

1 AN ACT

2 relating to the creation of the Harris County Municipal Utility
3 District No. 553; granting a limited power of eminent domain;
4 providing authority to issue bonds; providing authority to impose
5 assessments, fees, and taxes.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws
8 Code, is amended by adding Chapter 7997 to read as follows:

9 CHAPTER 7997. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 553

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7997.001. DEFINITIONS. In this chapter:

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

13 (2) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (3) "Director" means a board member.

16 (4) "District" means the Harris County Municipal
17 Utility District No. 553.

18 Sec. 7997.002. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7997.003. CONFIRMATION AND DIRECTORS' ELECTION
22 REQUIRED. The temporary directors shall hold an election to
23 confirm the creation of the district and to elect five permanent
24 directors as provided by Section 49.102, Water Code.

1 Sec. 7997.004. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section 7997.003
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. 7997.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
8 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, or improvement of
14 macadamized, graveled, or paved roads described by Section 54.234,
15 Water Code, or improvements, including storm drainage, in aid of
16 those roads.

17 Sec. 7997.006. INITIAL DISTRICT TERRITORY. (a) The
18 district is initially composed of the territory described by
19 Section 2 of the Act enacting this chapter.

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

24 (1) organization, existence, or validity;

25 (2) right to issue any type of bond for the purposes
26 for which the district is created or to pay the principal of and
27 interest on a bond;

1 (3) right to impose a tax; or

2 (4) legality or operation.

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 7997.051. GOVERNING BODY; TERMS. (a) The district is
5 governed by a board of five elected directors.

6 (b) Except as provided by Section 7997.052, directors serve
7 staggered four-year terms.

8 Sec. 7997.052. TEMPORARY DIRECTORS. (a) The temporary
9 board consists of:

10 (1) Ronda Rusk;

11 (2) Michael Kim;

12 (3) Mark Deruesse;

13 (4) Scott Burleson; and

14 (5) Art Musgrove.

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

16 (1) the date permanent directors are elected under
17 Section 7997.003; or

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

20 (c) If permanent directors have not been elected under
21 Section 7997.003 and the terms of the temporary directors have
22 expired, successor temporary directors shall be appointed or
23 reappointed as provided by Subsection (d) to serve terms that
24 expire on the earlier of:

25 (1) the date permanent directors are elected under
26 Section 7997.003; or

27 (2) the fourth anniversary of the date of the

1 appointment or reappointment.

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

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 7997.101. GENERAL POWERS AND DUTIES. The district has
11 the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 7997.102. MUNICIPAL UTILITY DISTRICT POWERS AND
14 DUTIES. The district has the powers and duties provided by the
15 general law of this state, including Chapters 49 and 54, Water Code,
16 applicable to municipal utility districts created under Section 59,
17 Article XVI, Texas Constitution.

18 Sec. 7997.103. AUTHORITY FOR ROAD PROJECTS. (a) Under
19 Section 52, Article III, Texas Constitution, the district may
20 design, acquire, construct, finance, issue bonds for, improve, and
21 convey to this state, a county, or a municipality for operation and
22 maintenance macadamized, graveled, or paved roads described by
23 Section 54.234, Water Code, or improvements, including storm
24 drainage, in aid of those roads.

25 (b) The district may exercise the powers provided by this
26 section without submitting a petition to or obtaining approval from
27 the commission as required by Section 54.234, Water Code.

1 Sec. 7997.104. APPROVAL OF ROAD PROJECT. (a) The district
2 may not undertake a road project authorized by Section 7997.103
3 unless:

4 (1) each municipality or county that will operate and
5 maintain the road has approved the plans and specifications of the
6 road project, if a municipality or county will operate and maintain
7 the road; or

8 (2) the Texas Transportation Commission has approved
9 the plans and specifications of the road project, if the state will
10 operate and maintain the road.

11 (b) Except as provided by Subsection (a), the district is
12 not required to obtain approval from the Texas Transportation
13 Commission to design, acquire, construct, finance, issue bonds for,
14 improve, or convey a road project.

