

1-1 By: Metcalf (Senate Sponsor - Creighton) H.B. No. 4611
 1-2 (In the Senate - Received from the House May 10, 2021;
 1-3 May 10, 2021, read first time and referred to Committee on Local
 1-4 Government; May 22, 2021, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
 1-6 May 22, 2021, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11			X	
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 4611 By: Paxton

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the creation of the Montgomery County Municipal Utility
 1-22 District No. 206; granting a limited power of eminent domain;
 1-23 providing authority to issue bonds.

1-24 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-25 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-26 Code, is amended by adding Chapter 7928A to read as follows:

1-27 CHAPTER 7928A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT
 1-28 NO. 206

1-29 SUBCHAPTER A. GENERAL PROVISIONS

1-30 Sec. 7928A.0101. DEFINITIONS. In this chapter:

1-31 (1) "Board" means the district's board of directors.

1-32 (2) "Commission" means the Texas Commission on
 1-33 Environmental Quality.

1-34 (3) "Director" means a board member.

1-35 (4) "District" means the Montgomery County Municipal
 1-36 Utility District No. 206.

1-37 Sec. 7928A.0102. NATURE OF DISTRICT. The district is a
 1-38 municipal utility district created under Section 59, Article XVI,
 1-39 Texas Constitution.

1-40 Sec. 7928A.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-41 REQUIRED. The temporary directors shall hold an election to
 1-42 confirm the creation of the district and to elect five permanent
 1-43 directors as provided by Section 49.102, Water Code.

1-44 Sec. 7928A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-45 temporary directors may not hold an election under Section
 1-46 7928A.0103 until each municipality in whose corporate limits or
 1-47 extraterritorial jurisdiction the district is located has
 1-48 consented by ordinance or resolution to the creation of the
 1-49 district and to the inclusion of land in the district.

1-50 Sec. 7928A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-51 (a) The district is created to serve a public purpose and benefit.

1-52 (b) The district is created to accomplish the purposes of:

1-53 (1) a municipal utility district as provided by
 1-54 general law and Section 59, Article XVI, Texas Constitution; and

1-55 (2) Section 52, Article III, Texas Constitution, that
 1-56 relate to the construction, acquisition, improvement, operation,
 1-57 or maintenance of macadamized, graveled, or paved roads, or
 1-58 improvements, including storm drainage, in aid of those roads.

1-59 Sec. 7928A.0106. INITIAL DISTRICT TERRITORY. (a) The
 1-60 district is initially composed of the territory described by

2-1 Section 2 of the Act enacting this chapter.
2-2 (b) The boundaries and field notes contained in Section 2 of
2-3 the Act enacting this chapter form a closure. A mistake made in the
2-4 field notes or in copying the field notes in the legislative process
2-5 does not affect the district's:
2-6 (1) organization, existence, or validity;
2-7 (2) right to issue any type of bond for the purposes
2-8 for which the district is created or to pay the principal of and
2-9 interest on a bond;
2-10 (3) right to impose a tax; or
2-11 (4) legality or operation.
2-12 SUBCHAPTER B. BOARD OF DIRECTORS
2-13 Sec. 7928A.0201. GOVERNING BODY; TERMS. (a) The district
2-14 is governed by a board of five elected directors.
2-15 (b) Except as provided by Section 7928A.0202, directors
2-16 serve staggered four-year terms.
2-17 Sec. 7928A.0202. TEMPORARY DIRECTORS. (a) On or after the
2-18 effective date of the Act enacting this chapter, the owner or owners
2-19 of a majority of the assessed value of the real property in the
2-20 district may submit a petition to the commission requesting that
2-21 the commission appoint as temporary directors the five persons
2-22 named in the petition. The commission shall appoint as temporary
2-23 directors the five persons named in the petition.
2-24 (b) Temporary directors serve until the earlier of:
2-25 (1) the date permanent directors are elected under
2-26 Section 7928A.0103; or
2-27 (2) the fourth anniversary of the effective date of
2-28 the Act enacting this chapter.
2-29 (c) If permanent directors have not been elected under
2-30 Section 7928A.0103 and the terms of the temporary directors have
2-31 expired, successor temporary directors shall be appointed or
2-32 reappointed as provided by Subsection (d) to serve terms that
2-33 expire on the earlier of:
2-34 (1) the date permanent directors are elected under
2-35 Section 7928A.0103; or
2-36 (2) the fourth anniversary of the date of the
2-37 appointment or reappointment.
2-38 (d) If Subsection (c) applies, the owner or owners of a
2-39 majority of the assessed value of the real property in the district
2-40 may submit a petition to the commission requesting that the
2-41 commission appoint as successor temporary directors the five
2-42 persons named in the petition. The commission shall appoint as
2-43 successor temporary directors the five persons named in the
2-44 petition.
2-45 SUBCHAPTER C. POWERS AND DUTIES
2-46 Sec. 7928A.0301. GENERAL POWERS AND DUTIES. The district
2-47 has the powers and duties necessary to accomplish the purposes for
2-48 which the district is created.
2-49 Sec. 7928A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
2-50 DUTIES. The district has the powers and duties provided by the
2-51 general law of this state, including Chapters 49 and 54, Water Code,
2-52 applicable to municipal utility districts created under Section 59,
2-53 Article XVI, Texas Constitution.
2-54 Sec. 7928A.0303. AUTHORITY FOR ROAD PROJECTS. Under
2-55 Section 52, Article III, Texas Constitution, the district may
2-56 design, acquire, construct, finance, issue bonds for, improve,
2-57 operate, maintain, and convey to this state, a county, or a
2-58 municipality for operation and maintenance macadamized, graveled,
2-59 or paved roads, or improvements, including storm drainage, in aid
2-60 of those roads.
2-61 Sec. 7928A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-62 road project must meet all applicable construction standards,
2-63 zoning and subdivision requirements, and regulations of each
2-64 municipality in whose corporate limits or extraterritorial
2-65 jurisdiction the road project is located.
2-66 (b) If a road project is not located in the corporate limits
2-67 or extraterritorial jurisdiction of a municipality, the road
2-68 project must meet all applicable construction standards,
2-69 subdivision requirements, and regulations of each county in which

