

Chapter 665

S.B. No. 2274

1 AN ACT

2 relating to the creation of the Lakewood Municipal Utility District
3 No. 1; granting a limited power of eminent domain; providing
4 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 7992 to read as follows:

9 CHAPTER 7992. LAKEWOOD MUNICIPAL UTILITY DISTRICT NO. 1

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 7992.001. 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 Lakewood Municipal Utility
17 District No. 1.

18 Sec. 7992.002. NATURE OF DISTRICT. The district is a
19 municipal utility district created under Section 59, Article XVI,
20 Texas Constitution.

21 Sec. 7992.003. CONFIRMATION AND DIRECTORS' 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. 7992.004. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section 7992.003
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. 7992.005. 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. 7992.006. 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. 7992.051. GOVERNING BODY; TERMS. (a) The district is
4 governed by a board of five elected directors.

5 (b) Except as provided by Section 7992.052, directors serve
6 staggered four-year terms.

7 Sec. 7992.052. TEMPORARY DIRECTORS. (a) On or after
8 September 1, 2017, 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 7992.003; or

17 (2) September 1, 2021.

18 (c) If permanent directors have not been elected under
19 Section 7992.003 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 7992.003; 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. 7992.101. GENERAL POWERS AND DUTIES. The district has
9 the powers and duties necessary to accomplish the purposes for
10 which the district is created.

11 Sec. 7992.102. 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. 7992.103. 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. 7992.104. 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. 7992.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
9 OR RESOLUTION. The district shall comply with all applicable
10 requirements of any ordinance or resolution that is adopted under
11 Section 54.016 or 54.0165, Water Code, and that consents to the
12 creation of the district or to the inclusion of land in the
13 district.

14 Sec. 7992.106. DIVISION OF DISTRICT. (a) The district may
15 be divided into two or more districts only if:

- 16 (1) the district has no outstanding bonded debt;
17 (2) the district is not imposing ad valorem taxes; and
18 (3) the requirements of Subsection (i), as applicable,
19 are satisfied.

20 (b) This chapter applies to any new district created by the
21 division of the district, and a new district has all the powers and
22 duties of the district.

23 (c) A new district created by the division of the district
24 may not, at the time the new district is created, contain any land
25 outside the area described by Section 2 of the Act enacting this
26 chapter.

27 (d) The board, on its own motion or on receipt of a petition

1 signed by the owner or owners of a majority of the assessed value of
2 the real property in the district, may adopt an order dividing the
3 district.

4 (e) The board may adopt an order dividing the district
5 before or after the date the board holds an election under Section
6 7992.003 to confirm the district's creation.

7 (f) An order dividing the district shall:

8 (1) name the new district;

9 (2) include the metes and bounds of each new district;

10 (3) appoint temporary directors for each new district;

11 and

12 (4) provide for the division of assets and liabilities
13 between the district and each new district.

14 (g) On or before the 30th day after the date of adoption of
15 an order dividing the district, the district shall file the order
16 with the commission and record the order in the real property
17 records of each county in which the district is located.

18 (h) A new district created by the division of the district
19 shall hold a confirmation and directors' election as required by
20 Section 7992.003.

21 (i) If the district is located wholly or partly in the
22 corporate limits or the extraterritorial jurisdiction of a
23 municipality, the district may not divide under this section unless
24 the municipality by resolution or ordinance consents to the
25 division of the district. If the district is not located wholly or
26 partly in the corporate limits or extraterritorial jurisdiction of
27 a municipality, the district may not divide under this section

1 unless the commissioners court of each county in which the district
2 is wholly or partly located first adopts a resolution or order in
3 support of the division of the district.

4 (j) Any new district created by the division of the district
5 must hold an election as required by this chapter to obtain voter
6 approval before the district may impose a maintenance tax or issue
7 bonds payable wholly or partly from ad valorem taxes.

8 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

9 Sec. 7992.151. ELECTIONS REGARDING TAXES OR BONDS.

10 (a) The district may issue, without an election, bonds and other
11 obligations secured by revenue other than ad valorem taxes.

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

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

20 Sec. 7992.152. OPERATION AND MAINTENANCE TAX. (a) If

21 authorized at an election held under Section 7992.151, the district
22 may impose an operation and maintenance tax on taxable property in
23 the district in accordance with Section 49.107, Water Code.

