

1-1 By: Bell of Montgomery, Oliverson H.B. No. 3140
 1-2 (Senate Sponsor - Kolkhorst)
 1-3 (In the Senate - Received from the House May 17, 2021;
 1-4 May 17, 2021, read first time and referred to Committee on Local
 1-5 Government; May 22, 2021, reported adversely, with favorable
 1-6 Committee Substitute by the following vote: Yeas 7, Nays 0;
 1-7 May 22, 2021, sent to printer.)

1-8 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-9				
1-10	Bettencourt	X		
1-11	Menéndez	X		
1-12	Eckhardt	X		
1-13	Gutierrez		X	
1-14	Hall	X		
1-15	Nichols	X		
1-16	Paxton	X		
1-17	Springer	X		
1-18	Zaffirini		X	

1-19 COMMITTEE SUBSTITUTE FOR H.B. No. 3140 By: Hall

1-20 A BILL TO BE ENTITLED
 1-21 AN ACT

1-22 relating to the creation of the Harris-Waller Counties Municipal
 1-23 Utility District No. 7; granting a limited power of eminent domain;
 1-24 providing authority to issue bonds; providing authority to impose
 1-25 assessments, fees, and taxes.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-27 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-28 Code, is amended by adding Chapter 7903A to read as follows:

1-29 CHAPTER 7903A. HARRIS-WALLER COUNTIES MUNICIPAL UTILITY DISTRICT
 1-30 NO. 7

1-31 SUBCHAPTER A. GENERAL PROVISIONS

1-32 Sec. 7903A.0101. DEFINITIONS. In this chapter:

1-33 (1) "Board" means the district's board of directors.
 1-34 (2) "Commission" means the Texas Commission on
 1-35 Environmental Quality.

1-36 (3) "Director" means a board member.

1-37 (4) "District" means the Harris-Waller Counties
 1-38 Municipal Utility District No. 7.

1-39 Sec. 7903A.0102. NATURE OF DISTRICT. The district is a
 1-40 municipal utility district created under Section 59, Article XVI,
 1-41 Texas Constitution.

1-42 Sec. 7903A.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-43 REQUIRED. The temporary directors shall hold an election to
 1-44 confirm the creation of the district and to elect five permanent
 1-45 directors as provided by Section 49.102, Water Code.

1-46 Sec. 7903A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-47 temporary directors may not hold an election under Section
 1-48 7903A.0103 until each municipality in whose corporate limits or
 1-49 extraterritorial jurisdiction the district is located has
 1-50 consented by ordinance or resolution to the creation of the
 1-51 district and to the inclusion of land in the district.

1-52 Sec. 7903A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-53 (a) The district is created to serve a public purpose and benefit.

1-54 (b) The district is created to accomplish the purposes of:

1-55 (1) a municipal utility district as provided by
 1-56 general law and Section 59, Article XVI, Texas Constitution; and

1-57 (2) Section 52, Article III, Texas Constitution, that
 1-58 relate to the construction, acquisition, improvement, operation,
 1-59 or maintenance of macadamized, graveled, or paved roads, or
 1-60 improvements, including storm drainage, in aid of those roads.

2-1 Sec. 7903A.0106. INITIAL DISTRICT TERRITORY. (a) The
2-2 district is initially composed of the territory described by
2-3 Section 2 of the Act enacting this chapter.

2-4 (b) The boundaries and field notes contained in Section 2 of
2-5 the Act enacting this chapter form a closure. A mistake made in the
2-6 field notes or in copying the field notes in the legislative process
2-7 does not affect the district's:

- 2-8 (1) organization, existence, or validity;
- 2-9 (2) right to issue any type of bond for the purposes
2-10 for which the district is created or to pay the principal of and
2-11 interest on a bond;
- 2-12 (3) right to impose a tax; or
- 2-13 (4) legality or operation.

2-14 SUBCHAPTER B. BOARD OF DIRECTORS

2-15 Sec. 7903A.0201. GOVERNING BODY; TERMS. (a) The district
2-16 is governed by a board of five elected directors.

2-17 (b) Except as provided by Section 7903A.0202, directors
2-18 serve staggered four-year terms.

