

1-1 By: Creighton S.B. No. 2039  
1-2 (In the Senate - Filed April 8, 2015; April 9, 2015, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; April 29, 2015, reported adversely, with favorable  
1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;  
1-6 April 29, 2015, sent to printer.)

1-7 COMMITTEE VOTE

|      | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-8  |     |     |        |     |
| 1-9  | X   |     |        |     |
| 1-10 | X   |     |        |     |
| 1-11 | X   |     |        |     |
| 1-12 | X   |     |        |     |
| 1-13 | X   |     |        |     |
| 1-14 | X   |     |        |     |
| 1-15 | X   |     |        |     |

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 2039 By: Lucio

1-17 A BILL TO BE ENTITLED  
1-18 AN ACT

1-19 relating to the creation of the Harris County Municipal Utility  
1-20 District No. 546; granting a limited power of eminent domain;  
1-21 providing authority to issue bonds; providing authority to impose  
1-22 assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
1-25 Code, is amended by adding Chapter 7952 to read as follows:

1-26 CHAPTER 7952. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 546

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 7952.001. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.

1-30 (2) "Commission" means the Texas Commission on  
1-31 Environmental Quality.

1-32 (3) "Director" means a board member.

1-33 (4) "District" means the Harris County Municipal  
1-34 Utility District No. 546.

1-35 Sec. 7952.002. NATURE OF DISTRICT. The district is a  
1-36 municipal utility district created under Section 59, Article XVI,  
1-37 Texas Constitution.

1-38 Sec. 7952.003. CONFIRMATION AND DIRECTORS' ELECTION  
1-39 REQUIRED. The temporary directors shall hold an election to  
1-40 confirm the creation of the district and to elect five permanent  
1-41 directors as provided by Section 49.102, Water Code.

1-42 Sec. 7952.004. CONSENT OF MUNICIPALITY REQUIRED. The  
1-43 temporary directors may not hold an election under Section 7952.003  
1-44 until each municipality in whose corporate limits or  
1-45 extraterritorial jurisdiction the district is located has  
1-46 consented by ordinance or resolution to the creation of the  
1-47 district and to the inclusion of land in the district.

1-48 Sec. 7952.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-49 (a) The district is created to serve a public purpose and benefit.

1-50 (b) The district is created to accomplish the purposes of:

1-51 (1) a municipal utility district as provided by  
1-52 general law and Section 59, Article XVI, Texas Constitution; and

1-53 (2) Section 52, Article III, Texas Constitution, that  
1-54 relate to the construction, acquisition, improvement, operation,  
1-55 or maintenance of macadamized, graveled, or paved roads, or  
1-56 improvements, including storm drainage, in aid of those roads.

1-57 Sec. 7952.006. INITIAL DISTRICT TERRITORY. (a) The  
1-58 district is initially composed of the territory described by  
1-59 Section 2 of the Act enacting this chapter.

1-60 (b) The boundaries and field notes contained in Section 2 of

2-1 the Act enacting this chapter form a closure. A mistake made in the  
2-2 field notes or in copying the field notes in the legislative process  
2-3 does not affect the district's:

- 2-4 (1) organization, existence, or validity;
- 2-5 (2) right to issue any type of bond for the purposes  
2-6 for which the district is created or to pay the principal of and  
2-7 interest on a bond;
- 2-8 (3) right to impose a tax; or
- 2-9 (4) legality or operation.

2-10 SUBCHAPTER B. BOARD OF DIRECTORS

2-11 Sec. 7952.051. GOVERNING BODY; TERMS. (a) The district is  
2-12 governed by a board of five elected directors.

2-13 (b) Except as provided by Section 7952.052, directors serve  
2-14 staggered four-year terms.

2-15 Sec. 7952.052. TEMPORARY DIRECTORS. (a) On or after the  
2-16 effective date of the Act enacting this chapter, the owner or owners  
2-17 of a majority of the assessed value of the real property in the  
2-18 district may submit a petition to the commission requesting that  
2-19 the commission appoint as temporary directors the five persons  
2-20 named in the petition. The commission shall appoint as temporary  
2-21 directors the five persons named in the petition.

2-22 (b) Temporary directors serve until the earlier of:

2-23 (1) the date permanent directors are elected under  
2-24 Section 7952.003; or

2-25 (2) the fourth anniversary of the effective date of  
2-26 the Act enacting this chapter.

2-27 (c) If permanent directors have not been elected under  
2-28 Section 7952.003 and the terms of the temporary directors have  
2-29 expired, successor temporary directors shall be appointed or  
2-30 reappointed as provided by Subsection (d) to serve terms that  
2-31 expire on the earlier of:

2-32 (1) the date permanent directors are elected under  
2-33 Section 7952.003; or

2-34 (2) the fourth anniversary of the date of the  
2-35 appointment or reappointment.

2-36 (d) If Subsection (c) applies, the owner or owners of a  
2-37 majority of the assessed value of the real property in the district  
2-38 may submit a petition to the commission requesting that the  
2-39 commission appoint as successor temporary directors the five  
2-40 persons named in the petition. The commission shall appoint as  
2-41 successor temporary directors the five persons named in the  
2-42 petition.

2-43 SUBCHAPTER C. POWERS AND DUTIES

2-44 Sec. 7952.101. GENERAL POWERS AND DUTIES. The district has  
2-45 the powers and duties necessary to accomplish the purposes for  
2-46 which the district is created.

2-47 Sec. 7952.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
2-48 DUTIES. The district has the powers and duties provided by the  
2-49 general law of this state, including Chapters 49 and 54, Water Code,  
2-50 applicable to municipal utility districts created under Section 59,  
2-51 Article XVI, Texas Constitution.

2-52 Sec. 7952.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
2-53 52, Article III, Texas Constitution, the district may design,  
2-54 acquire, construct, finance, issue bonds for, improve, operate,  
2-55 maintain, and convey to this state, a county, or a municipality for  
2-56 operation and maintenance macadamized, graveled, or paved roads, or  
2-57 improvements, including storm drainage, in aid of those roads.

2-58 Sec. 7952.104. ROAD STANDARDS AND REQUIREMENTS. (a) A  
2-59 road project must meet all applicable construction standards,  
2-60 zoning and subdivision requirements, and regulations of each  
2-61 municipality in whose corporate limits or extraterritorial  
2-62 jurisdiction the road project is located.

2-63 (b) If a road project is not located in the corporate limits  
2-64 or extraterritorial jurisdiction of a municipality, the road  
2-65 project must meet all applicable construction standards,  
2-66 subdivision requirements, and regulations of each county in which  
2-67 the road project is located.

2-68 (c) If the state will maintain and operate the road, the  
2-69 Texas Transportation Commission must approve the plans and

3-1 specifications of the road project.  
3-2 Sec. 7952.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
3-3 OR RESOLUTION. The district shall comply with all applicable  
3-4 requirements of any ordinance or resolution that is adopted under  
3-5 Section 54.016 or 54.0165, Water Code, and that consents to the  
3-6 creation of the district or to the inclusion of land in the  
3-7 district.

3-8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-9 Sec. 7952.151. ELECTIONS REGARDING TAXES OR BONDS.  
3-10 (a) The district may issue, without an election, bonds and other  
3-11 obligations secured by:

- 3-12 (1) revenue other than ad valorem taxes; or
- 3-13 (2) contract payments described by Section 7952.153.

3-14 (b) The district must hold an election in the manner  
3-15 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
3-16 before the district may impose an ad valorem tax or issue bonds  
3-17 payable from ad valorem taxes.

3-18 (c) The district may not issue bonds payable from ad valorem  
3-19 taxes to finance a road project unless the issuance is approved by a  
3-20 vote of a two-thirds majority of the district voters voting at an  
3-21 election held for that purpose.

3-22 Sec. 7952.152. OPERATION AND MAINTENANCE TAX. (a) If  
3-23 authorized at an election held under Section 7952.151, the district  
3-24 may impose an operation and maintenance tax on taxable property in  
3-25 the district in accordance with Section 49.107, Water Code.

3-26 (b) The board shall determine the tax rate. The rate may not  
3-27 exceed the rate approved at the election.

3-28 Sec. 7952.153. CONTRACT TAXES. (a) In accordance with  
3-29 Section 49.108, Water Code, the district may impose a tax other than  
3-30 an operation and maintenance tax and use the revenue derived from  
3-31 the tax to make payments under a contract after the provisions of  
3-32 the contract have been approved by a majority of the district voters  
3-33 voting at an election held for that purpose.

3-34 (b) A contract approved by the district voters may contain a  
3-35 provision stating that the contract may be modified or amended by  
3-36 the board without further voter approval.

3-37 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-38 Sec. 7952.201. AUTHORITY TO ISSUE BONDS AND OTHER  
3-39 OBLIGATIONS. The district may issue bonds or other obligations  
3-40 payable wholly or partly from ad valorem taxes, impact fees,  
3-41 revenue, contract payments, grants, or other district money, or any  
3-42 combination of those sources, to pay for any authorized district  
3-43 purpose.

3-44 Sec. 7952.202. TAXES FOR BONDS. At the time the district  
3-45 issues bonds payable wholly or partly from ad valorem taxes, the  
3-46 board shall provide for the annual imposition of a continuing  
3-47 direct ad valorem tax, without limit as to rate or amount, while all  
3-48 or part of the bonds are outstanding as required and in the manner  
3-49 provided by Sections 54.601 and 54.602, Water Code.

3-50 Sec. 7952.203. BONDS FOR ROAD PROJECTS. At the time of  
3-51 issuance, the total principal amount of bonds or other obligations  
3-52 issued or incurred to finance road projects and payable from ad  
3-53 valorem taxes may not exceed one-fourth of the assessed value of the  
3-54 real property in the district.

3-55 SECTION 2. The Harris County Municipal Utility District  
3-56 No. 546 initially includes all the territory contained in the  
3-57 following area:

3-58 OF 193.5821 acres of land out of a called 264.2883 acres tract  
3-59 (Tract One) conveyed by deed dated December 06, 2012 to Murff Family  
3-60 Land, L.L.C., as recorded in Harris County Clerk's File  
3-61 No. 20120574760 of the Deed Records of Harris County, Texas. Said  
3-62 193.5821 acres being situated in the Humphrey Jackson Survey,  
3-63 Abstract No. 37, Harris County, Texas, and being more particularly  
3-64 described by metes and bounds as follows: (bearings based on NAD83  
3-65 State Plane Coordinate System, South Central Zone)

3-66 BEGINNING at a 1/2" iron rod with cap stamped "BHA" found for  
3-67 the northwest corner of said 264.2883 acres, said iron rod being in  
3-68 the south line of a called 497.4 acre tract conveyed by deed dated  
3-69 November 29, 1996 to Lakewood Development Corporation as recorded

4-1 in Harris County Clerk's File No. S302347 of the Deed Records of  
4-2 Harris County, Texas, and being in the east line of a 100' wide T. &  
4-3 N. O. Railroad right-of-way;

4-4 THENCE North 87° 48' 24" East, along the north line of said  
4-5 264.2883 acres and the south line of said 497.4 acres, for a  
4-6 distance of 3986.05 feet to a 1/2 inch iron rod found for the  
4-7 northwest corner of a called 72.1467 acre tract conveyed by deed  
4-8 dated May 8, 2013 to Crosby Independent School District as recorded  
4-9 in Harris County Clerk's File No. 20130222478 of the Deed Records  
4-10 of Harris County, Texas;

4-11 THENCE South 02° 55' 25" East, along the west line of said  
4-12 72.1467 acres, for a distance of 1958.79 feet to a 1/2 inch iron rod  
4-13 with cap found for the southwest corner of said 72.1467 acres, same  
4-14 being in the south line of said 264.2883 acres;

4-15 THENCE South 87° 54' 17" West, along the south line of said  
4-16 264.2883 acres for a distance of 4591.97 feet to the southwest  
4-17 corner of said 264.2883 acres;

4-18 THENCE North 12° 45' 07" East, along the west line of said  
4-19 264.2883 acres and the east line of said 100' wide T. & N. O.  
4-20 Railroad right-of-way, for a distance of 1392.92 feet to a point for  
4-21 corner;

4-22 THENCE along a curve to the right having a radius of 3170.40  
4-23 feet, a central angle 11° 39' 51", a chord bearing and distance of N  
4-24 17° 56' 06" E - 644.31 feet, and an arc length of 645.42 feet to the  
4-25 PLACE OF BEGINNING of the herein described tract of land and  
4-26 containing within these calls 193.5821 acres or 8,432,434.35 square  
4-27 feet of land.

4-28 SECTION 3. (a) The legal notice of the intention to  
4-29 introduce this Act, setting forth the general substance of this  
4-30 Act, has been published as provided by law, and the notice and a  
4-31 copy of this Act have been furnished to all persons, agencies,  
4-32 officials, or entities to which they are required to be furnished  
4-33 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
4-34 Government Code.

4-35 (b) The governor, one of the required recipients, has  
4-36 submitted the notice and Act to the Texas Commission on  
4-37 Environmental Quality.

4-38 (c) The Texas Commission on Environmental Quality has filed  
4-39 its recommendations relating to this Act with the governor, the  
4-40 lieutenant governor, and the speaker of the house of  
4-41 representatives within the required time.

4-42 (d) All requirements of the constitution and laws of this  
4-43 state and the rules and procedures of the legislature with respect  
4-44 to the notice, introduction, and passage of this Act are fulfilled  
4-45 and accomplished.

4-46 SECTION 4. (a) If this Act does not receive a two-thirds  
4-47 vote of all the members elected to each house, Subchapter C, Chapter  
4-48 7952, Special District Local Laws Code, as added by Section 1 of  
4-49 this Act, is amended by adding Section 7952.106 to read as follows:

4-50 Sec. 7952.106. NO EMINENT DOMAIN POWER. The district may  
4-51 not exercise the power of eminent domain.

4-52 (b) This section is not intended to be an expression of a  
4-53 legislative interpretation of the requirements of Section 17(c),  
4-54 Article I, Texas Constitution.

4-55 SECTION 5. This Act takes effect immediately if it receives  
4-56 a vote of two-thirds of all the members elected to each house, as  
4-57 provided by Section 39, Article III, Texas Constitution. If this  
4-58 Act does not receive the vote necessary for immediate effect, this  
4-59 Act takes effect September 1, 2015.

4-60 \* \* \* \* \*