

1 AN ACT

2 relating to the creation of the Montgomery County Municipal Utility
3 District No. 207; granting a limited power of eminent domain;
4 providing 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 7931A to read as follows:

9 CHAPTER 7931A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT

10 NO. 207

11 SUBCHAPTER A. GENERAL PROVISIONS

12 Sec. 7931A.0101. DEFINITIONS. In this chapter:

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

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

16 (3) "Director" means a board member.

17 (4) "District" means the Montgomery County Municipal
18 Utility District No. 207.

19 Sec. 7931A.0102. NATURE OF DISTRICT. The district is a
20 municipal utility district created under Section 59, Article XVI,
21 Texas Constitution.

22 Sec. 7931A.0103. CONFIRMATION AND DIRECTOR ELECTION
23 REQUIRED. The temporary directors shall hold an election to
24 confirm the creation of the district and to elect five permanent

1 directors as provided by Section 49.102, Water Code.

2 Sec. 7931A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
3 temporary directors may not hold an election under Section
4 7931A.0103 until each municipality in whose corporate limits or
5 extraterritorial jurisdiction the district is located has
6 consented by ordinance or resolution to the creation of the
7 district and to the inclusion of land in the district.

8 Sec. 7931A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

9 (a) The district is created to serve a public purpose and benefit.

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

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

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

17 Sec. 7931A.0106. INITIAL DISTRICT TERRITORY. (a) The
18 district is initially composed of the territory described by
19 Section 2 of the Act enacting this chapter.

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

24 (1) organization, existence, or validity;

25 (2) right to issue any type of bond for the purposes
26 for which the district is created or to pay the principal of and
27 interest on a bond;

1 (3) right to impose a tax; or

2 (4) legality or operation.

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 7931A.0201. GOVERNING BODY; TERMS. (a) The district
5 is governed by a board of five elected directors.

6 (b) Except as provided by Section 7931A.0202, directors
7 serve staggered four-year terms.

8 Sec. 7931A.0202. TEMPORARY DIRECTORS. (a) On or after the
9 effective date of the Act enacting this chapter, the owner or owners
10 of a majority of the assessed value of the real property in the
11 district may submit a petition to the commission requesting that
12 the commission appoint as temporary directors the five persons
13 named in the petition. The commission shall appoint as temporary
14 directors the five persons named in the petition.

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

16 (1) the date permanent directors are elected under
17 Section 7931A.0103; or

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

20 (c) If permanent directors have not been elected under
21 Section 7931A.0103 and the terms of the temporary directors have
22 expired, successor temporary directors shall be appointed or
23 reappointed as provided by Subsection (d) to serve terms that
24 expire on the earlier of:

25 (1) the date permanent directors are elected under
26 Section 7931A.0103; or

27 (2) the fourth anniversary of the date of the

1 appointment or reappointment.

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

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 7931A.0301. GENERAL POWERS AND DUTIES. The district
11 has the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 7931A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
14 DUTIES. The district has the powers and duties provided by the
15 general law of this state, including Chapters 49 and 54, Water Code,
16 applicable to municipal utility districts created under Section 59,
17 Article XVI, Texas Constitution.

18 Sec. 7931A.0303. AUTHORITY FOR ROAD PROJECTS. Under
19 Section 52, Article III, Texas Constitution, the district may
20 design, acquire, construct, finance, issue bonds for, improve,
21 operate, maintain, and convey to this state, a county, or a
22 municipality for operation and maintenance macadamized, graveled,
23 or paved roads, or improvements, including storm drainage, in aid
24 of those roads.

25 Sec. 7931A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
26 road project must meet all applicable construction standards,
27 zoning and subdivision requirements, and regulations of each

1 municipality in whose corporate limits or extraterritorial
2 jurisdiction the road project is located.

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

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

11 Sec. 7931A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
12 ORDINANCE OR RESOLUTION. The district shall comply with all
13 applicable requirements of any ordinance or resolution that is
14 adopted under Section 54.016 or 54.0165, Water Code, and that
15 consents to the creation of the district or to the inclusion of land
16 in the district.

17 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

18 Sec. 7931A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
19 The district may issue, without an election, bonds and other
20 obligations secured by:

- 21 (1) revenue other than ad valorem taxes; or
22 (2) contract payments described by Section
23 7931A.0403.

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

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

5 Sec. 7931A.0402. OPERATION AND MAINTENANCE TAX. (a) If
6 authorized at an election held under Section 7931A.0401, the
7 district may impose an operation and maintenance tax on taxable
8 property in the district in accordance with Section 49.107, Water
9 Code.

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

12 Sec. 7931A.0403. CONTRACT TAXES. (a) In accordance with
13 Section 49.108, Water Code, the district may impose a tax other than
14 an operation and maintenance tax and use the revenue derived from
15 the tax to make payments under a contract after the provisions of
16 the contract have been approved by a majority of the district voters
17 voting at an election held for that purpose.

