

1-1 By: Eissler (Senate Sponsor - Williams) H.B. No. 4079
1-2 (In the Senate - Received from the House May 10, 2007;
1-3 May 14, 2007, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 18, 2007, reported favorably by
1-5 the following vote: Yeas 4, Nays 0; May 18, 2007, sent to
1-6 printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to the creation of the Montgomery County Municipal Utility
1-10 District No. 119; providing authority to impose taxes and issue
1-11 bonds.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subtitle F, Title 6, Special District Local Laws
1-14 Code, is amended by adding Chapter 8269 to read as follows:

1-15 CHAPTER 8269. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 119

1-16 SUBCHAPTER A. GENERAL PROVISIONS

1-17 Sec. 8269.001. DEFINITIONS. In this chapter:

1-18 (1) "Board" means the board of directors of the
1-19 district.

1-20 (2) "Director" means a member of the board.

1-21 (3) "District" means the Montgomery County Municipal
1-22 Utility District No. 119.

1-23 Sec. 8269.002. NATURE OF DISTRICT. The district is a
1-24 municipal utility district in Montgomery County created under and
1-25 essential to accomplish the purposes of Section 59, Article XVI,
1-26 Texas Constitution.

1-27 Sec. 8269.003. CONFIRMATION ELECTION REQUIRED. If the
1-28 creation of the district is not confirmed at a confirmation
1-29 election held under Section 8269.023 before September 1, 2015:

1-30 (1) the district is dissolved September 1, 2015,
1-31 except that the district shall:

1-32 (A) pay any debts incurred;

1-33 (B) transfer to Montgomery County any assets that
1-34 remain after the payment of debts; and

1-35 (C) maintain the organization of the district
1-36 until all debts are paid and remaining assets are transferred; and

1-37 (2) this chapter expires September 1, 2016.

1-38 Sec. 8269.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
1-39 All land and other property included in the district will benefit
1-40 from the improvements and services to be provided by the district.

1-41 (b) The district is created to accomplish:

1-42 (1) the purposes of a municipal utility district as
1-43 provided by general law; and

1-44 (2) to the extent authorized by Section 52, Article
1-45 III, Texas Constitution, the construction, acquisition,
1-46 improvement, maintenance, or operation of arterial or main feeder
1-47 roads or improvements in aid of those roads.

1-48 Sec. 8269.005. INITIAL DISTRICT TERRITORY. (a) The
1-49 district is initially composed of the territory described by
1-50 Section 2 of the Act creating this chapter.

1-51 (b) The boundaries and field notes contained in Section 2 of
1-52 the Act creating this chapter form a closure. A mistake made in the
1-53 field notes or in copying the field notes in the legislative process
1-54 does not affect the district's:

1-55 (1) organization, existence, or validity;

1-56 (2) right to issue any type of bond for the purposes
1-57 for which the district is created or to pay the principal of and
1-58 interest on a bond;

1-59 (3) right to impose or collect an assessment or tax; or

1-60 (4) legality or operation.

1-61 [Sections 8269.006-8269.020 reserved for expansion]

1-62 SUBCHAPTER A-1. TEMPORARY PROVISIONS

1-63 Sec. 8269.021. TEMPORARY DIRECTORS. (a) The temporary
1-64 board consists of:

1-65 (1) Lester Jones;

1-66 (2) Pam Puckett;

- (3) Louis Evans;
- (4) Patty McBean; and
- (5) Cindy Keefe.

(b) Temporary directors serve until the earlier of:
(1) the date initial directors are elected under
Section 8269.023; or
(2) the date this subchapter expires under Section
8269.025.

Sec. 8269.022. ORGANIZATIONAL MEETING OF TEMPORARY
DIRECTORS. As soon as practicable after all the temporary
directors have qualified under Section 49.055, Water Code, the
temporary directors shall meet at a location in the district
agreeable to a majority of the directors. At the meeting, the
temporary directors shall elect officers from among the temporary
directors and conduct any other district business.

