

By: Oliverson

H.B. No. 1379

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the creation of the Harris County Municipal Utility  
3 District No. 565; 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 8036 to read as follows:

9 CHAPTER 8036. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 565

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8036.0101. 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. 565.

18 Sec. 8036.0102. NATURE OF DISTRICT. The district is a  
19 municipal utility district created under Section 59, Article XVI,  
20 Texas Constitution.

21 Sec. 8036.0103. CONFIRMATION AND DIRECTOR 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. 8036.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
2 temporary directors may not hold an election under Section  
3 8036.0103 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. 8036.0105. 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. 8036.0106. 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. 8036.0201. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5           (b) Except as provided by Section 8036.0202, directors  
6 serve staggered four-year terms.

7           Sec. 8036.0202. TEMPORARY DIRECTORS. (a) On or after  
8 September 1, 2019, the owner or owners of a majority of the assessed  
9 value of the real property in the district may submit a petition to  
10 the commission requesting that the commission appoint as temporary  
11 directors the five persons named in the petition. The commission  
12 shall appoint as temporary directors the five persons named in the  
13 petition.

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

15                   (1) the date permanent directors are elected under  
16 Section 8036.0103; or

17                   (2) September 1, 2023.

18           (c) If permanent directors have not been elected under  
19 Section 8036.0103 and the terms of the temporary directors have  
20 expired, successor temporary directors shall be appointed or  
21 reappointed as provided by Subsection (d) to serve terms that  
22 expire on the earlier of:

23                   (1) the date permanent directors are elected under  
24 Section 8036.0103; or

25                   (2) the fourth anniversary of the date of the  
26 appointment or reappointment.

27           (d) If Subsection (c) applies, the owner or owners of a

1 majority of the assessed value of the real property in the district  
2 may submit a petition to the commission requesting that the  
3 commission appoint as successor temporary directors the five  
4 persons named in the petition. The commission shall appoint as  
5 successor temporary directors the five persons named in the  
6 petition.

7 SUBCHAPTER C. POWERS AND DUTIES

8 Sec. 8036.0301. GENERAL POWERS AND DUTIES. The district  
9 has the powers and duties necessary to accomplish the purposes for  
10 which the district is created.

11 Sec. 8036.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
12 DUTIES. The district has the powers and duties provided by the  
13 general law of this state, including Chapters 49 and 54, Water Code,  
14 applicable to municipal utility districts created under Section 59,  
15 Article XVI, Texas Constitution.

16 Sec. 8036.0303. AUTHORITY FOR ROAD PROJECTS. Under Section  
17 52, Article III, Texas Constitution, the district may design,  
18 acquire, construct, finance, issue bonds for, improve, operate,  
19 maintain, and convey to this state, a county, or a municipality for  
20 operation and maintenance macadamized, graveled, or paved roads, or  
21 improvements, including storm drainage, in aid of those roads.

22 Sec. 8036.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
23 road project must meet all applicable construction standards,  
24 zoning and subdivision requirements, and regulations of each  
25 municipality in whose corporate limits or extraterritorial  
26 jurisdiction the road project is located.

27 (b) If a road project is not located in the corporate limits

1 or extraterritorial jurisdiction of a municipality, the road  
2 project must meet all applicable construction standards,  
3 subdivision requirements, and regulations of each county in which  
4 the road project is located.

5 (c) If the state will maintain and operate the road, the  
6 Texas Transportation Commission must approve the plans and  
7 specifications of the road project.

8 Sec. 8036.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
9 ORDINANCE OR RESOLUTION. The district shall comply with all  
10 applicable requirements of any ordinance or resolution that is  
11 adopted under Section 54.016 or 54.0165, Water Code, and that  
12 consents to the creation of the district or to the inclusion of land  
13 in the district.

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 8036.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
16 The district may issue, without an election, bonds and other  
17 obligations secured by:

- 18 (1) revenue other than ad valorem taxes; or  
19 (2) contract payments described by Section 8036.0403.

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

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

1       Sec. 8036.0402. OPERATION AND MAINTENANCE TAX. (a) If  
2 authorized at an election held under Section 8036.0401, the  
3 district may impose an operation and maintenance tax on taxable  
4 property in the district in accordance with Section 49.107, Water  
5 Code.

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

8       Sec. 8036.0403. 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. 8036.0501. 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. 8036.0502. 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. 8036.0503. 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. 565 initially includes all the territory contained in the  
10 following area:

11 Being a 104.21 acre tract of land located in the Harris County  
12 School Land Survey, Section 27 and Section 28, A-333, Harris  
13 County, Texas; said 104.21 acre tract being a portion of a called  
14 56.491 acre tract of land recorded in Clerk's File Number  
15 RP-2018-392482 of the Official Public Records of Real Property  
16 Harris County (O.P.R.R.P.H.C.), Texas and the remainder of a called  
17 51.1936 acre tract of land recorded in Clerk's File No. M000378 of  
18 the O.P.R.R.P.H.C.; said 104.21 acre tract being more particularly  
19 described by metes and bounds in two tracts as follows (all bearings  
20 are referenced to the Texas Coordinate System, NAD 83, 2001 Adj.,  
21 South Central Zone):

22 Tract 1- 55.37 Acres

23 Beginning at a 1-1/4-inch iron rod found at the southeast corner of  
24 said called 56.491 acre tract and a westerly interior corner of a  
25 called 75.9019 acre tract of land recorded in Clerk's File Number  
26 R062458 of the O.P.R.R.P.H.C.

27 1. Thence, with the south line of said called 56.491 acre

1 tract, a westerly line of said called 75.9019 acre tract, the north  
2 line of a called 9.737 acre tract of land recorded in Clerk's File  
3 Number U588970, the north line of a called 9.736 acre tract of land  
4 recorded in Clerk's File Number U496673, and the north line of a  
5 called 4.736 acre tract (north half) of land recorded in Clerk's  
6 File Number 20140111501 all of the O.P.R.R.P.H.C, South 87 degrees  
7 50 minutes 16 seconds West (called S89°49'29"W), a distance of  
8 1,619.54 feet to a 5/8-inch iron rod with cap stamped "COSTELLO INC"  
9 found on the east right-of-way (R.O.W.) line of Becker Road  
10 (66-feet wide) from which a PK nail found for the southwest corner  
11 of said called 56.491 acre tract bears S87°50'16"W, 33.00';

12         2. Thence, with said east R.O.W. line, North 02 degrees 09  
13 minutes 37 seconds West, a distance of 1,484.67 feet to a 5/8-inch  
14 iron rod found on the north line of said called 56.491 acre tract  
15 and south line of a called 10.039 acre tract of land recorded in  
16 Clerk's File No. 20120062218 of the O.P.R.R.P.H.C.;

17         3. Thence, with the north line of said called 56.491 acre  
18 tract common with the south line of said called 10.039 acre tract,  
19 North 87 degrees 38 minutes 44 seconds East (called North 89 degrees  
20 38 minutes 21 seconds East), a distance of 1,623.50 feet (called  
21 1623.69 feet) to the northeast corner of said called 56.491 acre  
22 tract, the southwest corner of said call 10.039 acre tract and being  
23 on the west line of aforesaid called 75.9019 acre tract;

24         4. Thence, with the east line of said called 56.491 acre  
25 tract common with the west line of said called 75.9019 are tract,  
26 South 02 degrees 00 minutes 29 seconds East (called South 00 degrees  
27 00 minutes 52 seconds East), a distance of 1,490.13 feet (called



1 1489.98 feet) to the Point of Beginning and containing 55.37 acres  
2 of land.

3 Tract 2- 48.84 Acres

4 Beginning at a 1-inch iron pipe found at the northeasterly corner of  
5 a called two acre tract of land recorded in the name of Lendell  
6 Martin and Lawanna Martin, co-trustees of the Justin Clint Martin  
7 1994 Investment Trust in C.F. No. X651859 of the O.P.R.R.P.H.C.,  
8 and being at the intersection of an interior south line of said  
9 51.1936 acre tract with the westerly right-of-way line of Becker  
10 Road (66-feet wide) as established by the map of Harris County  
11 School Land recorded in Volume 17, Pages 222 and 223 of the Deed  
12 Records of Harris County;

13         1. South 87 degrees 57 minutes 49 seconds West, a distance  
14 of 484.00 feet to a 5/8-inch iron rod with cap stamped "COSTELLO  
15 INC" found at an interior corner of said 51.1936 acre tract and the  
16 northwest corner of said two acre tract;

17         2. South 02 degrees 09 minutes 19 seconds East, a distance  
18 of 180.00 feet to a 5/8-inch iron rod with cap stamped "COSTELLO  
19 INC" found at an interior corner of said 51.1936 acre tract and the  
20 southwest corner of said two acre tract, from which a found 5/8-inch  
21 iron rod bears North 87 degrees 54 minutes 26 seconds East, a  
22 distance of 1.18 feet;

23         3. North 87 degrees 57 minutes 49 seconds East, a distance  
24 of 484.00 feet to a 5/8-inch iron rod with cap stamped "COSTELLO  
25 INC" found at the southeast corner of said two acre tract and being  
26 on the aforesaid westerly right-of-way line of Becker Road, from  
27 which a found 1-inch iron pipe bears North 49 degrees 58 minutes 30

1 seconds East, a distance of 1.81 feet;

2           4. Thence, with said westerly right-of-way line of Becker  
3 Road, South 02 degrees 09 minutes 19 seconds East, a distance of  
4 1,141.31 feet to a 5/8-inch iron rod found on the southerly line of  
5 said 51.1936 acre tract and the northerly line of a called 20.00  
6 acre tract of land recorded in the name of Tye E. Smith and wife,  
7 Patricia B. Smith in C.F. No. S272354 of the O.P.R.R.P.H.C.;

8           5. Thence, with said southerly line of the 51.1936 acre  
9 tract and said northerly line of the 20.00 acre tract, South 88  
10 degrees 01 minutes 34 seconds West, a distance of 1,190.54 feet to a  
11 5/8-inch iron rod found at the southwest corner of said 51.1936 acre  
12 tract and an interior corner of said 20.00 acre tract;

13           6. Thence, with the westerly line of said 51.1936 acre  
14 tract, an easterly line of said 20.00 acre tract, and the easterly  
15 line of a called 58.4349 acre tract of land recorded in the name of  
16 John Bryan Lowe, Jr. in C.F. No. M000380 of the O.P.R.R.P.H.C.,  
17 North 02 degrees 10 minutes 06 seconds West, a distance of 1,859.46  
18 feet to a 5/8-inch iron rod found on the southerly right-of-way line  
19 of Botkins Road (66-feet wide) as established by aforesaid map of  
20 Harris County School Land;

21           7. Thence, with said southerly right-of-way line of Botkins  
22 Road, North 88 degrees 00 minutes 04 seconds East, a distance of  
23 1,190.96 feet to a 3/4-inch iron rod found at the intersection with  
24 aforesaid westerly right-of-way line of Becker Road;

25           8. Thence, with said westerly right-of-way line of Becker  
26 Road, South 02 degrees 09 minutes 19 seconds East, a distance of  
27 538.67 feet to the Point of Beginning and containing 48.84 acres of

1 land.

2 Parcel 1- 55.37 Acres

3 Parcel 2- 48.84 Acres

4 Total - 104.21 Acres

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

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

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

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

23 SECTION 4. (a) If this Act does not receive a two-thirds  
24 vote of all the members elected to each house, Subchapter C, Chapter  
25 8036, Special District Local Laws Code, as added by Section 1 of  
26 this Act, is amended by adding Section 8036.0306 to read as follows:

27 Sec. 8036.0306. NO EMINENT DOMAIN POWER. The district may

1 not exercise the power of eminent domain.

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

5           SECTION 5. This Act takes effect September 1, 2019.