3-1 the road project is located.
3-2 (c) If the state will maintain and operate the road, the
3-3 Texas Transportation Commission must approve the plans and
3-4 specifications of the road project.

3-5 Sec. 7928A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
3-6 ORDINANCE OR RESOLUTION. (a) The district shall comply with all
3-7 applicable requirements of any ordinance or resolution that is
3-8 adopted under Section 54.016 or 54.0165, Water Code, and that
3-9 consents to the creation of the district or to the inclusion of land
3-10 in the district.

3-11 (b) In addition to all the rights and remedies provided by
3-12 other law, if the district violates the terms of an ordinance or
3-13 resolution described by Subsection (a), the municipality is
3-14 entitled to injunctive relief or a writ of mandamus issued by a
3-15 court requiring the district and the district's officials to
3-16 observe and comply with the terms of the ordinance or resolution.

3-17 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-18 Sec. 7928A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-19 The district may issue, without an election, bonds and other
3-20 obligations secured by:

- 3-21 (1) revenue other than ad valorem taxes; or
- 3-22 (2) contract payments described by Section
3-23 7928A.0403.

3-24 (b) The district must hold an election in the manner
3-25 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-26 before the district may impose an ad valorem tax or issue bonds
3-27 payable from ad valorem taxes.

3-28 (c) The district may not issue bonds payable from ad valorem
3-29 taxes to finance a road project unless the issuance is approved by a
3-30 vote of a two-thirds majority of the district voters voting at an
3-31 election held for that purpose.

3-32 Sec. 7928A.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-33 authorized at an election held under Section 7928A.0401, the
3-34 district may impose an operation and maintenance tax on taxable
3-35 property in the district in accordance with Section 49.107, Water
3-36 Code.

3-37 (b) The board shall determine the tax rate. The rate may not
3-38 exceed the rate approved at the election.

3-39 Sec. 7928A.0403. CONTRACT TAXES. (a) In accordance with
3-40 Section 49.108, Water Code, the district may impose a tax other than
3-41 an operation and maintenance tax and use the revenue derived from
3-42 the tax to make payments under a contract after the provisions of
3-43 the contract have been approved by a majority of the district voters
3-44 voting at an election held for that purpose.

3-45 (b) A contract approved by the district voters may contain a
3-46 provision stating that the contract may be modified or amended by
3-47 the board without further voter approval.

3-48 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-49 Sec. 7928A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
3-50 OBLIGATIONS. The district may issue bonds or other obligations
3-51 payable wholly or partly from ad valorem taxes, impact fees,
3-52 revenue, contract payments, tax increment payments, grants, or
3-53 other district money, or any combination of those sources, to pay
3-54 for any authorized district purpose.

3-55 Sec. 7928A.0502. TAXES FOR BONDS. At the time the district
3-56 issues bonds payable wholly or partly from ad valorem taxes, the
3-57 board shall provide for the annual imposition of a continuing
3-58 direct ad valorem tax, without limit as to rate or amount, while all
3-59 or part of the bonds are outstanding as required and in the manner
3-60 provided by Sections 54.601 and 54.602, Water Code.