Sec. 8269.023. CONFIRMATION AND INITIAL DIRECTORS'
ELECTION. Not later than the second anniversary of the
organizational meeting held under Section 8269.022, the temporary
directors shall hold an election to confirm the creation of the
district and to elect five initial directors as provided by Section
49.102, Water Code.

Sec. 8269.024. INITIAL ELECTED DIRECTORS; TERMS. Unless
the initial board otherwise agrees, the directors elected under
Section 8269.023 shall draw lots to determine which two shall serve
until the first regularly scheduled election of directors under
Section 8269.052 and which three shall serve until the second
regularly scheduled election of directors.

Sec. 8269.025. EXPIRATION OF SUBCHAPTER. This subchapter
expires September 1, 2015.

[Sections 8269.026-8269.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8269.051. DIRECTORS; TERMS. (a) The district is
governed by a board of five directors.

(b) Except for temporary or initial directors, directors
serve staggered four-year terms.

Sec. 8269.052. ELECTION OF DIRECTORS. On the uniform
election date in May of each even-numbered year, the appropriate
number of directors shall be elected.

[Sections 8269.053-8269.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8269.101. MUNICIPAL UTILITY DISTRICT POWERS AND
DUTIES. (a) The district has the powers and duties provided by the
general law of this state, including Chapters 49 and 54, Water Code,
applicable to municipal utility districts created under Section 59,
Article XVI, Texas Constitution.

(b) The district has the powers and duties necessary to
accomplish the purposes for which the district is created.

Sec. 8269.102. ROAD PROJECTS. (a) To the extent authorized
by Section 52, Article III, Texas Constitution, the district may
acquire, construct, or finance a road that meets the criteria or
requirements for a thoroughfare, arterial, or collector road of the
county in which the road is located or the municipality in whose
corporate limits or extraterritorial jurisdiction the road is
located or improvements in aid of that road.

(b) A road project must meet all applicable standards,
regulations, and ordinances of the municipality or county in whose
jurisdiction the district is located.

Sec. 8269.103. RECREATIONAL FACILITIES; LIMIT ON EMINENT
DOMAIN POWER. (a) In this section, "recreational facilities" and
"develop and maintain" have the meanings assigned by Section
49.462, Water Code.

(b) The district may develop and maintain recreational
facilities.

(c) The district may not, for the development or maintenance
of a recreational facility, acquire by condemnation land, an
easement, or other property inside or outside the district.

Sec. 8269.104. COMPLIANCE WITH MUNICIPAL CONSENT
ORDINANCES OR RESOLUTIONS. Subject to the limitations of Section
54.016, Water Code, the district shall comply with all applicable

3-1 requirements of any ordinance or resolution adopted by the
3-2 governing body of the municipality that consents to the creation of
3-3 the district or to the inclusion of lands within the district.

3-4 [Sections 8269.105-8269.150 reserved for expansion]

3-5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-6 Sec. 8269.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
3-7 district may issue, without an election, bonds and other
3-8 obligations secured by revenue or contract payments from any source
3-9 other than ad valorem taxation.

3-10 (b) The district must hold an election in the manner
3-11 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-12 before the district may impose an operation and maintenance tax or
3-13 issue bonds payable from ad valorem taxes.

3-14 Sec. 8269.152. OPERATION AND MAINTENANCE TAX. (a) If
3-15 authorized at an election held under Section 8269.151, the district
3-16 may impose an operation and maintenance tax on taxable property in
3-17 the district in accordance with Section 49.107, Water Code.

3-18 (b) The board shall determine the tax rate. The rate may not
3-19 exceed the rate approved at the election.

3-20 [Sections 8269.153-8269.200 reserved for expansion]

3-21 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-22 Sec. 8269.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-23 OBLIGATIONS. The district may issue bonds or other obligations
3-24 payable wholly or partly from ad valorem taxes, impact fees,
3-25 revenue, grants, or other district money, or any combination of
3-26 those sources, to pay for any authorized district purpose.

3-27 Sec. 8269.202. BONDS FOR ROAD PROJECTS. (a) The district
3-28 may not issue bonds to finance projects authorized by Section
3-29 8269.102 unless the issuance is approved by a vote of a two-thirds
3-30 majority of the voters of the district voting at an election called
3-31 for that purpose.

3-32 (b) Bonds or other obligations issued or incurred to finance
3-33 projects authorized by Section 8269.102 may not exceed one-fourth
3-34 of the assessed value of the real property in the district.

3-35 Sec. 8269.203. BONDS FOR RECREATIONAL FACILITIES. If
3-36 authorized at an election under Section 8269.151, the district may
3-37 issue bonds payable from ad valorem taxes to pay for the development
3-38 and maintenance of recreational facilities.

3-39 Sec. 8269.204. TAXES FOR BONDS. At the time bonds payable
3-40 wholly or partly from ad valorem taxes are issued:

3-41 (1) the board shall impose a continuing direct annual
3-42 ad valorem tax, without limit as to rate or amount, for each year
3-43 that all or part of the bonds are outstanding; and

3-44 (2) the district annually shall impose an ad valorem
3-45 tax on all taxable property in the district in an amount sufficient
3-46 to:

3-47 (A) pay the interest on the bonds as the interest
3-48 becomes due;

3-49 (B) create a sinking fund for the payment of the
3-50 principal of the bonds when due or the redemption price at any
3-51 earlier required redemption date; and

3-52 (C) pay the expenses of imposing the taxes.

3-53 SECTION 2. The Montgomery County Municipal Utility District
3-54 No. 119 initially includes all the territory contained in the
3-55 following area:

3-56 BEING A 589.17 ACRE (25,664,335 SQUARE FOOT) PARCEL SITUATED IN THE
3-57 MONTGOMERY COUNTY SCHOOL LAND SURVEY, A-351, MONTGOMERY COUNTY,
3-58 TEXAS, CONTAINING ALL OF A 48.50 ACRE TRACT CONVEYED TO CONROE
3-59 INDEPENDENT SCHOOL DISTRICT BY DEED RECORDED UNDER CLERK'S FILE NO.
3-60 2006-102236 OF THE MONTGOMERY COUNTY OFFICIAL PUBLIC RECORDS OF
3-61 REAL PROPERTY, ALL OF A 9.57 ACRE TRACT CONVEYED TO RPM4M VENTURES,
3-62 LP BY DEED RECORDED UNDER CLERK'S FILE NO. 2006-102231 OF THE
3-63 MONTGOMERY COUNTY OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, AND OUT
3-64 OF A CALLED 1,023.05 ACRE TRACT CONVEYED TO LAND TEJAS SPRING
3-65 TRAILS, LTD. BY DEED RECORDED UNDER CLERK'S FILE NO. 2006-102227 OF
3-66 THE MONTGOMERY COUNTY OFFICIAL PUBLIC RECORDS OF REAL PROPERTY,
3-67 SAID 589.17 ACRE PARCEL MORE PARTICULARLY DESCRIBED BY THE
3-68 FOLLOWING METES AND BOUNDS;
3-69 BEGINNING at a 5/8-inch iron rod with cap (stamped "VTSM"), in the

4-1 southeasterly right-of-way line of Riley Fuzzel Road, in a
4-2 southwesterly line of a called 60.25 acre tract conveyed to Sowell
4-3 Equities-Lockeridge, L.P. by Deed recorded under Clerk's File No.
4-4 2005-070370 of the Montgomery County Official Public Records of
4-5 Real Property, in a northerly line of said 1,023.05 acre tract, for
4-6 a northerly corner of the herein described parcel;
4-7 THENCE, South 48°22'09" East, 1,628.43 feet along the southwest line
4-8 of said 60.25 acre tract, and a northerly line of said 1,023.05 acre
4-9 tract to a 1-3/4 inch axle for the most southerly corner of said
4-10 60.25 acre tract, for a northerly corner of said 1,023.05 acre
4-11 tract, and a northerly corner of the herein described parcel;
4-12 THENCE, North 40°56'58" East, 2384.78 feet along a southeasterly
4-13 line of said 60.25 acre tract, and a northerly line of the remainder
4-14 of said 1,023.05 acre tract to a 3/4 inch iron rod with cap (stamped
4-15 "Reno") in the southwesterly right of way line of Birnham Woods
4-16 Drive (100 feet wide), for the most northerly corner of said 48.50
4-17 acre tract, the most easterly corner of said 60.25 acre tract, and a
4-18 northerly corner of the remainder of said 1,023.05 acre tract, and a
4-19 northerly corner of the herein described parcel;
4-20 THENCE, South 46°25'01" East, 6701.58 feet along the southwesterly
4-21 right of way line of said Birnham Woods Drive, and a northeasterly
4-22 line of the remainder of said 1,023.05 acre tract to a 5/8 inch iron
4-23 rod set with cap (stamped "Powers") beginning a curve to the right;
4-24 THENCE, South 39°38'05" West, 134.12 feet to a 5/8-inch iron rod set
4-25 (with cap stamped "Montgomery and Associates") for a southeasterly
4-26 corner of the herein described parcel;
4-27 THENCE, South 88°05'45" West, 245.40 feet to a 5/8-inch iron rod set
4-28 (with cap stamped "Montgomery and Associates") for a southeasterly
4-29 corner of the herein described parcel beginning a curve to the left;
4-30 THENCE, along the arc of said curve to the left having a radius of
4-31 1,950.00 feet, an arc length of 433.26 feet, through a delta of
4-32 12°43'49", and a chord bearing South 81°43'51" West, 432.37 feet to a
4-33 5/8 inch iron rod set (with cap stamped "Montgomery and
4-34 Associates") for a southeasterly corner of the herein described
4-35 parcel;
4-36 THENCE, South 75°21'56" West, 1587.09 feet to a 5/8 inch iron rod set
4-37 (with cap stamped "Montgomery and Associates") for a southerly
4-38 corner of the herein described parcel beginning a curve to the
4-39 right;
4-40 THENCE, along the arc of said curve to the right having a radius of
4-41 2050.00 feet, an arc length of 1242.72 feet, through a delta of
4-42 34°43'59", and a chord bearing North 87°16'04" West, 1223.78 feet to
4-43 a 5/8 inch iron rod set (with cap stamped "Montgomery and
4-44 Associates") for a southerly corner of the herein described parcel
4-45 beginning a curve to the left;
4-46 THENCE, along the arc of said curve to the left having a radius of
4-47 25.00 feet, an arc length of 38.61 feet, through a delta of
4-48 88°28'52", and a chord bearing South 65°51'29" West, 34.88 feet to a
4-49 5/8-inch iron rod set (with cap stamped "Montgomery and
4-50 Associates") for a southerly corner of the herein described parcel;
4-51 THENCE, South 21°37'03" West, 827.36 feet to a 5/8 inch iron rod set
4-52 (with cap stamped "Montgomery and Associates") for a southerly
4-53 corner of the herein described parcel;
4-54 THENCE, South 87°33'13" West, 557.05 feet to a 5/8-inch iron rod set
4-55 (with cap stamped "Montgomery and Associates") for a southerly
4-56 corner of the herein described parcel;
4-57 THENCE, North 42°47'40" West, 236.36 feet to a 5/8 inch iron rod set
4-58 with cap (stamped "Montgomery and Associates") for a southwesterly
4-59 corner of the herein described parcel;
4-60 THENCE, South 51°31'37" West, 450.95 feet to a 5/8-inch iron rod
4-61 found with cap (stamped "Benchmark") in the northeasterly line of a
4-62 called 998.5360 acre tract conveyed to Midway Spring Trails
4-63 Partners, L.P. by Deed recorded under Clerk's File No. 2000-081148
4-64 of the Montgomery County Official Public Records of Real Property,
4-65 in a southwesterly line of the residue of said 1,023.05 acre tract
4-66 for a southwesterly corner of the herein described parcel;
4-67 THENCE, North 34°53'10" West, 2773.35 feet along a northeasterly
4-68 line of said 998.5360 acre tract, and a southwesterly line of the
4-69 remainder of said 1,023.05 acre tract to a 5/8-inch iron rod found

