

1-1 By: Bohac (Senate Sponsor - Whitmire) H.B. No. 1455  
 1-2 (In the Senate - Received from the House May 1, 2017;  
 1-3 May 4, 2017, read first time and referred to Committee on  
 1-4 Intergovernmental Relations; May 18, 2017, reported favorably by  
 1-5 the following vote: Yeas 6, Nays 0; May 18, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7	X			
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED  
 1-16 AN ACT

1-17 relating to the creation of the Harris County Municipal Utility  
 1-18 District No. 552; granting a limited power of eminent domain;  
 1-19 providing authority to issue bonds; providing authority to impose  
 1-20 assessments, fees, and taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
 1-23 Code, is amended by adding Chapter 7978 to read as follows:

1-24 CHAPTER 7978. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 552

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 7978.001. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on  
 1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Harris County Municipal  
 1-32 Utility District No. 552.

1-33 Sec. 7978.002. NATURE OF DISTRICT. The district is a  
 1-34 municipal utility district created under Section 59, Article XVI,  
 1-35 Texas Constitution.

1-36 Sec. 7978.003. CONFIRMATION AND DIRECTORS' ELECTION  
 1-37 REQUIRED. The temporary directors shall hold an election to  
 1-38 confirm the creation of the district and to elect five permanent  
 1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 7978.004. CONSENT OF MUNICIPALITY REQUIRED. The  
 1-41 temporary directors may not hold an election under Section 7978.003  
 1-42 until each municipality in whose corporate limits or  
 1-43 extraterritorial jurisdiction the district is located has  
 1-44 consented by ordinance or resolution to the creation of the  
 1-45 district and to the inclusion of land in the district.

1-46 Sec. 7978.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)  
 1-47 The district is created to serve a public purpose and benefit.

1-48 (b) The district is created to accomplish the purposes of:

1-49 (1) a municipal utility district as provided by  
 1-50 general law and Section 59, Article XVI, Texas Constitution; and

1-51 (2) Section 52, Article III, Texas Constitution, that  
 1-52 relate to the construction, acquisition, or improvement of  
 1-53 macadamized, graveled, or paved roads described by Section 54.234,  
 1-54 Water Code, or improvements, including storm drainage, in aid of  
 1-55 those roads.

1-56 Sec. 7978.006. INITIAL DISTRICT TERRITORY. (a) The  
 1-57 district is initially composed of the territory described by  
 1-58 Section 2 of the Act enacting this chapter.

1-59 (b) The boundaries and field notes contained in Section 2 of  
 1-60 the Act enacting this chapter form a closure. A mistake made in the  
 1-61 field notes or in copying the field notes in the legislative process

2-1 does not affect the district's:  
 2-2 (1) organization, existence, or validity;  
 2-3 (2) right to issue any type of bond for the purposes  
 2-4 for which the district is created or to pay the principal of and  
 2-5 interest on a bond;  
 2-6 (3) right to impose a tax; or  
 2-7 (4) legality or operation.

2-8 SUBCHAPTER B. BOARD OF DIRECTORS

2-9 Sec. 7978.051. GOVERNING BODY; TERMS. (a) The district is  
 2-10 governed by a board of five elected directors.

2-11 (b) Except as provided by Section 7978.052, directors serve  
 2-12 staggered four-year terms.

2-13 Sec. 7978.052. TEMPORARY DIRECTORS. (a) The temporary  
 2-14 board consists of:

- 2-15 (1) Ben Gillis;
- 2-16 (2) Bob Bryant;
- 2-17 (3) Ken Belanger;
- 2-18 (4) Ben Pisklak; and
- 2-19 (5) Jonathan Blanscet.

2-20 (b) Temporary directors serve until the earlier of:

- 2-21 (1) the date permanent directors are elected under  
 2-22 Section 7978.003; or
- 2-23 (2) June 1, 2021.

2-24 (c) If permanent directors have not been elected under  
 2-25 Section 7978.003 and the terms of the temporary directors have  
 2-26 expired, successor temporary directors shall be appointed or  
 2-27 reappointed as provided by Subsection (d) to serve terms that  
 2-28 expire on the earlier of:

- 2-29 (1) the date permanent directors are elected under  
 2-30 Section 7978.003; or
- 2-31 (2) the fourth anniversary of the date of the  
 2-32 appointment or reappointment.