15 Sec. 7997.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
16 OR RESOLUTION. The district shall comply with all applicable
17 requirements of any ordinance or resolution that is adopted under
18 Section 54.016 or 54.0165, Water Code, and that consents to the
19 creation of the district or to the inclusion of land in the
20 district.

21 Sec. 7997.106. LIMITATION ON USE OF EMINENT DOMAIN. The
22 district may not exercise the power of eminent domain outside the
23 district to acquire a site or easement for:

24 (1) a road project authorized by Section 7997.103; or

25 (2) a recreational facility as defined by Section
26 49.462, Water Code.

1 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

2 Sec. 7997.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
3 district may issue, without an election, bonds and other
4 obligations secured by:

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

6 (2) contract payments described by Section 7997.153.

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

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

15 Sec. 7997.152. OPERATION AND MAINTENANCE TAX. (a) If
16 authorized at an election held under Section 7997.151, the district
17 may impose an operation and maintenance tax on taxable property in
18 the district in accordance with Section 49.107, Water Code.

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

21 Sec. 7997.153. CONTRACT TAXES. (a) In accordance with
22 Section 49.108, Water Code, the district may impose a tax other than
23 an operation and maintenance tax and use the revenue derived from
24 the tax to make payments under a contract after the provisions of
25 the contract have been approved by a majority of the district voters
26 voting at an election held for that purpose.

27 (b) A contract approved by the district voters may contain a

1 provision stating that the contract may be modified or amended by
2 the board without further voter approval.

3 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4 Sec. 7997.201. AUTHORITY TO ISSUE BONDS AND OTHER
5 OBLIGATIONS. The district may issue bonds or other obligations
6 payable wholly or partly from ad valorem taxes, impact fees,
7 revenue, contract payments, grants, or other district money, or any
8 combination of those sources, to pay for any authorized district
9 purpose.

10 Sec. 7997.202. TAXES FOR BONDS. At the time the district
11 issues bonds payable wholly or partly from ad valorem taxes, the
12 board shall provide for the annual imposition of a continuing
13 direct ad valorem tax, without limit as to rate or amount, while all
14 or part of the bonds are outstanding as required and in the manner
15 provided by Sections 54.601 and 54.602, Water Code.

16 Sec. 7997.203. BONDS FOR ROAD PROJECTS. At the time of
17 issuance, the total principal amount of bonds or other obligations
18 issued or incurred to finance road projects and payable from ad
19 valorem taxes may not exceed one-fourth of the assessed value of the
20 real property in the district.

21 SECTION 2. The Harris County Municipal Utility District No.
22 553 initially includes all the territory contained in the following
23 area:

24 Approximately 266.85 acres of land, being the following tracts of
25 land:

26 1. A called 98.5 acre tract of land conveyed to Gulf Coast
27 Land Trust in deed of gift recorded in Clerk's File No. 20120599690

1 in the Official Public Records of Harris County, Texas, said
2 description being referenced in Clerk's File No. E35554 in the
3 Official Public Records of Harris County, Texas and further
4 described in Volume 5676, Page 103 in the Harris County Deed
5 Records;

6 2. A called 63.7407 acre tract of land conveyed to Bauer
7 Road Properties, LLC described in a deed recorded in Clerk's File
8 No. 20150383255 in the Official Public Records of Harris County,
9 Texas;

10 3. A called 26.1706 acre tract of land conveyed to 22803
11 Scheil Partners, LLC described in a deed recorded in Clerk's File
12 No. 20130231162 in the Official Public Record of Harris County,
13 Texas;

14 4. A called 1.576 acre tract (Tract 1), a called 0.1514 acre
15 tract (Tract 2), and a called 0.1214 acre (Tract 3) tract of land
16 conveyed to 22803 Scheil Partners, LLC described in a deed recorded
17 in Clerk's File No. RP-2016-201349 in the Official Public Records
18 of Harris County, Texas;

