

By: Schofield

H.B. No. 4164

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 541; 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 7915 to read as follows:

CHAPTER 7915. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 541

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7915.001. 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. 541.

Sec. 7915.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7915.003. CONFIRMATION AND DIRECTORS' 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.

1       Sec. 7915.004. CONSENT OF MUNICIPALITY REQUIRED. The  
2 temporary directors may not hold an election under Section 7915.003  
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. 7915.005. 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, improvement, operation,  
14 or maintenance of macadamized, graveled, or paved roads, or  
15 improvements, including storm drainage, in aid of those roads.

16       Sec. 7915.006. 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. 7915.051. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5           (b) Except as provided by Section 7915.052, directors serve  
6 staggered four-year terms.

7           Sec. 7915.052. TEMPORARY DIRECTORS. (a) On or after the  
8 effective date of the Act enacting this chapter, the owner or owners  
9 of a majority of the assessed value of the real property in the  
10 district may submit a petition to the commission requesting that  
11 the commission appoint as temporary directors the five persons  
12 named in the petition. The commission shall appoint as temporary  
13 directors the five persons named in the petition.

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

15                   (1) the date permanent directors are elected under  
16 Section 7915.003; or

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

19           (c) If permanent directors have not been elected under  
20 Section 7915.003 and the terms of the temporary directors have  
21 expired, successor temporary directors shall be appointed or  
22 reappointed as provided by Subsection (d) to serve terms that  
23 expire on the earlier of:

24                   (1) the date permanent directors are elected under  
25 Section 7915.003; or

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

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

8                    SUBCHAPTER C. POWERS AND DUTIES

9        Sec. 7915.101. GENERAL POWERS AND DUTIES. The district has  
10 the powers and duties necessary to accomplish the purposes for  
11 which the district is created.

12        Sec. 7915.102. MUNICIPAL UTILITY DISTRICT POWERS AND  
13 DUTIES. The district has the powers and duties provided by the  
14 general law of this state, including Chapters 49 and 54, Water Code,  
15 applicable to municipal utility districts created under Section 59,  
16 Article XVI, Texas Constitution.

17        Sec. 7915.103. AUTHORITY FOR ROAD PROJECTS. Under Section  
18 52, Article III, Texas Constitution, the district may design,  
19 acquire, construct, finance, issue bonds for, improve, operate,  
20 maintain, and convey to this state, a county, or a municipality for  
21 operation and maintenance macadamized, graveled, or paved roads, or  
22 improvements, including storm drainage, in aid of those roads.

23        Sec. 7915.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road  
24 project must meet all applicable construction standards, zoning and  
25 subdivision requirements, and regulations of each municipality in  
26 whose corporate limits or extraterritorial jurisdiction the road  
27 project is located.

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

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

9        Sec. 7915.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE  
10 OR RESOLUTION. The district shall comply with all applicable  
11 requirements of any ordinance or resolution that is adopted under  
12 Section 54.016 or 54.0165, Water Code, and that consents to the  
13 creation of the district or to the inclusion of land in the  
14 district.

15                SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16        Sec. 7915.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The  
17 district may issue, without an election, bonds and other  
18 obligations secured by:

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

20                (2) contract payments described by Section 7915.153.

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

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

election held for that purpose.

Sec. 7915.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7915.151, 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. 7915.153. 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. 7915.201. 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. 7915.202. 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. 7915.203. 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. 541 initially includes all the territory contained in the following area:

BEING a 637.0485 acre tract of land situated in the H. & T.C. R.R. Co. Survey, Section 29, Abstract No. 445 and the W. Williamson Survey, Abstract No. 1592 of Harris County, Texas and being all of both called 320 acre tracts of land as described in an instrument to J.J. Sweeney recorded under Volume 583, Page 18 of the Harris County Deed Records (H.C.D.R.), said 637.0485 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 5/8-inch iron rod found for the common southeast corner of the herein described tract and said east 320 acre tract, same being the southwest corner of a called 160.166 acre tract of land as described in an instrument to J. Glenn Lee and Wife, Cindy N. Lee recorded under Harris County Clerk's File (H.C.C.F.) No. R109039, lying on the centerline of Longenbaugh Road (60 feet wide, as occupied);

THENCE, S 87° 54' 03" W, a distance of 2,639.38 feet along and with the centerline of said Longenbaugh Road, same being the south line of said east 320 acre tract to a 5/8-inch iron rod found for the

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1 southwest corner of said east 320 acre tract, same being the  
2 southeast corner of said west 320 acre tract;

3       THENCE, S 87° 59' 00" W, a distance of 2,618.48 feet  
4 continuing along and with the centerline of said Longenbaugh Road,  
5 same being the south line of said west 320 acre tract to a 5/8-inch  
6 iron rod found for the common southwest corner of the herein  
7 described tract and said west 320 acre tract, same being the  
8 southeast corner of a called 161.471 acre tract of land as described  
9 in an instrument to Brad Jason Miles, Kathleen D. Miles, And Charles  
10 T. Miles II recorded under H.C.C.F. No. 20090160794;

11       THENCE, N 02° 04' 46" W, a distance of 5,287.28 feet along and  
12 with the west line of said west 320 acre tract, same being the east  
13 line of said 161.471 acre tract to a 1/2-inch iron rod found for the  
14 common northwest corner of the herein described tract and said west  
15 320 acre tract, same being the northeast corner of said 161.471 acre  
16 tract, line on the south line of a called 865.361 acre tract of land  
17 as described in an instrument to Harris County recorded under  
18 H.C.C.F. No. V264935;

19       THENCE, N 87° 52' 52" E, a distance of 2,618.10 feet along and  
20 with the north line of said west 320 acre tract, same being the  
21 south line of said 865.361 acre tract to the northeast corner of  
22 said west 320 acre tract, same being the southeast corner of said  
23 865.361 acre tract, lying on the west line of a called 643.03 acre  
24 tract of land as described in an instrument to Fry Road Venture,  
25 L.P. recorded under H.C.C.F. No. Z078090;

26       THENCE, S 02° 05' 01" E, a distance of 24.94 feet along and  
27 with the east line of said west 320 acre tract, same being the west



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1 line of said 643.03 acre tract to a 5/8-inch iron rod with cap  
2 stamped "Brown & Gay" found for the northwest corner of said east  
3 320 acre tract, same being the southwest corner of said 643.03 acre  
4 tract;

5       THENCE, N 87° 45' 10" E, a distance of 2,631.07 feet along and  
6 with the north line of said east 320 acre tract, same being the  
7 south line of said 643.03 acre tract to the common northeast corner  
8 of the herein described tract and said east 320 acre tract, same  
9 being the common northwest corner of the J.W. METZLER'S  
10 SUBDIVISION, a subdivision per plat recorded under Volume 500, Page  
11 235 of the H.C.D.R. and a tract of land as described as Lots A & D of  
12 said J.W. METZLER'S SUBDIVISION in an instrument to David Alan  
13 Crowell 1967 Education Trust recorded under H.C.C.F. No. E302631;

14       THENCE, S 02° 16' 03" E, a distance of 2,640.09 feet along and  
15 with the east line of said east 320 acre tract, same being the west  
16 line of said J.W. METZLER'S SUBDIVISION to the southwest corner of  
17 said J.W. METZLER'S SUBDIVISION, same being the northwest corner of  
18 said 160.166 acre tract;

19       THENCE, S 02° 04' 49" E, a distance of 2,633.74 feet  
20 continuing along and with the east line of said east 320 acre tract,  
21 same being the west line of said 160.166 acre tract to the POINT OF  
22 BEGINNING and containing 637.0485 acres of land.

23       Bearing orientation is based on the Texas Coordinate System,  
24 South Central Zone 4204, NAD-83 and is referenced to monuments  
25 found along the center line of Longenbaugh Road as cited herein.

26       SECTION 3. (a) The legal notice of the intention to  
27 introduce this Act, setting forth the general substance of this

1 Act, has been published as provided by law, and the notice and a  
2 copy of this Act have been furnished to all persons, agencies,  
3 officials, or entities to which they are required to be furnished  
4 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
5 Government Code.

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

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

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

17 SECTION 4. (a) If this Act does not receive a two-thirds  
18 vote of all the members elected to each house, Subchapter C, Chapter  
19 7915, Special District Local Laws Code, as added by Section 1 of  
20 this Act, is amended by adding Section 7915.106 to read as follows:

21 Sec. 7915.106. NO EMINENT DOMAIN POWER. The district may  
22 not exercise the power of eminent domain.

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

26 SECTION 5. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2015.