2-19 Sec. 7903A.0202. TEMPORARY DIRECTORS. (a) The temporary
2-20 board consists of:

- 2-21 (1) Josh Trlicek;
- 2-22 (2) Sarah Sessum;
- 2-23 (3) Courtney Wilcox;
- 2-24 (4) Jonathan Corb; and
- 2-25 (5) Tyler Brown.

2-26 (b) Temporary directors serve until the earlier of:

- 2-27 (1) the date permanent directors are elected under
2-28 Section 7903A.0103; or
- 2-29 (2) the fourth anniversary of the effective date of
2-30 the Act enacting this chapter.

2-31 (c) If permanent directors have not been elected under
2-32 Section 7903A.0103 and the terms of the temporary directors have
2-33 expired, successor temporary directors shall be appointed or
2-34 reappointed as provided by Subsection (d) to serve terms that
2-35 expire on the earlier of:

- 2-36 (1) the date permanent directors are elected under
2-37 Section 7903A.0103; or
- 2-38 (2) the fourth anniversary of the date of the
2-39 appointment or reappointment.

2-40 (d) If Subsection (c) applies, the owner or owners of a
2-41 majority of the assessed value of the real property in the district
2-42 may submit a petition to the commission requesting that the
2-43 commission appoint as successor temporary directors the five
2-44 persons named in the petition. The commission shall appoint as
2-45 successor temporary directors the five persons named in the
2-46 petition.

2-47 SUBCHAPTER C. POWERS AND DUTIES

2-48 Sec. 7903A.0301. GENERAL POWERS AND DUTIES. The district
2-49 has the powers and duties necessary to accomplish the purposes for
2-50 which the district is created.

2-51 Sec. 7903A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
2-52 DUTIES. The district has the powers and duties provided by the
2-53 general law of this state, including Chapters 49 and 54, Water Code,
2-54 applicable to municipal utility districts created under Section 59,
2-55 Article XVI, Texas Constitution.

2-56 Sec. 7903A.0303. AUTHORITY FOR ROAD PROJECTS. Under
2-57 Section 52, Article III, Texas Constitution, the district may
2-58 design, acquire, construct, finance, issue bonds for, improve,
2-59 operate, maintain, and convey to this state, a county, or a
2-60 municipality for operation and maintenance macadamized, graveled,
2-61 or paved roads, or improvements, including storm drainage, in aid
2-62 of those roads.

2-63 Sec. 7903A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-64 road project must meet all applicable construction standards,
2-65 zoning and subdivision requirements, and regulations of each
2-66 municipality in whose corporate limits or extraterritorial
2-67 jurisdiction the road project is located.

2-68 (b) If a road project is not located in the corporate limits
2-69 or extraterritorial jurisdiction of a municipality, the road

3-1 project must meet all applicable construction standards,
3-2 subdivision requirements, and regulations of each county in which
3-3 the road project is located.

3-4 (c) If the state will maintain and operate the road, the
3-5 Texas Transportation Commission must approve the plans and
3-6 specifications of the road project.

3-7 Sec. 7903A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
3-8 ORDINANCE OR RESOLUTION. The district shall comply with all
3-9 applicable requirements of any ordinance or resolution that is
3-10 adopted under Section 54.016 or 54.0165, Water Code, and that
3-11 consents to the creation of the district or to the inclusion of land
3-12 in the district.

3-13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-14 Sec. 7903A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-15 The district may issue, without an election, bonds and other
3-16 obligations secured by:

- 3-17 (1) revenue other than ad valorem taxes; or
- 3-18 (2) contract payments described by Section
3-19 7903A.0403.

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. 7903A.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-29 authorized at an election held under Section 7903A.0401, the
3-30 district may impose an operation and maintenance tax on taxable
3-31 property in the district in accordance with Section 49.107, Water
3-32 Code.

3-33 (b) The board shall determine the tax rate. The rate may not
3-34 exceed the rate approved at the election.

3-35 Sec. 7903A.0403. CONTRACT TAXES. (a) In accordance with
3-36 Section 49.108, Water Code, the district may impose a tax other than
3-37 an operation and maintenance tax and use the revenue derived from
3-38 the tax to make payments under a contract after the provisions of
3-39 the contract have been approved by a majority of the district voters
3-40 voting at an election held for that purpose.