19 5. A called 58.5889 acre tract of land (Tract 1) and a called
20 34.9999 acre tract of land (Tract 2) conveyed to 93 Scheil Road LTD.
21 described in a deed recorded in Clerk's File No. 20110106409 in the
22 Official Public Records of Harris County, Texas; SAVE AND EXCEPT a
23 called 17.0000 acre tract (Tract 1) out of said the 58.5889 acre
24 tract recorded in in Clerk's File No. 20130150358 in the Official
25 Public Records of Harris County, Texas;

26 all tracts located in the William McCann Survey, Abstract No. 585
27 and the J.B. Baker Survey, Abstract No. 116 in Harris County,

1 Texas. Said 266.85 acre tract being more fully described as
2 follows, with bearings based on the west line of said 63.7407 acre
3 tract the bearing being N 00°24'39" W:

4 BEGINNING: At a 3/4 inch iron rod found for the northwest corner of
5 said 63.7407 acre tract, in the east right of way of Bauer road;

6 THENCE: S 89°46'26" E, along and with the north line of said
7 63.7407 acre tract, an approximate distance of 1718.62
8 feet to a point corner in the north line of said 63.7407
9 acre tract, the southwest corner of said 34.9999 acre
10 tract;

11 THENCE: N 00°00'34" W, along and with the west line of said
12 34.9999 acre tract, the west line of said 58.5889 acre
13 tract, an approximate distance of 922.92 feet to a point
14 at the northwest corner of said 58.5889 acre tract;

15 THENCE: S 89°42'56" E, along and with the north line of said
16 58.5889 acre tract, an approximate distance of 1513.57
17 feet to a point for an interior corner of said 58.5889
18 acre tract;

19 THENCE: N 01°07'00" E, along and with the west line of said
20 58.5889 acre tract, an approximate distance of 905.07
21 feet to a point at the southwest corner of said 17.0000
22 acre tract;

23 THENCE: S 89°58'02" E, along and with the south line of said
24 17.0000 acre tract, approximate distance of 1048.77 feet
25 to a point for the southeast corner of said 17.0000 acre
26 tract, in the east line of said 58.5889 acre tract;

27 THENCE: S 00°01'58" W, along and with the east line of said

1 58.5889 acre tract, the east line of said 34.9999 tract,
2 and a east line of said 26.1706 acre tract, an
3 approximate distance of 1913.91 feet to a point for the
4 southeast corner of said 26.1706 acre tract;

5 THENCE: Along and with the common line of said 26.1706 acre
6 tract, and said 8.7235 acre tract, the following course
7 and distance:

8 S 89°48'33" W, an approximate distance of 691.97 feet to a
9 point for corner,

10 S 00°08'29" W, an approximate distance of 1160.75 feet to
11 a point for corner at the southeast corner of said
12 26.1706, the southwest corner of said 8.7235 acre tract,
13 and in the north line of said 98.5 acre tract;

14 THENCE: S 84°08'16" E, along and with the north line of said north
15 line of said 98.5 acre tract, the south line of said
16 8.7235 acre tract, an approximate distance of 304.57
17 feet to a point for the southeast corner of said 8.7235
18 acre tract, and in the west line of said 1.576 acre
19 tract;

20 THENCE: Along and with the common line of said 8.7235 acre tract,
21 and said 1.576 acre tract the following course and
22 distance:

23 N 00°08'30" E, an approximate distance of 1132.87 feet to
24 a point interior corner of said 8.7235 acre tract, and
25 said 1.576 acre tract,

26 N 89°48'33" E, an approximate distance of 389.02 feet to
27 a point at the northeast corner of said 1.576 acre tract,

1 the southeast corner of said 8.7235 acre tract;

2 THENCE: Along and with the east line of said 1.576 acre tract the

3 following course and distance:

4 S 00°01'58" W, an approximate distance of 30.00 feet to a

5 point for corner,

6 S 89°48'33" W, an approximate distance of 343.24 feet to a

7 point for corner,

8 S 00°08'11" W, an approximate distance of 1193.49 feet to

9 a point for corner,

10 S 25°06'06" W, an approximate distance of 107.20 feet to a

11 point for the south corner of said 1.576 acre tract, and

12 in the east line of said 98.5 acre tract;