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

26 Sec. 7992.153. WATER AND SEWER RATES. Notwithstanding any

27 other law, the district shall establish the same rates for

1 residential and commercial classes of customers for the provision
2 of water and sewer services. For purposes of this section, the
3 commercial class may not include apartment complexes or other
4 multifamily dwellings.

5 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

6 Sec. 7992.201. AUTHORITY TO ISSUE BONDS AND OTHER
7 OBLIGATIONS. The district may issue bonds or other obligations
8 payable wholly or partly from ad valorem taxes, impact fees,
9 revenue, contract payments, grants, or other district money, or any
10 combination of those sources, to pay for any authorized district
11 purpose.

12 Sec. 7992.202. TAXES FOR BONDS. At the time the district
13 issues bonds payable wholly or partly from ad valorem taxes, the
14 board shall provide for the annual imposition of a continuing
15 direct ad valorem tax, without limit as to rate or amount, while all
16 or part of the bonds are outstanding as required and in the manner
17 provided by Sections 54.601 and 54.602, Water Code.

18 Sec. 7992.203. BONDS FOR ROAD PROJECTS. At the time of
19 issuance, the total principal amount of bonds or other obligations
20 issued or incurred to finance road projects and payable from ad
21 valorem taxes may not exceed one-fourth of the assessed value of the
22 real property in the district.

23 SECTION 2. The Lakewood Municipal Utility District No. 1
24 initially includes all the territory contained in the following
25 area:

26 All bearings, distance and acreages are grid and are
27 referenced to the State Plane Coordinate System, Texas South

1 Central Zone, NAD83, U. S. survey feet. Mapping angle is +01°54'04"
2 and the scale factor is 0.999915022.
3 BEGINNING at a 1/2 inch iron rod found in the north line of said
4 Humphrey Jackson Survey, Abstract 37 and the south line of said
5 William Wilson Survey, Abstract 838, in the west line of said
6 1942.08 acre tract and in the east line of the San Jacinto River
7 Authority East Canal, and the east line of a called 589.27 acre
8 tract known as Lake Houston, recorded in Volume 1458, Page 1, Deed
9 Records of Harris County, Texas. Said 1/2 inch iron rod has a State
10 Plane coordinate value of N: 13902618.77 and E: 3196709.93.
11 THENCE N 24° 23' 35" W along an east line of said San Jacinto River
12 Authority East Canal and a west line of this tract, a distance of
13 375.95 feet to a 1" iron pipe found.
14 THENCE continuing along an east line of said San Jacinto River
15 Authority East Canal and a west line of this tract, with the arc of a
16 curve to the right having a radius of 174.87 feet and a central
17 angle of 37° 53' 54", a distance of 115.67 feet to a 1 1/4" iron pipe
18 found.
19 THENCE N 14° 24' 42" E continuing along an east line of said San
20 Jacinto River Authority East Canal and a west line of this tract, a
21 distance of 74.82 feet to a 1 1/4" iron pipe found.
22 THENCE continuing along an east line of said San Jacinto River
23 Authority East Canal and a west line of this tract, with the arc of a
24 curve to the right having a radius of 661.43 feet and a central
25 angle of 07° 01' 58", a distance of 81.19 feet to a 1 1/4" iron pipe
26 found.
27 THENCE N 12°17' 19" E continuing along the east line of said San

1 Jacinto River Authority East Canal and a west line of this tract, a
2 distance of 436.82 feet to a 5/8" iron rod found at a northeast
3 corner of said San Jacinto River Authority East Canal, in the south
4 line of a called 39.88 acre tract recorded in File No. T525349, Deed
5 Records of Harris County, Texas and at an interior corner of this
6 tract, from which a 1 1/4" iron pipe found in a north line of said
7 San Jacinto River Authority East Canal tract and the south line of
8 said called 39.88 acre tract bears N 77° 36' 49" W, a distance of
9 621.39 feet.

10 THENCE S 77° 42' 29" E with the south line of said called 39.88 acre
11 tract and a north line of this tract, a distance of 294.05 feet to a
12 5/8" iron rod found at the southeast corner of said called 39.88
13 acre tract.

14 THENCE N 09° 46' 40" E with the east line of said called 39.88 acre
15 tract and a west line of this tract, a distance of 950.00 feet to a
16 1/2" iron rod found.

17 THENCE N 10° 53' 20" W continuing with the east line of said called
18 39.88 acre tract, and the west line of this tract, a distance of
19 394.97 feet to a 1/2" iron rod found at the northeast corner of said
20 called 39.88 acre tract.

21 THENCE N 80°21' 03" W with the north line of said called 39.88 acre
22 tract and a south line of this tract, a distance of 1,359.57 feet to
23 a point in an east line of said called 589.27 acre tract (Lake
24 Houston) and a west line of this tract. Volume 1458, Page 1
25 describes this point as being the waterline of the proposed
26 reservoir when at normal pool level at elevation 44.5 feet above
27 mean sea level.

1 THENCE with the west line of this tract and an east line of said
2 called 589.27 acre tract (Lake Houston), the following bearings and
3 distances:

- 4 N 30° 53' 29" E 376.74 feet
- 5 N 21° 32' 39" E 300.00 feet
- 6 N 06° 45' 39" E 864.00 feet
- 7 N 19° 56' 19" W 882.88 feet
- 8 N 07° 44' 21" W 184.00 feet

9 THENCE N 52° 28' 21" W continuing with the west line of this tract
10 and the east line of said called 589.27 acre tract (Lake Houston), a
11 distance of 508.00 feet to a point from which a 12"x12" concrete
12 monument found with Aluminum Disc marked "Corp of Engineers U.S.
13 Boundary Mark SL-1 Y1977" bears N 25° 14' 05" W a distance of 59.32
14 feet. Said concrete monument has a State Plane coordinate value of
15 N: 13907978.68 and E: 3195354.41

16 THENCE continuing with the west line of this tract and an east line
17 of said called 589.27 acre tract (Lake Houston), the following
18 bearings and distances:

- 19 N 65° 40' 21" W 422.00 feet
- 20 N 80° 22' 21" W 300.00 feet
- 21 N 62° 47' 53" W 641.05 feet
- 22 N 60° 37' 21" W 600.00 feet
- 23 N 88° 15' 21" W 540.00 feet
- 24 S 84° 47' 39" W 568.00 feet
- 25 S 69° 42' 54" W 633.02 feet
- 26 S 83° 28' 39" W 332.00 feet
- 27 N 77° 42' 21" W 270.00 feet

1 N 13° 14' 21" W 739.00 feet

2 N 28° 22' 21" W 402.00 feet

3 THENCE N 21° 29' 39" E continuing with the west line of this tract
4 and an east line of said called 589.27 acre tract (Lake Houston), a
5 distance of 394.76 feet to a point in the south line of Lake Shadows
6 Section Four, a subdivision recorded in File No. D620201, Map
7 Records of Harris County, Texas, and at the northwest corner of this
8 tract.

9 THENCE N 86 32' 15" E with the south line of said Lake Shadows
10 Section Four and the north line of this tract, at a distance of
11 204.97 feet pass a 1/2" iron rod found, and continuing a total
12 distance of 689.12 feet to a point in a concrete slab at the
13 southeast corner of said Lake Shadows Section Four, the southwest
14 corner of a called 447.0498 acre tract recorded in File
15 No. D759681, Deed Records of Harris County, Texas, and an interior
16 corner of this tract from which a 1/2 " iron rod with cap marked
17 "SHINE 5502" set for reference bears S 04° 44' 22" W a distance of
18 1.88 feet, a 1" iron pipe found bears N 79° 27' 48" E a distance of
19 101.22 feet, and a 1/2" iron rod found in the east line of said Lake
20 Shadows Section Four bears
21 N 33° 33' 38" E a distance of 254.84 feet.

22 THENCE N 86° 43' 31" E (Called N 86° 47' 57" E) with the south line of
23 said called 447.0498 acre tract and a north line of this tract, a
24 distance of 6,718.76 feet to a point at the northeast corner of this
25 tract.

26 THENCE S 01° 36' 18" E across said 1942.08 acre tract, a distance of
27 7,695.76 feet to a point in the south line of said Abstract 838, and

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1 the north line of the Humphrey Jackson Survey, Abstract 37.
2 THENCE S 88° 23' 54" W with the south line of said Abstract 838, and
3 the north line of said Abstract 37, a distance of 2000.00 feet to
4 the PLACE OF BEGINNING, containing 602.65 acres of land.

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 7992, Special District Local Laws Code, as added by Section 1 of
26 this Act, is amended by adding Section 7992.107 to read as follows:

27 Sec. 7992.107. NO EMINENT DOMAIN POWER. The district may

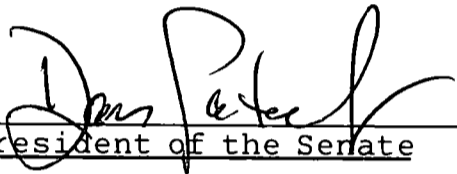
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S.B. No. 2274

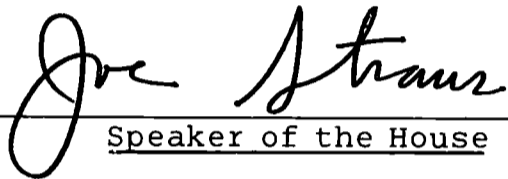
1 not exercise the power of eminent domain.

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, 2017._____



President of the Senate



Speaker of the House

I hereby certify that S.B. No. 2274 passed the Senate on
May 11, 2017, by the following vote: Yeas 30, Nays 1._____



Secretary of the Senate

I hereby certify that S.B. No. 2274 passed the House on
May 24, 2017, by the following vote: Yeas 137, Nays 9, two
present not voting. _____



Chief Clerk of the House

Approved:

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3:30 PM O'CLOCK

JUN 12 2017


Secretary of State

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 15, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB2274 by Creighton (Relating to the creation of the Lakewood Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Lakewood Municipal Utility District No. 1. The district would have the authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 2, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB2274 by Creighton (Relating to the creation of the Lakewood Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Lakewood Municipal Utility District No. 1. The district would have the authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 28, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB2274 by Creighton (Relating to the creation of the Lakewood Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Lakewood Municipal Utility District No. 1. The district would have the authority for road projects. The district would have authority to issue bonds and other obligations, without an election. The district would have authority to impose an operation and maintenance tax.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 16, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB2274 by Creighton (Relating to the creation of the Lakewood Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.), **As Engrossed**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill amends the Special District Local Laws Code by adding Chapter 7992 which creates the Lakewood Municipal Utility District No. 1 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in SB 2274, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Harris County served by small systems or private wells (County-Other) is 204,630. The Harris County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 245,944 in 2020, 291,438 in 2030 and 311,968 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Harris County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 0.94 square miles in northeastern Harris County, located east of the City of Houston and the San Jacinto River. The proposed district does not appear to overlap any existing Certificate of Convenience and Necessity (CCN) boundary.

Comments on Powers/Duties Different from Similar Types of Districts: The Senate Engrossed version of the bill removes Chapter 7992.107; the limitation on use of eminent domain for recreational facilities and road projects.

The bill requires the TCEQ to appoint the five initial temporary directors upon receipt of a petition from the owners of a majority of the assessed value of the real property in the District; this bill grants the District authority for road projects; the bill allows the District to divide; the bill

specifies that 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 real property in the District; and, if the bill does not receive a two-thirds vote of all members elected to each house, the District may not exercise the power of eminent domain.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - SB 2274 specifies that "the district has the powers and duties provided by the general law of the state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution".

Within Harris County, 26 percent of the total water use was groundwater (Gulf Coast and other Aquifers) in 2014. Eighty two percent of all the groundwater pumping was for municipal use. The water source of the proposed district might pursue is unknown.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ



AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, the Newspaper Representative at the HOUSTON CHRONICLE, a daily newspaper published in Harris County, Texas, and generally circulated in the Counties of: HARRIS, TRINITY, WALKER, GRIMES, POLK, SAN JACINTO, WASHINGTON, MONTGOMERY, LIBERTY, AUSTIN, WALLER, CHAMBERS, COLORADO, BRAZORIA, FORT BEND, GALVESTON, WHARTON, JACKSON, and MATAGORDA and that the publication, of which the annexed herein, or attached to, is a true and correct copy, was published to-wit:

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Sworn and subscribed to before me, this 1st Day of March A.D. 2017



Charles E. Walichowski
Notary Public in and for the State of Texas

**PUBLIC NOTICE
NOTICE OF INTENT TO
INTRODUCE A BILL**

Pursuant to the Constitution and laws of the State of Texas, notice is hereby given of the intent to apply to the 85th Legislature of the State of Texas at its regular session in Austin, Texas, for the introduction of a bill, the substance of the contemplated law being as follows:

An Act relating to the creation of the Lakewood Municipal Utility District No. 1; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

The Act proposes to create an Improvement District to be known as Lakewood Municipal Utility District No. 1 containing approximately 602 acres located east of Lake Houston and within the corporate limits of the City of Houston.

All interested persons will, therefore, take notice of the matters and facts set out in the foregoing statement of the contemplated law as required by the Constitution and laws of the State of Texas.