3-41 (b) A contract approved by the district voters may contain a
3-42 provision stating that the contract may be modified or amended by
3-43 the board without further voter approval.

3-44 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-45 Sec. 7903A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
3-46 OBLIGATIONS. The district may issue bonds or other obligations
3-47 payable wholly or partly from ad valorem taxes, impact fees,
3-48 revenue, contract payments, grants, or other district money, or any
3-49 combination of those sources, to pay for any authorized district
3-50 purpose.

3-51 Sec. 7903A.0502. TAXES FOR BONDS. At the time the district
3-52 issues bonds payable wholly or partly from ad valorem taxes, the
3-53 board shall provide for the annual imposition of a continuing
3-54 direct ad valorem tax, without limit as to rate or amount, while all
3-55 or part of the bonds are outstanding as required and in the manner
3-56 provided by Sections 54.601 and 54.602, Water Code.

3-57 Sec. 7903A.0503. BONDS FOR ROAD PROJECTS. At the time of
3-58 issuance, the total principal amount of bonds or other obligations
3-59 issued or incurred to finance road projects and payable from ad
3-60 valorem taxes may not exceed one-fourth of the assessed value of the
3-61 real property in the district.

3-62 SECTION 2. The Harris-Waller Counties Municipal Utility
3-63 District No. 7 initially includes all the territory contained in
3-64 the following area:

3-65 Being a tract of land containing 45.924 acres (2,000,467
3-66 square feet) located in the J. Gibbons, Abstract Number (No.) 133 in
3-67 Harris County and the J. Gibbons Survey, Abstract No. 286 in Waller
3-68 County, Texas; Said 45.924 acre tract being all of a called 45.7143
3-69 acre tract recorded in the name of Thomas F. Mathis, Jr., Ronald

4-1 Gene Mathis and Cathy Mathis Willhoite in Volume 339, Page 6 of the
 4-2 Waller County Deed Records (W.C.D.R.) and in Harris County Clerk's
 4-3 File Number (H.C.C.F. No.) H603706, (all bearings are based on the
 4-4 Texas Coordinate System of 1983 (NAD83), South Central Zone, per
 4-5 GPS observations):

4-6 Beginning at a 1-inch iron pipe found on the occupied West
 4-7 Right-Of-Way (R.O.W.) line of Mathis Road (called 99 feet wide in
 4-8 Volume 17, Page 222 of the Harris County Deed Records (H.C.D.R.) and
 4-9 shown as 66 feet wide on the Harris County Engineering Department
 4-10 R.O.W. Map No. 3912, Sec. 1, 1984), said pipe being at the northeast
 4-11 corner of a called 45.86 acre tract recorded in the name of Laretta
 4-12 Rena Callaway in H.C.C.F. No. U998001, for the southeast corner of
 4-13 the herein described tract, from which found 1/2-inch iron pipe for
 4-14 the southeast corner of said 45.86 acre tract bears South 02 degrees
 4-15 31 minutes 13 seconds East, a distance of 605.89 feet;

4-16 Thence, with the line common to said 45.86 acre tract and said
 4-17 45.7143 acre tract, South 87 degrees 45 minutes 20 seconds West, a
 4-18 distance of 3314.83 feet (called 3297.22 feet) to a 5/8-inch iron
 4-19 rod with a Miller Survey Group (MSG) cap set on the east line of a
 4-20 called 36.3038 acre tract, recorded in the name of Leslie W. Lofton
 4-21 and Catherine A. Lofton in Volume 670, Page 885 of the W.C.D.R.,
 4-22 same being the northwest corner of said 45.86 acre tract for the
 4-23 southwest corner of said 45.7143 acre tract and the herein
 4-24 described tract, from which a found 3/4-inch pinch top pipe bears
 4-25 South 01 degrees 57 minutes 35 seconds East, a distance of 604.28
 4-26 feet;