5-1 in a pine stump for a southwesterly corner of the herein described
5-2 parcel;
5-3 THENCE, North 65°23'07" West, 3055.11 feet along a northeasterly
5-4 line of said 998.5360 acre tract, a northeasterly line of Spring
5-5 Trails Section 10 according to the map or plat thereof recorded
5-6 under Cabinet W, Sheets 4 and 5 of the Montgomery County Map
5-7 Records, a northeasterly line of Spring Trails Section 4 according
5-8 to the map or plat thereof recorded under Cabinet S, Sheets 202 and
5-9 203 of the Montgomery County Map Records, and a northeasterly line
5-10 of Spring Trails Section 1 according to the map or plat thereof
5-11 recorded under Cabinet S, Sheets 195 and 197 of the Montgomery
5-12 County Map Records, and a southwesterly line of the remainder of
5-13 said 1,023.05 acre tract to a 5/8-inch iron rod found with cap
5-14 (stamped "Costello") in the southeasterly right of way line of said
5-15 Riley Fuzzel Road, for a northwesterly corner of the remainder of
5-16 said 1,023.05 acre tract and the herein described parcel;
5-17 THENCE, North 39°30'36" East, 1703.37 feet along the southeasterly
5-18 right of way line of said Riley Fuzzel Road, and a northwesterly
5-19 line of the residue of said 1,023.05 acre tract to a 5/8-inch iron
5-20 rod found with cap (stamped "Costello") for a northerly corner of
5-21 the herein described parcel beginning a curve to the right;
5-22 THENCE, along the southeasterly right of way line of said Riley
5-23 Fuzzel Road, and a northwesterly line of the remainder of said
5-24 1,023.05 acre tract, and along the arc of said curve to the right
5-25 having a radius of 1940.00 feet, an arc length of 742.28 feet,
5-26 through a delta of 21°55'21", and a chord bearing North 50°27'16"
5-27 East, 737.76 feet to the POINT OF BEGINNING, CONTAINING 589.17
5-28 acres (25,664,335 square feet) of land in Montgomery County, Texas.
5-29 SECTION 3. (a) The legal notice of the intention to
5-30 introduce this Act, setting forth the general substance of this
5-31 Act, has been published as provided by law, and the notice and a
5-32 copy of this Act have been furnished to all persons, agencies,
5-33 officials, or entities to which they are required to be furnished
5-34 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-35 Government Code.
5-36 (b) The governor, one of the required recipients, has
5-37 submitted the notice and Act to the Texas Commission on
5-38 Environmental Quality.
5-39 (c) The Texas Commission on Environmental Quality has filed
5-40 its recommendations relating to this Act with the governor, the
5-41 lieutenant governor, and the speaker of the house of
5-42 representatives within the required time.
5-43 (d) All requirements of the constitution and laws of this
5-44 state and the rules and procedures of the legislature with respect
5-45 to the notice, introduction, and passage of this Act are fulfilled
5-46 and accomplished.
5-47 SECTION 4. The legislature finds that:
5-48 (1) the Montgomery County Municipal Utility District
5-49 No. 119, as created by Chapter 8269, Special District Local Laws
5-50 Code, as added by this Act, is not officially created until
5-51 confirmed by a majority of the voters of the district voting at an
5-52 election held for that purpose;
5-53 (2) securing the consent of political subdivisions to
5-54 the creation of the district before the introduction or passage of
5-55 this Act may be impractical because of the uncertainties of the
5-56 legislative process; and
5-57 (3) the constitutional requirement for the district's
5-58 compliance with the provisions of the general laws relating to the
5-59 consent of political subdivisions to the creation of the district
5-60 and the inclusion of land within the district is satisfied if that
5-61 consent is secured before the date and hour of canvassing the
5-62 returns and declaring the results of the confirmation election.
5-63 SECTION 5. This Act takes effect immediately if it receives
5-64 a vote of two-thirds of all the members elected to each house, as
5-65 provided by Section 39, Article III, Texas Constitution. If this
5-66 Act does not receive the vote necessary for immediate effect, this
5-67 Act takes effect September 1, 2007.

5-68

* * * * *