S.B. No. 2180

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 581; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1.  Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7924A to read as follows:

CHAPTER 7924A.  HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 581

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7924A.0101.  DEFINITIONS. In this chapter:

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

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

(3)  "Director" means a board member.

(4)  "District" means the Harris County Municipal Utility District No. 581.

Sec. 7924A.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7924A.0103.  CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7924A.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7924A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7924A.0105.  FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

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

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

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

Sec. 7924A.0106.  INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b)  The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the 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. 7924A.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 7924A.0202, directors serve staggered four-year terms.

Sec. 7924A.0202.  TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, 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 temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 7924A.0103; 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 7924A.0103 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 7924A.0103; 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. 7924A.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7924A.0302.  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. 7924A.0303.  AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7924A.0304.  ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

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

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

Sec. 7924A.0305.  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. 7924A.0401.  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 7924A.0403.

(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. 7924A.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7924A.0401, 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. 7924A.0403.  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. 7924A.0501.  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. 7924A.0502.  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. 7924A.0503.  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. 581 initially includes all the territory contained in the following area:

TRACT 1 65.233 ACRES

A TRACT OR PARCEL CONTAINING 65.233 ACRES OR 2,841,562 SQUARE FEET OF LAND SITUATED IN THE WILLIAM SETTLE SURVEY, ABSTRACT NO. 705, HARRIS COUNTY, TEXAS, BEING THE RESIDUE OF A CALLED 66.07629 ACRE TRACT OF LAND, CONVEYED TO CYPRESS ROSE HILL, LTD. #1, AS RECORDED UNDER HARRIS COUNTY CLERK'S FILE (H.C.C.F. NO. E031964 WITH SAID 65.233 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8 INCH IRON ROD FOUND ON THE EAST RIGHT-OF-WAY (R.O.W.) LINE OF CYPRESS ROSEHILL ROAD (100 FEET WIDE) AS RECORDED UNDER H.C.C.F. NOS. 20080044631, 20080092981, AND 20080229033, FOR THE SOUTHWEST CORNER OF UNRESTRICTED RESERVE "F" OF LAKES AT CYPRESS HILL, MAP OR PLAT THEREOF RECORDED UNDER FILM CODE NO. 350084 OF THE HARRIS COUNTY MAP RECORDS (H.C.M.R.) AND THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE, NORTH 87 DEG. 47 MIN. 13 SEC. EAST, ALONG THE COMMON LINE OF SAID UNRESTRICTED RESERVE "F", SAID CALLED 66.07629 ACRE TRACT, AND LANDSCAPE RESERVE "B" OF SAID LAKES AT CYPRESS HILL, A DISTANCE OF 1,516.12 FEET TO A 5/8 INCH IRON ROD FOUND FOR THE NORTHEAST CORNER OF SAID CALLED 66.07629 ACRE TRACT AND THE HEREIN DESCRIBED TRACT;

THENCE, SOUTH 02 DEG. 28 MIN. 37 SEC. EAST, ALONG THE EAST LINE OF SAID CALLED 66.07629 ACRE TRACT, AND THE WEST LINE OF RESERVE "B" OF SAID LAKES AT CYPRESS HILL, A DISTANCE OF 5.64 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "WINDROSE" SET FOR THE NORTHWEST CORNER OF A CALLED 46.8686 ACRE TRACT OF LAND, CONVEYED TO DAVID BRUCE JONES, AS RECORDED UNDER H.C.C.F. NO. 20110039327, FROM WHICH A FOUND 1/2 INCH IRON ROD BEARS FOR REFERENCE NORTH 06 DEG. 24 MIN. 48 SEC. WEST, A DISTANCE OF 1.34 FEET;

THENCE, SOUTH 02 DEG. 28 MIN. 47 SEC. EAST, ALONG THE COMMON LINE OF SAID CALLED 66.07629 ACRE TRACT, SAID CALLED 46.8686 ACRE TRACT, A CALLED 2.7153 ACRE TRACT OF LAND CONVEYED TO DAVID BRUCE JONES, AS RECORDED UNDER H.C.C.F. NO. 20110039327, AND A CALLED 30.0000 ACRE TRACT OF LAND, CONVEYED TO DAVID BRUCE JONES, AS RECORDED UNDER H.C.C.F. NO. M282878, A DISTANCE OF 1,868.53 FEET TO AN AXLE FOUND FOR THE SOUTHEAST CORNER OF SAID CALLED 66.07629 ACRE TRACT;

THENCE, SOUTH 88 DEG. 10 MIN. 44 SEC. WEST, ALONG THE SOUTH LINE OF SAID CALLED 66.07629 ACRE TRACT, A DISTANCE OF 1,524.78 FEET TO A CAPPED 5/8 INCH IRON ROD STAMPED "S & V" FOUND ON THE EAST R.O.W. LINE OF SAID CYPRESS ROSEHILL ROAD, FOR THE NORTHWEST CORNER OF A CALLED 2.6547 ACRE TRACT, CONVEYED TO NORWEST MORTGAGE, INC. AS RECORDED UNDER H.C.C.F. NO. R856420;

THENCE, NORTH 02 DEG. 12 MIN. 58 SEC. WEST, ALONG THE EAST R.O.W. LINE OF SAID CYPRESS ROSEHILL ROAD, A DISTANCE OF 1,863.72 FEET TO THE POINT OF BEGINNING AND CONTAINING 65.233 ACRES OR 2,841,562 SQUARE FEET OF LAND, AS SHOWN ON JOB NO. 54760, PREPARED BY WINDROSE LAND SERVICES.

