

1-1 By: Creighton S.B. No. 2290  
1-2 (In the Senate - Filed May 1, 2017; May 2, 2017, read first  
1-3 time and referred to Committee on Administration; May 9, 2017,  
1-4 reported favorably by the following vote: Yeas 6, Nays 0;  
1-5 May 9, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	Kolkhorst	X		
1-9	Burton	X		
1-10	Huffines	X		
1-11	Hughes		X	
1-12	Nichols	X		
1-13	West	X		
1-14	Zaffirini	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. 557; 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 8015 to read as follows:

1-24 CHAPTER 8015. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 557

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8015.001. 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. 557.

1-33 Sec. 8015.002. 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. 8015.003. 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. 8015.004. CONSENT OF MUNICIPALITY REQUIRED. The  
1-41 temporary directors may not hold an election under Section 8015.003  
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. 8015.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-47 (a) 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. 8015.006. 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

does not affect the district's:

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

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8015.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8015.052, directors serve staggered four-year terms.

Sec. 8015.052. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) \_\_\_\_\_;
- (2) \_\_\_\_\_;
- (3) \_\_\_\_\_;
- (4) \_\_\_\_\_; and
- (5) \_\_\_\_\_.

(b) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Section 8015.003; or
- (2) the fourth anniversary of the effective date of the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 8015.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

- (1) the date permanent directors are elected under Section 8015.003; or
- (2) the fourth anniversary of the date of the appointment or reappointment.

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

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8015.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8015.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8015.103. AUTHORITY FOR ROAD PROJECTS. (a) Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads described by Section 54.234, Water Code, or improvements, including storm drainage, in aid of those roads.

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

Sec. 8015.104. APPROVAL OF ROAD PROJECT. (a) The district may not undertake a road project authorized by Section 8015.103 unless:

- (1) each municipality or county that will operate and maintain the road has approved the plans and specifications of the road project, if a municipality or county will operate and maintain the road; or
- (2) the Texas Transportation Commission has approved the plans and specifications of the road project, if the state will operate and maintain the road.

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

Sec. 8015.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8015.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1) revenue other than ad valorem taxes; or

(2) contract payments described by Section 8015.153.

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

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

Sec. 8015.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8015.151, 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. 8015.153. 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. 8015.201. 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. 8015.202. 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. 8015.203. 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. 557 initially includes all the territory contained in the following area:

#### DESCRIPTION OF A 312.64 ACRE TRACT OF LAND SITUATED IN THE JOHN MERRY SURVEY, ABSTRACT 49 HARRIS COUNTY, TEXAS

BEING a 312.64 acre tract of land situated in the John Merry Survey, Abstract 49, Harris County, Texas and being the residue of a called 315.369 acre tract of land described in an instrument filed for record under Harris County Clerk's File Number C623592, said 312.64 acres being more particularly described by metes and bounds as follows:

BEGINNING at a Texas Department of Transportation brass disk in concrete found for the northeast corner of a called 2.14 acre right-of-way acquisition tract for Farm-to-Market Road 2100 (160-foot width) described in an instrument filed for record under Harris County Clerk's File Number E236723, some also being in the south right-of-way line of the Houston, Beaumont & Orange Interurban Railroad right-of-way (100-foot width, Volume 542, Page 15, Harris County Map Records);  
 THENCE N 64°36'50" E, a distance of 2151.36 feet along the southeast line of said Houston, Beaumont & Orange Interurban Railroad right-of-way to a 5/8 inch iron rod with a cap stamped "Brown & Gay" set for corner;  
 THENCE N 86°59'00" E, along the north line of said called 315.369 acre tract, at a distance of 91.67 feet pass a 1/2-inch iron rod found for the most westerly southwest corner of a called 2084.715 acre tract of land described in an instrument filed for record under Harris County Clerk's File Number Y056225, at a distance of 866.88 feet pass a 1/2-inch iron rod found for the most westerly southwest corner of a called 753.684 acre tract of land described in a deed filed for record under Harris County Clerk's File Number P567184 and continuing for a total distance of 4103.45 feet to a 5/8-inch iron rod with a cap stamped "Brown & Gay" set for the northwest corner of the herein described tract, some being a reentrant corner of said called 2084.715 acre tract of land, and from which a found 1/2-inch iron rod bears N 86°59'00" E, 32.10 feet;  
 THENCE S 03°20'19" E, a distance of 2300.99 feet along the east line of said called 315.369 acre tract to a 5/8-inch iron rod with a cap stamped "Brown & Gay" set for the southwest corner of the herein described tract, some being a reentrant corner of said called 2084.715 acre tract of land,  
 THENCE S 86°44'37" W, a distance of 3450.07 feet along the south line of said called 315.369 acre tract to a 2-inch iron pipe found for an angle point, some being a northwest corner of said called 2084.715 acre tract and the northeast corner of Forest Manor Section Two, a subdivision plat filed for the record under Volume 187, Page 1 of the Harris County Map Records;  
 THENCE S 86°45'55" W, along the south line of said called 315.369 acre tract, at a distance of 835.62 feet and S 40°37'36" W, 2.94 feet pass a 1-inch iron rod found for the northwest corner of said Forest Manor Section Two and the northeast corner of a called 46.701 acre tract of and described in an instrument filed for a record under Harris County Clerk's File Number G913462, at a distance of 2599.89 feet and S 02°28'36" E, 1.08 feet pass a 3/4-inch iron pipe found for the northeast corner of a called 3.0 acre tract of land described in an instrument filed for record under Harris County Clerk's File Number B878922, and the most northerly northwest corner of said called 46.701 acre tract and continuing for a total distance of 3085.25 feet to a Texas Department of Transportation brass disk in concrete found in the east right-of-way line of said Farm-to-Market Road 2100 (width varies), some also being the southeast corner of said called 2.14 acre right-of-way taking and from which a found Texas Department of Transportation brass disk in concrete bears S 86°45'55" W, 63.41 feet;  
 THENCE N 12°58'48" E, a distance of 1170.53 feet along the east line of said 2.14 acre right-of-way acquisition tract and the east right-of-way line of said Farm-to-Market Road 2100 (width varies) to a Texas Department of Transportation brass disk in concrete found for an angle point;  
 THENCE N 12°33'48" E, a distance of 397.78 feet along the east line of said 2.14 acre right-of-way acquisition tract to the POINT OF BEGINNING and containing 312.64 acre of land.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a

copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

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

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

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

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 8015, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8015.106 to read as follows:

Sec. 8015.106. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

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

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

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