3-61 Sec. 7928A.0503. BONDS FOR ROAD PROJECTS. At the time of
3-62 issuance, the total principal amount of bonds or other obligations
3-63 issued or incurred to finance road projects and payable from ad
3-64 valorem taxes may not exceed one-fourth of the assessed value of the
3-65 real property in the district.

3-66 SECTION 2. The Montgomery County Municipal Utility District
3-67 No. 206 initially includes all the territory contained in the
3-68 following area:

3-69 Being 92.833 acres of land located in the John Toops Survey,

4-1 Abstract Number 563, Montgomery County, Texas, being all of that
 4-2 certain called 92.8344 acre tract described in the deed to
 4-3 Cliffstone Hills, LTD., by an instrument of record in Document
 4-4 Number 2020146551 of the Official Public Records of Montgomery
 4-5 County, Texas (M.C.O.P.R.), said 92.833 acre tract being more
 4-6 particularly described by metes and bounds as follows (all bearings
 4-7 referenced to the Texas Coordinate System, Central Zone, NAD83;

4-8 BEGINNING at a 1-inch pinched top iron pipe found marking the
 4-9 north corner of said 92.8344 acre tract, same being the east corner
 4-10 of that certain called 1.694 acre tract described in the deed to
 4-11 Break-Thru Performance Engineering, Inc., by an instrument of
 4-12 record under Document Number 2013102060, M.C.O.P.R., said point
 4-13 lying on the southwesterly right-of-way line of Loop 336 (width
 4-14 varies - as monumented);

4-15 Thence, along the northeast line of said 92.8344 acre tract
 4-16 and the southwesterly right-of-way line of said Loop 336 the
 4-17 following 8 (eight) courses and distances:

4-18 1. South $64^{\circ} 54' 08''$ East, 438.00 feet to a 4" x 4" concrete
 4-19 TXDOT monument found for corner;

4-20 2. South $67^{\circ} 53' 50''$ East, 100.00 feet to a to a 4" x 4"
 4-21 concrete TXDOT monument found for corner;

4-22 3. South $64^{\circ} 56' 38''$ East, 999.89 feet to a 5/8-inch iron rod
 4-23 found for corner;

4-24 4. South $62^{\circ} 10' 50''$ East, 200.00 feet to a bent 1/2-inch
 4-25 iron rod found for corner;

4-26 5. South $64^{\circ} 40' 50''$ East, 197.70 feet to a point for corner,
 4-27 from which a bent 1/2-inch iron rod bears South $26^{\circ} 02' 39''$ West,
 4-28 0.74 feet;

4-29 6. South $67^{\circ} 49' 50''$ East, 100.26 feet to a point for corner,
 4-30 from which a found broken 4" x 4" concrete TXDOT monument bears
 4-31 South $29^{\circ} 29' 52''$ West, 0.59 feet;

4-32 7. South $65^{\circ} 04' 49''$ East, 299.59 feet to a 4" x 4" concrete
 4-33 TXDOT monument found for corner;

4-34 8. South $67^{\circ} 43' 26''$ East, 45.51 feet to a 5/8-inch iron rod
 4-35 with cap stamped "COTTON SURVEYING" found marking the east corner
 4-36 of said 92.8344 acre tract, same being the northwest corner of that
 4-37 certain called 186.0 acre tract described in the deed to Conroe ISD,
 4-38 by an instrument of record under File Number 2008034031, of the
 4-39 Official Public Records of Real Property of Montgomery County,
 4-40 Texas (M.C.O.P.R.R.P.);

4-41 Thence, South $25^{\circ} 27' 45''$ West, along the southeast line of
 4-42 said 92.8344 acre tract and the northwesterly line of said 186.0
 4-43 acre tract, 357.62 feet to a 5/8-inch iron rod with cap stamped
 4-44 "COTTON SURVEYING" found for corner;

4-45 Thence, South $56^{\circ} 37' 50''$ West, continuing along said common
 4-46 line, 2,407.87 feet to a 5/8-inch iron rod with cap stamped "COTTON
 4-47 SURVEYING" found marking the south corner of said 92.8344 acre
 4-48 tract and the west corner of said 186.0 acre tract, said point lying
 4-49 on the northeast right-of-way line of F.M. 3083 (called 120' wide)
 4-50 as described in Volume 283, Page 451 of the Montgomery County Deed
 4-51 Records (M.C.D.R.), and File Number 9045106, M.C.O.P.R.R.P.;