2-33 (d) If Subsection (c) applies, the owner or owners of a  
 2-34 majority of the assessed value of the real property in the district  
 2-35 may submit a petition to the commission requesting that the  
 2-36 commission appoint as successor temporary directors the five  
 2-37 persons named in the petition. The commission shall appoint as  
 2-38 successor temporary directors the five persons named in the  
 2-39 petition.

2-40 SUBCHAPTER C. POWERS AND DUTIES

2-41 Sec. 7978.101. GENERAL POWERS AND DUTIES. The district has  
 2-42 the powers and duties necessary to accomplish the purposes for  
 2-43 which the district is created.

2-44 Sec. 7978.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
 2-45 DUTIES. The district has the powers and duties provided by the  
 2-46 general law of this state, including Chapters 49 and 54, Water Code,  
 2-47 applicable to municipal utility districts created under Section 59,  
 2-48 Article XVI, Texas Constitution.

2-49 Sec. 7978.103. AUTHORITY FOR ROAD PROJECTS. (a) Under  
 2-50 Section 52, Article III, Texas Constitution, the district may  
 2-51 design, acquire, construct, finance, issue bonds for, improve, and  
 2-52 convey to this state, a county, or a municipality for operation and  
 2-53 maintenance macadamized, graveled, or paved roads described by  
 2-54 Section 54.234, Water Code, or improvements, including storm  
 2-55 drainage, in aid of those roads.

2-56 (b) The district may exercise the powers provided by this  
 2-57 section without submitting a petition to or obtaining approval from  
 2-58 the commission as required by Section 54.234, Water Code.

2-59 Sec. 7978.104. APPROVAL OF ROAD PROJECT. (a) The district  
 2-60 may not undertake a road project authorized by Section 7978.103  
 2-61 unless:

2-62 (1) each municipality or county that will operate and  
 2-63 maintain the road has approved the plans and specifications of the  
 2-64 road project, if a municipality or county will operate and maintain  
 2-65 the road; or

2-66 (2) the Texas Transportation Commission has approved  
 2-67 the plans and specifications of the road project, if the state will  
 2-68 operate and maintain the road.

2-69 (b) Except as provided by Subsection (a), the district is

3-1 not required to obtain approval from the Texas Transportation  
3-2 Commission to design, acquire, construct, finance, issue bonds for,  
3-3 improve, or convey a road project.

3-4 Sec. 7978.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
3-5 OR RESOLUTION. The district shall comply with all applicable  
3-6 requirements of any ordinance or resolution that is adopted under  
3-7 Section 54.016 or 54.0165, Water Code, and that consents to the  
3-8 creation of the district or to the inclusion of land in the  
3-9 district.

3-10 Sec. 7978.106. LIMITATION ON USE OF EMINENT DOMAIN. The  
3-11 district may not exercise the power of eminent domain outside the  
3-12 district to acquire a site or easement for:

- 3-13 (1) a road project authorized by Section 7978.103; or
- 3-14 (2) a recreational facility as defined by Section  
3-15 49.462, Water Code.

3-16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-17 Sec. 7978.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
3-18 district may issue, without an election, bonds and other  
3-19 obligations secured by revenue other than ad valorem taxes.

3-20 (b) The district must hold an election in the manner  
3-21 provided by Chapters 49 and 54, Water Code, to obtain voter approval  
3-22 before the district may impose an ad valorem tax or issue bonds  
3-23 payable from ad valorem taxes.

3-24 (c) The district may not issue bonds payable from ad valorem  
3-25 taxes to finance a road project unless the issuance is approved by a  
3-26 vote of a two-thirds majority of the district voters voting at an  
3-27 election held for that purpose.

3-28 Sec. 7978.152. OPERATION AND MAINTENANCE TAX. (a) If  
3-29 authorized at an election held under Section 7978.151, the district  
3-30 may impose an operation and maintenance tax on taxable property in  
3-31 the district in accordance with Section 49.107, Water Code.

3-32 (b) The board shall determine the tax rate. The rate may not  
3-33 exceed the rate approved at the election.

3-34 Sec. 7978.153. WATER AND SEWER RATES. Notwithstanding any  
3-35 other law, the district shall establish the same rates for  
3-36 residential and commercial classes of customers for the provision  
3-37 of water and sewer services. For purposes of this section, the  
3-38 commercial class may not include apartment complexes or other  
3-39 multifamily dwellings.

3-40 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-41 Sec. 7978.201. AUTHORITY TO ISSUE BONDS AND OTHER  
3-42 OBLIGATIONS. The district may issue bonds or other obligations  
3-43 payable wholly or partly from ad valorem taxes, impact fees,  
3-44 revenue, contract payments, grants, or other district money, or any  
3-45 combination of those sources, to pay for any authorized district  
3-46 purpose.

3-47 Sec. 7978.202. TAXES FOR BONDS. At the time the district  
3-48 issues bonds payable wholly or partly from ad valorem taxes, the  
3-49 board shall provide for the annual imposition of a continuing  
3-50 direct ad valorem tax, without limit as to rate or amount, while all  
3-51 or part of the bonds are outstanding as required and in the manner  
3-52 provided by Sections 54.601 and 54.602, Water Code.

3-53 Sec. 7978.203. BONDS FOR ROAD PROJECTS. At the time of  
3-54 issuance, the total principal amount of bonds or other obligations  
3-55 issued or incurred to finance road projects and payable from ad  
3-56 valorem taxes may not exceed one-fourth of the assessed value of the  
3-57 real property in the district.

3-58 SECTION 2. The Harris County Municipal Utility District  
3-59 No. 552 initially includes all the territory contained in the  
3-60 following area:

3-61 A METES AND BOUNDS description of a certain 150.912 acre tract of  
3-62 land situated in the A.T. Miles Survey, Abstract No. 556, in Harris  
3-63 County, Texas; being part of a called 174.8682 acre tract conveyed  
3-64 to Metro National Corporation by Warranty Deed recorded in Harris  
3-65 County Clerk's File No. F546226 of the Harris County Official  
3-66 Public Records of Real Property; said 150.912 acres of land being  
3-67 more particularly described as follows with all bearings being  
3-68 based on the Texas Coordinate System, South Central Zone, NAD 83;  
3-69 BEGINNING at a 3/4-inch iron rod (with cap stamped "Jones|Carter

4-1 Property Corner") set at the southeast corner of Unrestricted  
 4-2 Reserve "B" of Spring Shadows Subdivision Section Twenty One, plat  
 4-3 of which is recorded in Film Code No. 349102 of the Harris County  
 4-4 Map Records, being in the west line of Kempwood North, plat of which  
 4-5 is recorded in Volume 133, Page 70 of the Harris County Map Records  
 4-6 and also being in the north right-of-way line of Kemp Forest Drive  
 4-7 (60 feet wide) as conveyed to the City of Houston by Instrument  
 4-8 recorded in Clerk's File No. D562860 of the Harris County Official  
 4-9 Public Records of Real Property, from said 3/4-inch iron rod (with  
 4-10 cap stamped "Jones|Carter Property Corner") a found 1/2-inch iron  
 4-11 rod bears North 81° East, 0.71 feet, and also from said 3/4-inch  
 4-12 iron rod (with cap stamped "Jones|Carter Property Corner") a found  
 4-13 1/2-inch iron rod bears South 02°30' East, 59.89 feet;  
 4-14 THENCE, South 87°21'40" West, 1011.17 feet with the said north  
 4-15 right-of-way line of Kemp Forest Drive to a 1-inch iron pipe found  
 4-16 at the intersection with the west right-of-way line of Rosefield  
 4-17 Drive (60 feet wide);  
 4-18 THENCE, South 01°33'20" East, 221.36 feet with said west  
 4-19 right-of-way line of Rosefield Drive (Clerk's File No. D562860  
 4-20 Houston Official Public Records of Real Property) to a 3/4-inch  
 4-21 iron rod (with cap stamped "Jones|Carter Property Corner") set at  
 4-22 the northeast corner of a 10 foot by 10 foot cut back at the  
 4-23 intersection with the north right-of-way line of another part of  
 4-24 Kemp Forest Drive (60 feet wide), and being the northeast corner of  
 4-25 Spring Shadows Townhouses, Section 2, as recorded in Volume 205,  
 4-26 Page 36 of the Harris County Map Records;  
 4-27 THENCE, in a westerly direction with said north right-of-way line  
 4-28 of Kemp Forest Drive and with the north line of said Spring Shadows  
 4-29 Townhouses, Section 2, and with the north line of Spring Shadows  
 4-30 Townhouses, Section 1, as recorded in Volume 168, Page 15 of the  
 4-31 Harris County Map Records the following two (2) courses and  
 4-32 distances:  
 4-33 1. South 43°26'40" West, 14.14 feet along said cutback line  
 4-34 to an "X" in concrete, set;  
 4-35 2. South 88°26'40" West, at 730.06 feet passing a found  
 4-36 1-inch iron pipe, 0.53 feet right, at 2113.30 feet passing the  
 4-37 southeast corner of Unrestricted Reserve "A" of Spring Shadows  
 4-38 Subdivision Section Twenty One, plat of which is recorded in Film  
 4-39 Code No. 349102 of the Harris County Map Records, in all 2556.20  
 4-40 feet to a 5/8-inch iron rod (with cap stamped "Jones|Carter  
 4-41 Property Corner") set at the southeast corner of a cutback, same  
 4-42 being the most easterly corner of a called 0.0022 acre right-of-way  
 4-43 dedication shown on said plat recorded in Film Code No. 349102 of  
 4-44 the Harris County Map Records, from said 5/8-inch iron rod (with cap  
 4-45 stamped "Cotton Surveying Company"), a found 5/8-inch iron rod  
 4-46 bears South 88°26'40" West, 0.33 feet;  
 4-47 THENCE, North 46°48'15" West, 24.28 feet along said cutback line to  
 4-48 a 5/8-inch iron rod (with cap stamped "Jones|Carter Property  
 4-49 Corner") set in the east line of Street Dedication Plat for Gessner  
 4-50 Road, plat of which is recorded in Volume 172, Page 8 of the Harris  
 4-51 County Map Records and also being in the east right-of-way line of  
 4-52 Gessner Road (100 feet wide);  
 4-53 THENCE, North 02°03'10" West along said east line of Gessner Road,  
 4-54 at 900.00 feet passing a found 5/8-inch iron rod at the southerly  
 4-55 northwest corner of said Unrestricted Reserve "A", in all 1833.03  
 4-56 feet to a 5/8-inch iron rod (with cap stamped "Cotton Surveying  
 4-57 Company") set at the southwest corner of a 10 foot by 10 foot  
 4-58 cutback at the intersection with the south right-of-way line of  
 4-59 Clay Road, said iron rod being the southwest corner of a called  
 4-60 0.2512 acre tract recorded in Clerk's File No. E249611 of the  
 4-61 Harris County Official Public Records of Real Property;  
 4-62 THENCE, North 42°39'45" East, 14.21 feet along said cutback line to  
 4-63 a 5/8-inch iron rod (with cap stamped "Jones|Carter Property  
 4-64 Corner") set in the south line of Clay Road (ROW varies);  
 4-65 THENCE, in an easterly direction with the said southerly  
 4-66 right-of-way line of Clay Road, the southerly line of said 0.2512  
 4-67 acre tract and the apparent southerly line of a called 1.4830 acre  
 4-68 tract conveyed to the City of Houston and recorded in Clerk's File  
 4-69 No. R166519 of the Harris County Official Public Records of Rael

5-1 Property, the following seven (7) courses and distances:  
 5-2 1. North 87°22'24" East, 427.90 feet to a 5/8-inch iron rod  
 5-3 (with cap stamped "Cotton Survey Company") set at the southeast  
 5-4 corner of said 0.2512 acre tract;  
 5-5 2. North 02°37'36" West, 2.76 feet to a 5/8-inch iron rod  
 5-6 (with cap stamped "Jones|Carter Property Corner") set, from which a  
 5-7 found 5/8-inch iron rod bears South 87°22'24" West, 0.32 feet;  
 5-8 3. North 87°22'24" East, 2146.02 feet to an "X" in concrete;  
 5-9 4. South 47°27'19" East, 21.15 feet to a 3/4-inch iron rod  
 5-10 (with cap stamped "Jones|Carter Property Corner") set, from which a  
 5-11 found 5/8-inch iron rod (with cap stamped "American Luper 4752")  
 5-12 bears North 26° West, 0.73 feet;  
 5-13 5. North 87°22'24" East, 80.00 feet to a 3/4-inch iron rod  
 5-14 (with cap stamped "Jones|Carter Property Corner") set, from which a  
 5-15 found 5/8-inch iron rod (with cap stamped "American Luper 4752")  
 5-16 bears North 24° West, 0.71 feet;  
 5-17 6. North 42°33'10" East, 21.28 feet to a point in a control  
 5-18 box;  
 5-19 7. North 87°22'24" East, 902.61 feet to a bolt securing a  
 5-20 guard rail found at the northeast corner of the herein described  
 5-21 tract from which a green cap stamped "Jones|Carter Reference Point"  
 5-22 set in concrete slope paving bears South 02°03'10" East, 5.00 feet;  
 5-23 THENCE, South 02°03'10" East, at 224.38 feet passing a found  
 5-24 1/2-inch iron rod, at 869.51 feet passing a found 1/2-inch (with cap  
 5-25 stamped "Precision Surveyors"), 0.55 feet left, at 1493.03 feet  
 5-26 passing a found 1/2-inch iron rod, 0.44 feet right, in all 1679.63  
 5-27 feet with the west line of a called 2.0618 acre tract recorded in  
 5-28 Clerk's File No. V733122 of the Harris County Official Public  
 5-29 Records of Real Property and the west line of said Kempwood North  
 5-30 Subdivision to the POINT OF BEGINNING, CONTAINING 150.912 acres of  
 5-31 land in Harris County, Texas.

5-32 SECTION 3. (a) The legal notice of the intention to  
 5-33 introduce this Act, setting forth the general substance of this  
 5-34 Act, has been published as provided by law, and the notice and a  
 5-35 copy of this Act have been furnished to all persons, agencies,  
 5-36 officials, or entities to which they are required to be furnished  
 5-37 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
 5-38 Government Code.

5-39 (b) The governor, one of the required recipients, has  
 5-40 submitted the notice and Act to the Texas Commission on  
 5-41 Environmental Quality.

5-42 (c) The Texas Commission on Environmental Quality has filed  
 5-43 its recommendations relating to this Act with the governor, the  
 5-44 lieutenant governor, and the speaker of the house of  
 5-45 representatives within the required time.

5-46 (d) All requirements of the constitution and laws of this  
 5-47 state and the rules and procedures of the legislature with respect  
 5-48 to the notice, introduction, and passage of this Act are fulfilled  
 5-49 and accomplished.

5-50 SECTION 4. (a) Section 7978.106, Special District Local  
 5-51 Laws Code, as added by Section 1 of this Act, takes effect only if  
 5-52 this Act receives a two-thirds vote of all the members elected to  
 5-53 each house.

5-54 (b) If this Act does not receive a two-thirds vote of all the  
 5-55 members elected to each house, Subchapter C, Chapter 7978, Special  
 5-56 District Local Laws Code, as added by Section 1 of this Act, is  
 5-57 amended by adding Section 7978.106 to read as follows:

5-58 Sec. 7978.106. NO EMINENT DOMAIN POWER. The district may  
 5-59 not exercise the power of eminent domain.

5-60 (c) This section is not intended to be an expression of a  
 5-61 legislative interpretation of the requirements of Section 17(c),  
 5-62 Article I, Texas Constitution.

5-63 SECTION 5. This Act takes effect June 1, 2017, if it  
 5-64 receives a vote of two-thirds of all the members elected to each  
 5-65 house, as provided by Section 39, Article III, Texas Constitution.  
 5-66 If this Act does not receive the vote necessary for effect on that  
 5-67 date, this Act takes effect September 1, 2017.