 district.

15                SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16        Sec. 7904.151. ELECTIONS REGARDING TAXES OR BONDS. (a)  
17 The district may issue, without an election, bonds and other  
18 obligations secured by:

19                (1) revenue other than ad valorem taxes; or

20                (2) contract payments described by Section 7904.153.

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

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

election held for that purpose.

Sec. 7904.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7904.151, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

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

Sec. 7904.153. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

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

#### SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7904.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7904.202. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all

or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7904.203. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. The Harris County Municipal Utility District No. 539 initially includes all the territory contained in the following area:

DESCRIPTION OF A 620.6117 ACRE TRACT OF LAND SITUATED IN THE H.&T.C. R.R. SURVEY, A-463, HARRIS COUNTY, TEXAS, BEING A CALLED 620.6117 ACRE TRACT OF LAND DESCRIBED IN DEED TO JOHN S. BEESON, JOHN STEPHEN FORD, SR., AND STEVEN A. WEBSTER RECORDED UNDER HARRIS COUNTY CLERKS FILE NUMBER (H.C.C.F. No.) 20140311385 OF THE OFFICIAL PUBLIC RECORDS OF REAL PROPERTY (O.P.R.O.R.P.); SAID 620.6117 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS WITH ALL BEARINGS BASED ON THE SAID DEED CALLS;

BEGINNING at the northeast corner of the intersection of Beckendorff Road (60 foot right-of-way) recorded in Volume 219, Page 352 of the Harris County Deed Records (H.C.D.R.) and Pitts Road (80 foot right-of-way) recorded in Volume 1420, Page 242 of the H.C.D.R. same being the southwest corner of the herein described 620.6117 acre tract;

THENCE, North 02° 03' 50" West, along the east right-of-way of Pitts Road a distance of 5,091.27 feet to the southwest cut-back corner of the southeast intersection of Pitts Road and F.M. 529 (120

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1 foot right-of-way) recorded under H.C.C.F. No. C405638  
2 O.P.R.O.R.P.;

3 THENCE, North 42° 59' 48" East, a distance of 120.21 feet to  
4 the northeast cut-back corner of the southeast intersection of  
5 Pitts Road and F.M. 529;

6 THENCE, North 87° 59' 48" East, along the south right-of-way  
7 of F.M. 529 a distance of 3,562.46 feet to an angle point;

8 THENCE, North 87° 52' 48" East, continuing along the south  
9 right-of-way of F.M. 529 a distance of 1,473.50 feet to a to the  
10 northwest cut-back corner of the southwest intersection of F.M. 529  
11 and New Katy Hockley Road (60 foot right-of-way) as occupied;

12 THENCE, South 47° 07' 12" East, a distance of 132.22 feet to  
13 the southeast cut-back corner of the southwest intersection of F.M.  
14 529 and New Katy Hockley Road;

15 THENCE, South 02° 09' 12" East, along the west right-of-way of  
16 New Katy Hockley Road a distance of 5,096.26 feet to the northwest  
17 corner of the intersection of New Katy Hockley Road and Beckendorff  
18 Road;

19 THENCE, South 88° 06' 34" West, along the north right-of-way  
20 of Beckendorff Road a distance of 5,222.59 feet to the POINT OF  
21 BEGINNING, and containing 620.6117 acres of land.

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



1 Government Code.

2 (b) The governor, one of the required recipients, has  
3 submitted the notice and Act to the Texas Commission on  
4 Environmental Quality.

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

9 (d) All requirements of the constitution and laws of this  
10 state and the rules and procedures of the legislature with respect  
11 to the notice, introduction, and passage of this Act are fulfilled  
12 and accomplished.

13 SECTION 4. (a) If this Act does not receive a two-thirds  
14 vote of all the members elected to each house, Subchapter C, Chapter  
15 7904, Special District Local Laws Code, as added by Section 1 of  
16 this Act, is amended by adding Section 7904.106 to read as follows:

17 Sec. 7904.106. NO EMINENT DOMAIN POWER. The district may  
18 not exercise the power of eminent domain.

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

22 SECTION 5. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2015.