TRACT 2 (58.396 ACRES)

A 58.396 acre, or 2,543,742 square feet more or less, tract of land being the remaining portion of the 58.735 acre tract conveyed to Hally Beth Walker Poindexter, as recorded in Clerk's File No. E465875 in the Official Public Records of Real Property of Harris County, Texas, in the F. Benignus Survey, Abstract 1463, Harris County, Texas. Said 58.396 acre tract being more fully described as follows, with bearings based on the North American Datum of 1983 NAD 83 (NA2011) epoch 2010.00, from the Texas Coordinate System established for the South Central Zone.

BEGINNING: At a found 3/4 inch iron rod on the north right-of-way line of Grant Road, a 60-foot right-of-way, at the southwest corner of said 58.735 acre tract, at the southeast corner of the 3.975 acre tract conveyed to O'Conner Properties, No. One, LLC, as recorded in Clerk's File No. 20140112827 in the Official Public Records of Real Property of Harris County, Texas;

THENCE: N 02°11'41" W, along and with the west line of said 58.735 acre tract, the east line of said 3.975 acre tract, the east line of the 10.2141 acre tract, conveyed to Emmanuel Baptist Church of Houston Texas, as recorded in Clerk's File No. 20140542621, in the Official Public Records of Real Property of Harris County, Texas, the east line of the 6.6513 acre tract, conveyed to Doyle Kay and Cynthia L. Kay, as recorded in Clerk's File No. 20080188383, and the east line of the 3.9999 acre tract, conveyed to Robert R. Hodge and Amy F. Vanzant-Hodge, as recorded in Clerk's File No 20070607517 in the Official Public Records of Real Property of Harris County, Texas, a distance of 1737.23 feet to a found 3/4 inch iron pipe on the south line of the 66.07529 acre tract conveyed to Cypress Rose Hill, Ltd. #1, as recorded in Clerk's File No. E0319641 in the Official Public Records of Real Property of Harris County, Texas, at the northeast corner of said 3.9999 acre tract, for the northwest corner of this tract;

THENCE: N 87°43'56" E, along and with the south line of said 66.07529 acre tract, a distance of 213.80 feet to a found axle on the west line of the 46.8686 acre tract, conveyed to Doyle E. Jones and Bruce Jones, as recorded in Clerk's File No. K944940 in the Official Public Records of Real Property of Harris County, Texas, and described in Document No. D581566 in the Official Public Records of Real Property of Harris County, Texas, at the southeast corner of said 66.07529 acre tract;

THENCE: S 02°11'32" E, along and with the west line of said 46.8686 acre tract and an east line of said 58.735 acre tract, a distance of 455.96 feet to a found 1/2 inch iron rod, at the southwest corner of said 46.8686 acre tract and an interior corner of said 58.735 acre tract;

THENCE: N 87°57'55" E, along and with a north line of said 58.735 acre tract, the south line of said 46.8686 acre tract, and the south line of a called 5.720 acre tract conveyed to Manuel Cuevas and Lorena Cuevas, as recorded in Clerk's File No. RP-2019-9855 in the Official Public Records of Real Property of Harris County, Texas, a distance of 1700.29 feet to a found 3/4 inch iron pipe in the west line of the 1.15 acre tract conveyed to Garon W. Hano and Nicole B. Hano, as recorded in Clerk's File No. 20130173499 in the Official Public Records of Real Property of Harris County, Texas, for the northeast corner of this tract;

THENCE: S 02°02'13" E, along and with an east line of said 58.735 acre tract, the west line of said 1.15 acre tract and the west right-of-way line of Kitzman Road, a variable width right-of-way, a distance of 371.42 feet to a set 5/8 inch iron rod with a yellow cap marked "Pape-Dawson", at the north corner of the 0.2038 acre right-of-way dedication conveyed to Harris County, Texas, as recorded in Volume 3765, Page 717 in the Deed Records of Harris County, Texas;

THENCE: Along and with the west right-of-way line of said Kitzman Road and the west line of said 0.2038 acre tract the following bearings and distances:

Southwesterly, along a non-tangent curve to the left, said curve having a radial bearing of S 77°53'45" E, a radius of 330.00 feet, a central angle of 14°08'28", a chord bearing and distance of S 05°02'01" W, 81.24 feet, for an arc length of 81.45 feet to a set 5/8 inch iron rod with a yellow cap marked "Pape-Dawson" for the point of tangency;

THENCE: S 02°02'13" E, a distance of 833.64 feet to a found 5/8 inch iron rod at the intersection of the west right-of-way line of said Kitzman Road and the north right-of-way line of said Grant Road, at the southwest corner of said 0.2038 acre tract and the southeast corner of this tract;

THENCE: S 88°04'20" W, along and with the north right-of-way line of said Grant Road, a distance of 1900.54 feet to the POINT OF BEGINNING, and containing 58.396 acres in Harris County, Texas. Said tract being described in accordance with a survey made on the ground and a survey description and map prepared under job number 49226-19 by Pape-Dawson Engineers, Inc.

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 7924A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7924A.0306 to read as follows:

Sec. 7924A.0306.  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, 2021.

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I hereby certify that S.B. No. 2180 passed the Senate on April 29, 2021, by the following vote:  Yeas 31, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Secretary of the Senate

I hereby certify that S.B. No. 2180 passed the House on May 8, 2021, by the following vote:  Yeas 108, Nays 31, two present not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Chief Clerk of the House

Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_           Governor