13 THENCE: S 00°04'28" E, along and with the east line of said 98.5

14 acre tract an approximate distance of 246.00 feet to a

15 point for the northwest corner of said 0.1514 acre tract;

16 THENCE: S 81°42'19" E, along and with the north line of said

17 0.1514 acre tract, an approximate distance of 61.59 feet

18 to a point for the northeast corner of said 0.1514 acre

19 tract;

20 THENCE: Along and with the east line of said 0.1514 acre tract the

21 following course and distance:

22 S 07°25'12" W, an approximate distance of 101.21 feet to

23 a point for corner,

24 S 52°31'04" W, an approximate distance of 59.76 feet to a

25 point for corner,

26 S 52°31'06" W, an approximate distance of 0.33 feet to a

27 point for corner in the east line of said 98.5 acre

1 tract,
2 THENCE: S 00°04'28" E, along and with the east line of said 98.5
3 acre tract, an approximate distance of 129.55 feet to a
4 point for the northwest corner of said 0.1266 acre tract,
5 THENCE: S 39°42'53" E, an approximate distatnce of 0.40' to an
6 angle point,
7 THENCE: S 39°42'51" E, along and with the north line of said
8 0.1266 acre tract, an approximate distance of 41.05 feet
9 to a point for the northeast corner of said 0.1266 acre
10 tract;
11 THENCE: Along a non-tangent curve to the left, having a radial
12 bearing of S 84°50'12" E, a radius of 6335.67 feet, a
13 central angle of 05°08'49", a chord bearing and
14 approximate distance of S 02°35'24" W, 568.93 feet, for
15 an arc length of 569.13 feet to a point for the south
16 corner of said 0.1266 acre tract the southeast corner of
17 said 98.5 acre tract;
18 THENCE: N 78°08'04" W, along and with the south line of said 98.5
19 acre tract, an approximate distance of 3983.14 feet to a
20 found 4"x4" conc monument for the southwest corner of
21 said 98.5 acre tract,
22 THENCE: N 00°10'33" W, along and with the west line of said 98.5
23 acre tract and also along east line of said Bauer Road,
24 an approximate distance of 892.80 to a found 4"x4" conc
25 monument for the northwest corner of said 98.5 acre tract
26 and for the southwest corner of said 63.7407 acre tract;
27 THENCE: N 00°24'39" W, (bearing basis), along and with the west

1 line of said 63.7407 acre tract and also along the east
2 line of said Bauer Road, an approximate distance of
3 892.51 feet to the POINT OF BEGINNING, and containing
4 266.85 acres in Harris County, Texas. Said tract being
5 described in accordance with a survey made on the ground
6 and a survey description and map prepared under job
7 number 40428-00 by Pape-Dawson Engineers, Inc.

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

15 (b) The governor, one of the required recipients, has
16 submitted the notice and Act to the Texas Commission on
17 Environmental Quality.

18 (c) The Texas Commission on Environmental Quality has filed
19 its recommendations relating to this Act with the governor, the
20 lieutenant governor, and the speaker of the house of
21 representatives within the required time.

22 (d) All requirements of the constitution and laws of this
23 state and the rules and procedures of the legislature with respect
24 to the notice, introduction, and passage of this Act are fulfilled
25 and accomplished.

26 SECTION 4. (a) Section 7997.106, Special District Local
27 Laws Code, as added by Section 1 of this Act, takes effect only if

1 this Act receives a two-thirds vote of all the members elected to
2 each house.

3 (b) If this Act does not receive a two-thirds vote of all the
4 members elected to each house, Subchapter C, Chapter 7997, Special
5 District Local Laws Code, as added by Section 1 of this Act, is
6 amended by adding Section 7997.106 to read as follows:

7 Sec. 7997.106. NO EMINENT DOMAIN POWER. The district may
8 not exercise the power of eminent domain.

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

12 SECTION 5. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I certify that H.B. No. 4298 was passed by the House on May 19, 2017, by the following vote: Yeas 137, Nays 7, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 4298 was passed by the Senate on May 24, 2017, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor