

By: Kolchorst  
(Schofield)

S.B. No. 2013

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 538; 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 7903 to read as follows:

CHAPTER 7903. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 538

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7903.001. 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. 538.

Sec. 7903.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7903.003. 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. 7903.004. CONSENT OF MUNICIPALITY REQUIRED. The  
2 temporary directors may not hold an election under Section 7903.003  
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. 7903.005. 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. 7903.006. 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. 7903.051. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5           (b) Except as provided by Section 7903.052, directors serve  
6 staggered four-year terms.

7           Sec. 7903.052. TEMPORARY DIRECTORS. (a) The temporary  
8 board consists of:

9                   (1) Garner P. Strickland, IV;

10                   (2) Cameron Franz;

11                   (3) Jacob Baker;

12                   (4) Andrew J. Clark, IV; and

13                   (5) William R. Murphy, Jr.

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

15                   (1) the date permanent directors are elected under  
16 Section 7903.003; 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 7903.003 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 7903.003; 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. 7903.101. 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. 7903.102. 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. 7903.103. 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. 7903.104. 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. 7903.105. 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. 7903.151. ELECTIONS REGARDING TAXES OR BONDS.

17 (a) 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 7903.153.

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

1 election held for that purpose.

2 Sec. 7903.152. OPERATION AND MAINTENANCE TAX. (a) If  
3 authorized at an election held under Section 7903.151, the district  
4 may impose an operation and maintenance tax on taxable property in  
5 the district in accordance with Section 49.107, Water Code.

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

8 Sec. 7903.153. CONTRACT TAXES. (a) In accordance with  
9 Section 49.108, Water Code, the district may impose a tax other than  
10 an operation and maintenance tax and use the revenue derived from  
11 the tax to make payments under a contract after the provisions of  
12 the contract have been approved by a majority of the district voters  
13 voting at an election held for that purpose.

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

17 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

18 Sec. 7903.201. AUTHORITY TO ISSUE BONDS AND OTHER  
19 OBLIGATIONS. The district may issue bonds or other obligations  
20 payable wholly or partly from ad valorem taxes, impact fees,  
21 revenue, contract payments, grants, or other district money, or any  
22 combination of those sources, to pay for any authorized district  
23 purpose.

24 Sec. 7903.202. TAXES FOR BONDS. At the time the district  
25 issues bonds payable wholly or partly from ad valorem taxes, the  
26 board shall provide for the annual imposition of a continuing  
27 direct ad valorem tax, without limit as to rate or amount, while all

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

3 Sec. 7903.203. BONDS FOR ROAD PROJECTS. At the time of  
4 issuance, the total principal amount of bonds or other obligations  
5 issued or incurred to finance road projects and payable from ad  
6 valorem taxes may not exceed one-fourth of the assessed value of the  
7 real property in the district.

8 SECTION 2. The Harris County Municipal Utility District  
9 No. 538 initially includes all the territory contained in the  
10 following area:

11 A METES & BOUNDS description of a 395.96 acre tract of land in  
12 the William Salyars Survey, Abstract 1532, and the H. & T. C.  
13 Railroad Company Survey Section 59, Abstract 444, Harris County,  
14 Texas, being comprised of that certain called 80.031 acre tract and  
15 the residue of that certain called 159.912 acre tract and recorded  
16 under County Clerk's File Number Z418073, Official Public Records  
17 of Real Property, Harris County, Texas, and that certain called  
18 157.727 acre tract recorded under County Clerk's File Number  
19 20140061554, Official Public Records of Real Property, Harris  
20 County, Texas with all bearings based upon the south line of said  
21 called 157.727 acre tract as being South 87 degrees 53 minutes 07  
22 seconds West (called South 87 degrees 53 minutes 07 seconds West).

23 Beginning at the southwest corner of said H. & T. C. Railroad  
24 Company Survey Section 59, Abstract 444, being the northwest corner  
25 of the Lafayette Shirar Survey, Abstract 1489, the northeast corner  
26 of the H. & T. C. Railroad Company Survey Section 67, Abstract 453,  
27 and the southeast corner of the Chancey Lowery Survey, Abstract

1 1551, said point also being the southwest corner of said called  
2 80.031 acre tract, same being the northwest corner of an adjoining  
3 called 14 acre tract described in deed recorded in Volume 2936, Page  
4 109, Deed Records, Harris County, Texas, the northeast corner of an  
5 adjoining called 125 acre tract described in deed recorded under  
6 County Clerk's File Number H729514, Official Public Records of Real  
7 Property, Harris County, Texas, and the southeast corner of an  
8 adjoining residue of a called 80.2830 acre tract described in deed  
9 recorded under County Clerk's File Number P705419, Official Public  
10 Records of Real Property, Harris County, Texas, for the upper  
11 southwest corner and Place of Beginning of the herein described  
12 395.96 acre tract of land, said point also being at the intersection  
13 of Katy Hockley Cut-Off Road (60-feet wide) with Beckendorff Road  
14 (60-feet wide);

15       Thence North 02 degrees 06 minutes 27 seconds West along a  
16 west line of the herein described tract, the west line of said  
17 called 80.031 acre tract, and the west line of said H. & T. C.  
18 Railroad Company Survey Section 59, Abstract 444, same being the  
19 east line of said adjoining residue of a called 80.2830 acre tract,  
20 the east line of said Chancey Lowery Survey, Abstract 1551, and  
21 along the east line of an adjoining called 1.2638 acre tract  
22 recorded under County Clerk's File Number V036128, Official Public  
23 Records of Real Property, Harris County, Texas, as located in Katy  
24 Hockley Cut-Off Road, 1,321.69 feet to the lower northwest corner  
25 of the herein described tract and the northwest corner of said  
26 called 80.031 acre tract;

27       Thence North 87 degrees 54 minutes 05 seconds East along a



1 north line of the herein described tract and the north line of said  
2 called 80.031 acre tract, same being the south line of the adjoining  
3 Hidden Forest Estates Subdivision according to map or plat thereof  
4 recorded in Volume 410, Page 35, Map Records, Harris County, Texas,  
5 2,639.09 feet to a reentry corner to the herein described tract,  
6 being the northeast corner of said called 80.031 acre tract, same  
7 being the southeast corner of said adjoining Hidden Forest Estates  
8 Subdivision, and being in the west line of said called 157.727 acre  
9 tract;

10 Thence North 02 degrees 04 minutes 34 seconds West along the  
11 upper west line of the herein described tract and the west line of  
12 said called 157.727 acre tract, same being the east line of said  
13 adjoining Hidden Forest Estates Subdivision, 1,314.42 feet to the  
14 northeast corner of said adjoining Hidden Forest Estates  
15 Subdivision for angle point, being the southeast corner of an  
16 adjoining called 54.245 acre tract recorded under County Clerk's  
17 File Number J047965, Official Public Records of Real Property,  
18 Harris County, Texas;

19 Thence North 02 degrees 22 minutes 20 seconds West continuing  
20 along the upper west line of the herein described tract and the west  
21 line of said called 157.727 acre tract, 2,590.05 feet to the upper  
22 northwest corner of the herein described tract and the northwest  
23 corner of said called 157.727 acre tract, same being the northeast  
24 corner of an adjoining called 100.000 acre tract recorded under  
25 County Clerk's File Number H541658, Official Public Records of Real  
26 Property, Harris County, Texas, said point being in the south  
27 right-of-way line of F. M. Highway 529 (120-foot wide);

1           Thence North 87 degrees 54 minutes 43 seconds East along the  
2 upper north line of the herein described tract and the north line of  
3 said called 157.727 acre tract, same being the south right-of-way  
4 line of F. M. Highway 529, 678.60 feet to an angle point;

5           Thence North 88 degrees 19 minutes 43 seconds East continuing  
6 along said line, 645.41 feet to the upper northeast corner of the  
7 herein described tract and the northeast corner of said called  
8 157.727 acre tract, same being the northwest corner of an adjoining  
9 called 158.039 acre tract recorded under County Clerk's File Number  
10 W268492, Official Public Records of Real Property, Harris County,  
11 Texas;

12           Thence South 02 degrees 06 minutes 31 seconds East along the  
13 upper east line of the herein described tract and the east line of  
14 said called 157.727 acre tract, same being the west line of said  
15 adjoining called 158.039 acre tract, 5,219.35 feet to a reentry  
16 corner to the herein described tract, being the southeast corner of  
17 said called 157.727 acre tract, same being the southwest corner of  
18 said adjoining called 158.039 acre tract, and being in the south  
19 line of said H. & T. C. Railroad Company Survey Section 59, Abstract  
20 444, same being the north line of the aforementioned William  
21 Salyars Survey, Abstract 1532, and the north line of the  
22 aforementioned called 159.912 acre tract;

23           Thence North 87 degrees 53 minutes 06 seconds East along the  
24 lower north line of the herein described tract, the north line of  
25 said called 159.912 acre tract, and the north line of said William  
26 Salyars Survey, Abstract 1532, same being the south line of said H.  
27 & T. C. Railroad Company Survey Section 59, Abstract 444, and the

1 south line of said adjoining called 158.039 acre tract, 1,326.98  
2 feet to the lower northeast corner of the herein described tract,  
3 the northeast corner of said called 159.912 acre tract, and the  
4 northeast corner of said William Salyars Survey, Abstract 1532,  
5 being the southeast corner of said H. & T. C. Railroad Company  
6 Survey Section 59, Abstract 444, and the southeast corner of said  
7 adjoining called 158.039 acre tract, same being the southwest  
8 corner of the A. R. Connell Survey, Abstract 1387, and the southwest  
9 corner of an adjoining called 640 acre tract (Tract Three) recorded  
10 under County Clerk's File Number J796831, Official Public Records  
11 of Real Property, Harris County, Texas, and being the northwest  
12 corner of the H. & T. C. Railroad Company Survey Section 47,  
13 Abstract 440, and the northwest corner of an adjoining called  
14 73.8972 acre tract described in deed recorded under County Clerk's  
15 File Number R710831, Official Public Records of Real Property,  
16 Harris County, Texas;

17       Thence South 02 degrees 10 minutes 48 seconds East along the  
18 lower east line of the herein described tract, the east line of said  
19 called 159.912 acre tract, and the east line of said William Salyars  
20 Survey, Abstract 1532, same being the west line of said adjoining H.  
21 & T. C. Railroad Company Survey Section 47, Abstract 440, 2,640.00  
22 feet to the southeast corner of the herein described tract and the  
23 southeast corner of said called 159.912 acre tract, same being the  
24 northeast corner of an adjoining called 320.1964 acre tract  
25 recorded under County Clerk's File Number 20060134384, Official  
26 Public Records of Real Property, Harris County, Texas, and being in  
27 the west line of an adjoining called 4.8079 acre tract recorded

1 under County Clerk's File Number 20070428121, Official Public  
2 Records of Real Property, Harris County, Texas;

3 Thence South 87 degrees 53 minutes 00 seconds West along the  
4 lower south line of the herein described tract and the south line of  
5 said called 159.912 acre tract, same being the north line of said  
6 adjoining called 320.1964 acre tract, 16.01 feet to a point for  
7 corner, said point being the southeast corner of an adjoining  
8 called 1.700 acre tract recorded under County Clerk's File Number  
9 20140251357, Official Public Records of Real Property, Harris  
10 County, Texas, said point in a non-tangent curve to the left;

11 Thence along the common line of the herein described tract  
12 and said adjoining called 1.700 acre tract with the following  
13 courses and distances:

14 Thence along said non-tangent curve to the left, having  
15 a radius of 150.00 feet, a central angle of 22 degrees 26 minutes 42  
16 seconds, an arc length of 58.76 feet, and a chord bearing North 31  
17 degrees 49 minutes 43 seconds West, 58.39 feet to a point in a  
18 non-tangent curve to the left;

19 Thence along said non-tangent curve to the left, having  
20 a radius of 150.00 feet, a central angle of 50 degrees 43 minutes 56  
21 seconds, an arc length of 132.82 feet, and a chord bearing North 57  
22 degrees 44 minutes 32 seconds West, 128.52 feet;

23 Thence North 42 degrees 33 minutes 53 seconds East,  
24 88.87 feet;

25 Thence North 47 degrees 26 minutes 07 seconds West,  
26 66.25 feet;

27 Thence South 20 degrees 37 minutes 06 seconds West,

1 51.23 feet to the beginning point of a curve to the right;

2           Thence along said curve to the right, having a radius of  
3 95.00 feet, a central angle of 80 degrees 09 minutes 28 seconds, an  
4 arc length of 132.91 feet, and a chord bearing South 60 degrees 41  
5 minutes 44 seconds West, 122.33 feet;

6           Thence North 79 degrees 13 minutes 39 seconds West,  
7 81.88 feet;

8           Thence South 60 degrees 56 minutes 12 seconds West,  
9 161.46 feet;

10           Thence South 87 degrees 53 minutes 00 seconds West,  
11 212.00 feet;

12           Thence South 02 degrees 07 minutes 00 seconds East,  
13 75.00 feet to a point for corner, said point being in the south line  
14 of the aforementioned called 159.912 acre tract, same being the  
15 north line of the aforementioned adjoining called 320.1964 acre  
16 tract;

17           Thence South 87 degrees 53 minutes 00 seconds West along the  
18 lower south line of the herein described tract and the south line of  
19 said called 159.912 acre tract, same being the north line of said  
20 adjoining called 320.1964 acre tract, 1,940.00 feet to the lower  
21 southwest corner of the herein described tract and the southwest  
22 corner of said called 159.912 acre tract, being an angle point in  
23 the north line of said adjoining called 320.1964 acre tract, said  
24 point also being the northeast corner of the S. Post Survey,  
25 Abstract 1422, same being the southeast corner of an adjoining  
26 called 17.00 acre tract described in deed recorded under County  
27 Clerk's File Number S147734, Official Public Records of Real

1 Property, Harris County, Texas, and the southeast corner of the  
2 aforementioned Lafayette Shirar Survey, Abstract 1489;

3       Thence North 02 degrees 02 minutes 01 seconds West along the  
4 lower west line of the herein described tract, the west line of said  
5 called 159.912 acre tract, and the west line of said William Salyars  
6 Survey, Abstract 1532, same being the east line of said adjoining  
7 called 17.00 acre tract and the east line of said Lafayette Shirar  
8 Survey, Abstract 1489, 1,121.79 feet to an angle point, being the  
9 northeast corner of an adjoining 17.00 acre tract described in deed  
10 recorded under County Clerk's File Number X776653, Official Public  
11 Records of Real Property, Harris County, Texas, same being the  
12 southeast corner of an adjoining called 78 acre tract recorded  
13 under County Clerk's File Number P955853, Official Public Records  
14 of Real Property, Harris County, Texas;

15       Thence North 02 degrees 16 minutes 50 seconds West continuing  
16 along the lower west line of the herein described tract, the west  
17 line of said called 159.912 acre tract, and the west line of said  
18 William Salyars Survey, Abstract 1532, same being the east line of  
19 said adjoining called 78 acre tract and the east line of said  
20 Lafayette Shirar Survey, Abstract 1489, 1,518.30 feet to a reentry  
21 corner to the herein described tract, being the northwest corner of  
22 said called 159.912 acre tract, the northeast corner of said  
23 adjoining called 78 acre tract, the southeast corner of the  
24 aforementioned called 80.031 acre tract, and the southwest corner  
25 of the aforementioned called 157.727 acre tract, said point also  
26 being the northwest corner of the William Salyars Survey, Abstract  
27 1532, same being the northeast corner of the said Lafayette Shirar

1 Survey, Abstract 1489, and being in the south line of the  
2 aforementioned H. & T. C. Railroad Company Survey Section 59,  
3 Abstract 444;

4 Thence South 87 degrees 52 minutes 10 seconds West along the  
5 upper south line of the herein described tract, the south line of  
6 said called 80.031 acre tract, and the south line of said H. & T. C.  
7 Railroad Company Survey Section 59, Abstract 444, same being the  
8 north line of said adjoining called 78 acre tract and the north line  
9 of said Lafayette Shirar Survey, Abstract 1489, and along the north  
10 line of the aforementioned adjoining called 14 acre tract, 2,639.13  
11 feet to the Place of Beginning and containing 395.96 acres of land,  
12 more or less.

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

20 (b) The governor, one of the required recipients, has  
21 submitted the notice and Act to the Texas Commission on  
22 Environmental Quality.

23 (c) The Texas Commission on Environmental Quality has filed  
24 its recommendations relating to this Act with the governor, the  
25 lieutenant governor, and the speaker of the house of  
26 representatives within the required time.

27 (d) All requirements of the constitution and laws of this

1 state and the rules and procedures of the legislature with respect  
2 to the notice, introduction, and passage of this Act are fulfilled  
3 and accomplished.

4 SECTION 4. (a) If this Act does not receive a two-thirds  
5 vote of all the members elected to each house, Subchapter C, Chapter  
6 7903, Special District Local Laws Code, as added by Section 1 of  
7 this Act, is amended by adding Section 7903.106 to read as follows:

8 Sec. 7903.106. NO EMINENT DOMAIN POWER. The district may  
9 not exercise the power of eminent domain.

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

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