4-52 Thence, North $33^{\circ} 15' 24''$ West, 1,220.07 feet to a point for
 4-53 corner, from which a brass disk in concrete stamped "TXDOT" bears
 4-54 North $09^{\circ} 24' 11''$ West, 1.26 feet, the beginning of a non-tangent
 4-55 curve;

4-56 Thence, 215.57 feet continuing along said common line and the
 4-57 arc of a non-tangent curve to the right, having a radius of 3,010.63
 4-58 feet, a central angle of $04^{\circ} 06' 09''$, and a chord which bears North
 4-59 $31^{\circ} 12' 54''$ West, 215.52 feet to the west corner of said 92.8344 acre
 4-60 tract, from which a 1/2-inch iron rod bears North $11^{\circ} 00' 12''$ East,
 4-61 1.03 feet, said point lying on the southeasterly line of that
 4-62 certain called 9.66 acre tract described in the deed to Louisiana
 4-63 Electrical Wholesalers, Inc. by an instrument of record under File
 4-64 Number 9826542, M.C.O.P.R.R.P.;

4-65 Thence, North $58^{\circ} 28' 08''$ East, along a westerly line of said
 4-66 92.8344 acre tract and a south line of said 9.66 acre tract, 817.51
 4-67 feet to 1/2-inch iron rod found marking the east corner of said 9.66
 4-68 acre tract and an interior westerly corner of said 92.8344 acre
 4-69 tract;

5-1 Thence, North 31° 23' 20" West, along a westerly line of said
5-2 92.8344 acre tract and the easterly lines of said 9.66 acre tract
5-3 and that certain called 3.956 acre tract described in the deed to
5-4 Conroe Reload Center by an instrument of record under File Number
5-5 9658151, M.C.O.P.R.R.P. 804.67 feet to the northwest corner of said
5-6 92.8344 acre tract, from which a 5/8-inch iron rod bears South 15°
5-7 41' 14" East, 0.85 feet, said point lying on the south line of that
5-8 certain called 1.0 acre tract described in the deed to Agustin
5-9 Ventura Gonzales by an instrument of record under Document Number
5-10 2011076381, M.C.O.P.R.R.P.;

5-11 Thence, North 56° 46' 10" East, along the north line of said
5-12 92.8344 acre tract and the south lines of said 1.0 acre tract, that
5-13 certain called 5.650 acre tract described in the deed to Texas
5-14 Outdoor Power Sales, Inc. by an instrument of record under Document
5-15 Number 2019075494, M.C.O.P.R., and the aforementioned 1.694 acre
5-16 tract, 610.16 feet to the POINT OF BEGINNING and containing 92.833
5-17 acres of land.

5-18 SECTION 3. (a) The legal notice of the intention to
5-19 introduce this Act, setting forth the general substance of this
5-20 Act, has been published as provided by law, and the notice and a
5-21 copy of this Act have been furnished to all persons, agencies,
5-22 officials, or entities to which they are required to be furnished
5-23 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-24 Government Code.

5-25 (b) The governor, one of the required recipients, has
5-26 submitted the notice and Act to the Texas Commission on
5-27 Environmental Quality.

5-28 (c) The Texas Commission on Environmental Quality has filed
5-29 its recommendations relating to this Act with the governor, the
5-30 lieutenant governor, and the speaker of the house of
5-31 representatives within the required time.

5-32 (d) All requirements of the constitution and laws of this
5-33 state and the rules and procedures of the legislature with respect
5-34 to the notice, introduction, and passage of this Act are fulfilled
5-35 and accomplished.

5-36 SECTION 4. (a) If this Act does not receive a two-thirds
5-37 vote of all the members elected to each house, Subchapter C, Chapter
5-38 7928A, Special District Local Laws Code, as added by Section 1 of
5-39 this Act, is amended by adding Section 7928A.0306 to read as
5-40 follows:

5-41 Sec. 7928A.0306. NO EMINENT DOMAIN POWER. The district may
5-42 not exercise the power of eminent domain.

5-43 (b) This section is not intended to be an expression of a
5-44 legislative interpretation of the requirements of Section 17(c),
5-45 Article I, Texas Constitution.

5-46 SECTION 5. This Act takes effect immediately if it receives
5-47 a vote of two-thirds of all the members elected to each house, as
5-48 provided by Section 39, Article III, Texas Constitution. If this
5-49 Act does not receive the vote necessary for immediate effect, this
5-50 Act takes effect September 1, 2021.

5-51 * * * * *