4-27 Thence, with the line common to said 36.3038 acre tract and
 4-28 said 45.7143 acre tract, North 01 degrees 57 minutes 35 seconds
 4-29 West, a distance of 603.94 feet to a 5/8-inch iron rod with a MSG cap
 4-30 set at the southwest corner of a called 37.759 acre tract of land
 4-31 recorded in the name of Brandon J. Cotton, et.al. in H.C.C.F.
 4-32 No. W570059, for the northwest corner of said 45.7143 acre tract
 4-33 and the herein described tract, from which a found 5/8-inch iron rod
 4-34 at the northwest corner of said 37.759 acre tract bears North 01
 4-35 degrees 57 minutes 35 seconds West, a distance of 697.56 feet and
 4-36 from which a found 5/8-inch iron rod bears North 07 degrees 06
 4-37 minutes West, a distance of 7.0 feet;

4-38 Thence, with the south line of a called 37.759 acre tract and
 4-39 the south line of a called 5.7142 acre tract recorded in the name of
 4-40 Jesus Duran in RP-2016-303676 of the Official Public Records of
 4-41 Real Property of Harris County, Texas (O.P.R.R.P.H.C.T.), same
 4-42 being the north line of said 45.7143 acre tract, North 87 degrees 45
 4-43 minutes 20 seconds East, at a distance of 1649.83 feet pass a found
 4-44 2-inch iron pipe at the common south corner of said 37.759 acre
 4-45 tract and said 5.7142 acre tract, and continue for a total distance
 4-46 of 3309.87 feet (called 3297.22 feet) to a 5/8-inch iron rod with a
 4-47 MSG cap set on the west R.O.W. line of said Mathis Road, at the
 4-48 southeast corner of said 5.7142 acre tract, for the northeast
 4-49 corner of said 45.7143 acre tract and the herein described tract,
 4-50 from which a found 3/4-inch iron pipe at the northeast corner of
 4-51 said 5.7142 acre tract, bears North 02 degrees 25 minutes 47 seconds
 4-52 West, a distance of 150.00 feet;

4-53 Thence, with the west R.O.W. line of said Mathis Road, same
 4-54 being the east line of said 45.7143 acre tract, South 02 degrees 25
 4-55 minutes 47 seconds East, a distance of 603.94 feet to the Point of
 4-56 Beginning and containing 45.924 acres (2,000,467 square feet) of
 4-57 land.

4-58 SECTION 3. (a) The legal notice of the intention to
 4-59 introduce this Act, setting forth the general substance of this
 4-60 Act, has been published as provided by law, and the notice and a
 4-61 copy of this Act have been furnished to all persons, agencies,
 4-62 officials, or entities to which they are required to be furnished
 4-63 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 4-64 Government Code.

4-65 (b) The governor, one of the required recipients, has
 4-66 submitted the notice and Act to the Texas Commission on
 4-67 Environmental Quality.

4-68 (c) The Texas Commission on Environmental Quality has filed
 4-69 its recommendations relating to this Act with the governor, the

5-1 lieutenant governor, and the speaker of the house of
5-2 representatives within the required time.

5-3 (d) All requirements of the constitution and laws of this
5-4 state and the rules and procedures of the legislature with respect
5-5 to the notice, introduction, and passage of this Act are fulfilled
5-6 and accomplished.

5-7 SECTION 4. (a) If this Act does not receive a two-thirds
5-8 vote of all the members elected to each house, Subchapter C, Chapter
5-9 7903A, Special District Local Laws Code, as added by Section 1 of
5-10 this Act, is amended by adding Section 7903A.0306 to read as
5-11 follows:

5-12 Sec. 7903A.0306. NO EMINENT DOMAIN POWER. The district may
5-13 not exercise the power of eminent domain.

5-14 (b) This section is not intended to be an expression of a
5-15 legislative interpretation of the requirements of Section 17(c),
5-16 Article I, Texas Constitution.

5-17 SECTION 5. This Act takes effect immediately if it receives
5-18 a vote of two-thirds of all the members elected to each house, as
5-19 provided by Section 39, Article III, Texas Constitution. If this
5-20 Act does not receive the vote necessary for immediate effect, this
5-21 Act takes effect September 1, 2021.

5-22

* * * * *