18 (b) A contract approved by the district voters may contain a
19 provision stating that the contract may be modified or amended by
20 the board without further voter approval.

21 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

22 Sec. 7931A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
23 OBLIGATIONS. The district may issue bonds or other obligations
24 payable wholly or partly from ad valorem taxes, impact fees,
25 revenue, contract payments, grants, or other district money, or any
26 combination of those sources, to pay for any authorized district
27 purpose.

1 Sec. 7931A.0502. TAXES FOR BONDS. At the time the district
2 issues bonds payable wholly or partly from ad valorem taxes, the
3 board shall provide for the annual imposition of a continuing
4 direct ad valorem tax, without limit as to rate or amount, while all
5 or part of the bonds are outstanding as required and in the manner
6 provided by Sections 54.601 and 54.602, Water Code.

7 Sec. 7931A.0503. BONDS FOR ROAD PROJECTS. At the time of
8 issuance, the total principal amount of bonds or other obligations
9 issued or incurred to finance road projects and payable from ad
10 valorem taxes may not exceed one-fourth of the assessed value of the
11 real property in the district.

12 SECTION 2. The Montgomery County Municipal Utility District
13 No. 207 initially includes all the territory contained in the
14 following area:

15 Being 287.74 acres of land located in the Ransom House
16 Survey, Abstract No. 245, the Joseph House Survey, Abstract
17 No. 250, and the Theodore Slade Survey, Abstract No. 500,
18 Montgomery County, Texas; said 287.74 acres being all of a called
19 141.2-acre tract of land conveyed to ABE Limited in Clerk's File
20 (C.F.) No. 2001067097 of the Official Public Records of Real
21 Property of Montgomery County (O.P.R.R.P.M.C.), all of a called
22 60.00-acre tract of land conveyed to 12735 Whittington, Ltd. in
23 C.F. No. 2001067095 of the O.P.R.R.P.M.C., and the remainder (86.54
24 acres) of a called 90.00-acre tract of land conveyed to CET Limited
25 in C.F. No. 2001067093 of the O.P.R.R.P.M.C.; said 287.74-acre
26 tract being more particularly described by metes and bounds as
27 follows (all bearings are referenced to the west line of said called

1 141.2-acre tract, called N32°46'10"W 1,732.87'):

2 Commencing at the intersection of the west right-of-way line
3 of Farm to Market Road (F.M.) 1314 (100' wide) as recorded in Volume
4 214, Page 188 of the Montgomery County Deed Records (M.C.D.R.) with
5 the north right-of-way line of Crighton Road (60' wide) as recorded
6 in Volume 211, Page 511 and Volume 214, Page 188 of the (M.C.D.R.),
7 same being the southeast corner of said 90.00-acre tract and the
8 southeast corner of a called 3.46-acre tract of land conveyed to
9 City of Conroe in C.F. No. 2008107765 of the O.P.R.R.P.M.C.;

10 Thence, with said west right-of-way line of F.M. 1314 and the
11 east line of said 90.00-acre and 3.46-acre tracts, 31.81 feet along
12 the arc of a curve to the right, said curve having a central angle of
13 00 degrees 37 minutes 31 seconds, a radius of 2,914.79 feet and a
14 chord that bears North 37 degrees 10 minutes 07 seconds West, a
15 distance of 31.81 feet to the northeast corner of said 3.46-acre
16 tract and Point of Beginning of the herein described tract;

17 1. Thence, with the north line of said 3.46-acre tract,
18 South 72 degrees 42 minutes 37 seconds West, a distance of 1,218.58
19 feet;

20 2. Thence, continuing with said north line, South 72 degrees
21 23 minutes 45 seconds West, a distance of 1,899.94 feet to the
22 northwest corner of said 3.46-acre tract, same being on the west
23 line of aforesaid 90.00-acre tract and east line of a called
24 117.9-acre tract of land conveyed to CET Limited in C.F.
25 No. 2000080890 of the O.P.R.R.P.M.C.;

26 3. Thence, with said common line, North 32 degrees 46
27 minutes 10 seconds West, at a distance of 1,268.21 feet passing the

1 northwest corner of said 90.00-acre tract and southwest corner of
2 aforesaid 60.00-acre tract, at a distance of 1,970.32 feet passing
3 the northeast corner of said 117.9-acre tract and southeast corner
4 of a called 156.0-acre tract of land conveyed to ABE Limited in C.F.
5 No. 2000080888 of the O.P.R.R.P.M.C., at a distance of 2,153.90
6 feet passing the northwest corner of said 60.00-acre tract and
7 southwest corner of aforesaid 141.2-acre tract, at a distance of
8 2,484.53 passing the north line of aforesaid Joseph House Survey
9 and the south line of aforesaid Ransom House Survey, continuing in
10 all a total distance of 3,886.77 feet to the northwest corner of
11 said 141.2-acre tract and northeast corner of said 156.0-acre
12 tract, same being on the south right-of-way line of Loop 336
13 (varying width) as recorded in C.F. No. 8715615 of the
14 O.P.R.R.P.M.C.;

15 Thence, with said south right-of-way line of Loop 336, the
16 following four (4) courses:

17 4. 1,393.69 feet along the arc of a curve to the left, said
18 curve having a central angle of 27 degrees 04 minutes 07 seconds, a
19 radius of 2,950.00 feet and a chord that bears North 59 degrees 41
20 minutes 26 seconds East, a distance of 1,380.77 feet;

21 5. Thence, continuing with said south right-of-way line,
22 North 46 degrees 09 minutes 22 seconds East, a distance of 371.99
23 feet;

24 6. 717.54 feet along the arc of a curve to the right, said
25 curve having a central angle of 16 degrees 04 minutes 08 seconds, a
26 radius of 2,558.50 feet and a chord that bears North 54 degrees 11
27 minutes 26 seconds East, a distance of 715.19 feet;

1 7. North 62 degrees 13 minutes 30 seconds East, a distance
2 of 399.39 feet to the most westerly end of a 100-foot cutback
3 located at the intersection of the said south right-of-way line and
4 the west right-of-way line of a portion of aforesaid F.M. 1314 (150
5 feet wide per widening) as recorded in C.F. No. 8715615 of the
6 O.P.R.R.P.M.C.;

7 Thence, with said west right-of-way line of F.M. 1314, the
8 following three (3) courses:

9 8. South 72 degrees 46 minutes 30 seconds East, a distance
10 of 141.42 feet;

11 9. South 27 degrees 46 minutes 30 seconds East, a distance
12 of 50.00 feet;

13 10. South 30 degrees 18 minutes 35 seconds East, a distance
14 of 565.28 feet to the southerly corner of aforesaid widening tract
15 and being in the former west right-of-way line of said F.M. 1314
16 (100 feet wide);

17 11. Thence, continuing with said west right-of-way line,
18 688.62 feet along the arc of a curve to the left, said curve having a
19 central angle of 06 degrees 49 minutes 36 seconds, a radius of
20 5,779.58 feet and a chord that bears South 31 degrees 11 minutes 18
21 seconds East, a distance of 688.21 feet;

22 12. Thence, continuing with said west right-of-way line,
23 South 34 degrees 36 minutes 06 seconds East, at a distance of 628.35
24 feet passing the south line of aforesaid Ransom House Survey and
25 north line of aforesaid Theodore Slade Survey, at a distance of
26 1,147.45 feet passing the southeast corner of aforesaid 141.2-acre
27 tract and northeast corner of aforesaid 60.00-acre tract, at a

1 distance of 2,041.48 feet passing the southeast corner of said
2 60.00-acre tract and northeast corner of aforesaid 90.00-acre
3 tract, continuing in all a total distance of 3,200.86 feet;

4 13. Thence, continuing with said west right-of-way line,
5 114.49 feet along the arc of a curve to the left, said curve having a
6 central angle of 02 degrees 15 minutes 02 seconds, a radius of
7 2,914.79 feet and a chord that bears South 35 degrees 43 minutes 51
8 seconds East, a distance of 114.48 feet to the Point of Beginning
9 and containing 287.74 acres of land.

10 SECTION 3. (a) The legal notice of the intention to
11 introduce this Act, setting forth the general substance of this
12 Act, has been published as provided by law, and the notice and a
13 copy of this Act have been furnished to all persons, agencies,
14 officials, or entities to which they are required to be furnished
15 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
16 Government Code.

17 (b) The governor, one of the required recipients, has
18 submitted the notice and Act to the Texas Commission on
19 Environmental Quality.

20 (c) The Texas Commission on Environmental Quality has filed
21 its recommendations relating to this Act with the governor, the
22 lieutenant governor, and the speaker of the house of
23 representatives within the required time.

24 (d) All requirements of the constitution and laws of this
25 state and the rules and procedures of the legislature with respect
26 to the notice, introduction, and passage of this Act are fulfilled
27 and accomplished.

1 SECTION 4. (a) If this Act does not receive a two-thirds
2 vote of all the members elected to each house, Subchapter C, Chapter
3 7931A, Special District Local Laws Code, as added by Section 1 of
4 this Act, is amended by adding Section 7931A.0306 to read as
5 follows:

6 Sec. 7931A.0306. NO EMINENT DOMAIN POWER. The district may
7 not exercise the power of eminent domain.

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

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

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2173 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. 2173 passed the House on May 14, 2021, by the following vote: Yeas 106, Nays 39, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor