

1-1 By: Nichols S.B. No. 1967  
1-2 (In the Senate - Filed March 26, 2007; March 27, 2007, read  
1-3 first time and referred to Committee on Intergovernmental  
1-4 Relations; April 12, 2007, reported favorably by the following  
1-5 vote: Yeas 4, Nays 0; April 12, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the creation of the Montgomery County Municipal Utility  
1-9 District No. 124; providing authority to impose a tax and issue  
1-10 bonds; granting the power of eminent domain.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
1-13 Code, is amended by adding Chapter 8232 to read as follows:

1-14 CHAPTER 8232. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 124

1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 8232.001. DEFINITIONS. In this chapter:

1-17 (1) "Board" means the district's board of directors.

1-18 (2) "Director" means a board member.

1-19 (3) "District" means the Montgomery County Municipal  
1-20 Utility District No. 124.

1-21 Sec. 8232.002. NATURE OF DISTRICT. (a) The district is a  
1-22 municipal utility district created under and essential to  
1-23 accomplish the purposes of Section 59, Article XVI, Texas  
1-24 Constitution.

1-25 (b) The district, to the extent authorized by Section  
1-26 8232.103 and Section 52, Article III, Texas Constitution, has road  
1-27 powers.

1-28 Sec. 8232.003. CONFIRMATION ELECTION REQUIRED. The board  
1-29 shall hold an election to confirm the creation of the district as  
1-30 provided by Section 49.102, Water Code.

1-31 Sec. 8232.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. All  
1-32 land and other property in the district will benefit from the  
1-33 improvements and services to be provided by the district.

1-34 Sec. 8232.005. INITIAL DISTRICT TERRITORY. (a) The  
1-35 district is initially composed of the territory described by  
1-36 Section 2 of the Act creating this chapter.

1-37 (b) The boundaries and field notes contained in Section 2 of  
1-38 the Act creating this chapter form a closure. A mistake in the  
1-39 field notes or in copying the field notes in the legislative process  
1-40 does not affect the district's:

1-41 (1) organization, existence, or validity;

1-42 (2) right to issue any type of bond for a purpose for  
1-43 which the district is created or to pay the principal of and  
1-44 interest on the bond;

1-45 (3) right to impose an assessment or tax; or

1-46 (4) legality or operation.

1-47 [Sections 8232.006-8232.050 reserved for expansion]

1-48 SUBCHAPTER B. BOARD OF DIRECTORS

1-49 Sec. 8232.051. GOVERNING BODY; TERMS. (a) The district is  
1-50 governed by a board of five elected directors.

1-51 (b) Directors serve staggered four-year terms.

1-52 Sec. 8232.052. INITIAL DIRECTORS. (a) The initial board  
1-53 consists of:

1-54 (1) Richard Brent;

1-55 (2) Tom Martin;

1-56 (3) Larry Calhoun;

1-57 (4) Mary Daily; and

1-58 (5) Bill Crowl.

1-59 (b) Unless the initial board agrees otherwise, the initial  
1-60 directors shall draw lots to determine which two shall serve until  
1-61 the first regularly scheduled election of directors and which three  
1-62 shall serve until the second regularly scheduled election of  
1-63 directors.

1-64 (c) This section expires September 1, 2014.

[Sections 8232.053-8232.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8232.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8232.102. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. 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.

Sec. 8232.103. ROAD PROJECTS. (a) Under Section 52, Article III, Texas Constitution, the district may finance, construct, or acquire a road project as provided by this section.

(b) The district shall employ or contract with a licensed engineer to certify whether a proposed road project meets the criteria for a thoroughfare, arterial, or collector road of:

(1) a county in whose jurisdiction the proposed road project is located; or

(2) a municipality in whose corporate limits or extraterritorial jurisdiction the proposed road project is located.

(c) The district may finance, construct, or acquire a road that is located in the district and that has been certified by the licensed engineer as a thoroughfare, arterial, or collector road, or any improvements in aid of the certified road.

(d) A road project must meet all applicable standards, regulations, ordinances, or orders of:

(1) each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located; and

(2) each county in which the road project is located if the road project is not located in the corporate limits of a municipality.

(e) The district may, with the consent of the municipality or county, convey a completed road project to:

(1) a municipality in whose corporate limits or extraterritorial jurisdiction the road project is located; or

(2) a county in which the road project is located.

Sec. 8232.104. COMPLIANCE WITH MUNICIPAL CONSENT RESOLUTION. The district shall comply with all applicable requirements of any resolution, adopted by the governing body of a municipality under Section 54.016, Water Code, that consents to the creation of the district or to the inclusion of land in the district.

Sec. 8232.105. 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.

[Sections 8232.106-8232.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8232.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by revenue or contract payments from a source other than ad valorem taxation.

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

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

Sec. 8232.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8232.151, the district may impose an operation and maintenance tax on taxable property in

3-1 the district as provided by Chapter 49.107, Water Code.

3-2 (b) The board shall determine the tax rate. The rate may not  
3-3 exceed the rate approved at the election.

3-4 [Sections 8232.153-8232.200 reserved for expansion]

3-5 SUBCHAPTER E. BONDS

3-6 Sec. 8232.201. AUTHORITY TO ISSUE BONDS AND OTHER  
3-7 OBLIGATIONS. The district may issue bonds or other obligations  
3-8 payable wholly or partly from ad valorem taxes, impact fees,  
3-9 revenue, grants, or other district money, or any combination of  
3-10 those sources, to pay for any authorized district purpose.

3-11 Sec. 8232.202. BONDS FOR ROAD PROJECTS. At the time of  
3-12 issuance, the total principal amount of a bond, note, or other  
3-13 obligation issued or incurred to finance a road project may not  
3-14 exceed one-fourth of the assessed value of real property in the  
3-15 district according to the most recent certified tax appraisal roll  
3-16 for Montgomery County.

3-17 Sec. 8232.203. BONDS FOR RECREATIONAL FACILITIES. If  
3-18 authorized at an election under Section 8232.151, the district may  
3-19 issue bonds payable from ad valorem taxes to pay for the development  
3-20 and maintenance of recreational facilities.

3-21 Sec. 8232.204. TAXES FOR BONDS AND OTHER OBLIGATIONS. At  
3-22 the time bonds or other obligations payable wholly or partly from ad  
3-23 valorem taxes are issued:

3-24 (1) the board shall impose a continuing direct annual  
3-25 ad valorem tax, without limit as to rate or amount, for each year  
3-26 that all or part of the bonds are outstanding; and

3-27 (2) the district annually shall impose an ad valorem  
3-28 tax on all taxable property in the district in an amount sufficient  
3-29 to:

3-30 (A) pay the interest on the bonds or other  
3-31 obligations as the interest becomes due;

3-32 (B) create a sinking fund for the payment of the  
3-33 principal of the bonds or other obligations when due or the  
3-34 redemption price at any earlier required redemption date; and

3-35 (C) pay the expenses of imposing the taxes.

3-36 SECTION 2. The Montgomery County Municipal Utility District  
3-37 No. 124 initially includes all the territory contained in the  
3-38 following area:

3-39 TRACT 1:

3-40 BEING 295.750 ACRES OF LAND IN THE ELIJAH COLLARD SURVEY, A-7,  
3-41 MONTGOMERY COUNTY, TEXAS, SAID 295.750 ACRES BEING OUT OF THE RCR  
3-42 VENTURES, LTD; 294.888 ACRE TRACT OF LAND DEED OF WHICH IS RECORDED  
3-43 UNDER COUNTY CLERK'S FILE NUMBER 2000-034156, MONTGOMERY COUNTY  
3-44 REAL PROPERTY RECORDS, AND BEING OUT OF THE TWO DEAL LIMITED  
3-45 PARTNERSHIP 87.555 ACRE TRACT OF LAND DEED OF WHICH IS RECORDED  
3-46 UNDER COUNTY CLERK'S FILE NUMBER 2005-041607, MONTGOMERY COUNTY  
3-47 REAL PROPERTY RECORDS, SAID 295.750 ACRES BEING DESCRIBED MORE  
3-48 PARTICULARLY AS FOLLOWS:

3-49 BEGINNING at a 5/8" iron rod found for the Southeast corner of the  
3-50 herein described

3-51 tract, the Southeast corner of the said 294.888 acre tract, the  
3-52 Northeast corner of the Roberta Roberts 2 acre tract of land deed of  
3-53 which is recorded in Volume 447, Page 208, Montgomery County Deed  
3-54 Records;

3-55 THENCE N. 74° 54' 18" W., passing at 269.50 feet a 1-1/2" iron rod  
3-56 found for Robert's apparent Northwest corner, passing at 583.00  
3-57 feet and 1.0 foot South a chain link fence post found for a  
3-58 reference corner to the Lee Howell and wife Markey Jean Howell 1.18  
3-59 acre tract of land deed of which is recorded under County Clerk's  
3-60 File Number 8247429, Montgomery County Real Property Records,  
3-61 passing at 1,514.18 a 3/8" iron rod found for the apparent West  
3-62 corner of the Lindsey Howell and Amber Howell 2.430 acre tract of  
3-63 land deed of which is recorded under County Clerk's File Number  
3-64 9526142, Montgomery County Real Property Records, from whence a  
3-65 concrete monument found for the called for Northeast corner of the  
3-66 Diana L. Stegman 5.195 acre tract deed of which is recorded under  
3-67 County Clerk's File Number 2002-072484, Montgomery County Real  
3-68 Property Records bears N. 53° 13' 37" E., 0.88 feet, passing at  
3-69 1,616.14 feet and 0.69 feet North a 3/4" iron pipe found for

4-1 Stegman's called for Northwest corner, same being the apparent  
 4-2 Northeast corner of the Robert Bennett, Trustee 6.25 acre tract of  
 4-3 land deed of which is recorded under County Clerk's File Number  
 4-4 9454162, Montgomery County Real Property Records, passing at  
 4-5 2,018.70 feet and 2.09 feet North a 1-1/2" iron pipe found for  
 4-6 Bennett's apparent Northwest corner, the apparent Northeast corner  
 4-7 of the Edward M. Gurney and wife Darlene J. Gurney 1.0 acre tract of  
 4-8 land deed of which is recorded under County Clerk's File Number  
 4-9 2000-014476, Montgomery County Real Property Records, passing at  
 4-10 2,226.51 feet and 0.42 feet South a 6" x 8" concrete monument found  
 4-11 for the apparent Northwest corner of the said Gurney 1.0 acre tract,  
 4-12 same being the apparent Lower Northeast corner of the Howard  
 4-13 Russell and wife Velma W. Russell tract of land deed of which is  
 4-14 recorded in Volume 482, Page 152, Montgomery County Deed Records  
 4-15 and continuing in all for a distance of 2,598.79 feet to a 2" iron  
 4-16 pipe found at a x-tie;  
 4-17 THENCE N. 15° 19' 51" E., along an inside line of the said Russell  
 4-18 tract for a distance of 183.63 feet to a 2" iron pipe found at a 6"  
 4-19 fence corner post for Russell's apparent Northeast corner;  
 4-20 THENCE N. 75° 36' 27" W., along Russell's apparent North line for a  
 4-21 distance of 717.44 feet to a 1/2" iron rod set at a x-tie for the  
 4-22 Southwest corner of the herein described tract, in the Northeast  
 4-23 occupied line of Longmire Road;  
 4-24 THENCE N. 33° 52' 54" W., along the Northeast line of Longmire Road  
 4-25 for a distance of 1,314.11 feet to a 5/8" iron rod found for the most  
 4-26 Westerly corner of the said 294.888 acre tract, the most Westerly  
 4-27 corner of the herein described tract;  
 4-28 THENCE N. 16° 21' 27" E., leaving the Northeast line of Longmire Road  
 4-29 for a distance of 53.76 feet to a 2" iron pipe found at a x-tie;  
 4-30 THENCE N. 00° 12' 21" E., for a distance of 18.08 feet to a 6" cedar  
 4-31 post found for corner;  
 4-32 THENCE N. 52° 16' 24" E., for a distance of 1,064.97 feet to a 2" iron  
 4-33 pipe found for corner;  
 4-34 THENCE N. 31° 54' 52" E., for a distance of 1,114.95 feet to a 1/2" iron  
 4-35 rod found for the most Westerly corner of the R. Kyle Reneau and  
 4-36 wife Beth C. Reneau 45.000 acre tract of land deed of which is  
 4-37 recorded under County Clerk's File Number 2005-050053, Montgomery  
 4-38 County Real Property Records;  
 4-39 THENCE S. 64° 34' 05" E., along Reneau's South line, across the  
 4-40 294.888 acre tract for a distance of 2,126.16 feet to a 1/2" iron rod  
 4-41 found with a cap stamped Moon RPLS 4639, for his Southeast corner,  
 4-42 in the West line of the Two Deal Limited Partnership 87.555 acre  
 4-43 tract of land deed of which is recorded under County Clerk's File  
 4-44 Number 2005-041607, Montgomery County Real Property Records, same  
 4-45 being an inside line of the said 294.888 acre tract;  
 4-46 THENCE N. 14° 59' 51" E., along the West line of the said 87.555 acre  
 4-47 tract, an inside line of the 294.888 acre tract, Reneau's East line,  
 4-48 passing at 999.52 feet a 1/2" iron rod found for Reneau's Northeast  
 4-49 corner, the Southeast corner of the R. Kyle Reneau and Beth C.  
 4-50 Reneau 22.000 acre tract of land deed of which is recorded under  
 4-51 County Clerk's File Number 2004-036473, Montgomery County Real  
 4-52 Property Records and continuing in all for a distance of 2,251.62  
 4-53 feet to a 3" x 3" concrete monument found for the Northwest corner  
 4-54 of the 87.555 acre tract, an inside corner of the 294.888 acre  
 4-55 tract, the Southwest corner of the Ronald Rod 17.502 acre tract of  
 4-56 land deed of which is recorded under County Clerk's File Number  
 4-57 2004-118267, Montgomery County Real Property Records;  
 4-58 THENCE S. 74° 58' 39" E., along the North line of the 87.555 acre  
 4-59 tract, a Lower North line of the 294.888 acre tract, Rod's South  
 4-60 line for a distance of 1,087.04 feet to a 1/2" iron rod found in the  
 4-61 West line of Old Conroe-Willis Road, ( Cab. Y, Sht. 163, M.C.M.R. )  
 4-62 for the Northeast corner of the herein described tract  
 4-63 THENCE in a Southwesterly direction with the West line of Old  
 4-64 Conroe-Willis Road along a curve to the left having a radius of  
 4-65 1,330.00 feet, a central angle of 11° 01' 53, for an arc length of  
 4-66 256.07 feet, chord bears S. 16° 14' 24" W., 255.68 feet to a 1/2" iron  
 4-67 rod set for the end of curve;  
 4-68 THENCE S. 10° 43' 28" W., continuing along said West line for a  
 4-69 distance of 193.61 feet to a 1/2" iron rod set;

5-1 THENCE S. 07° 13' 37" W., continuing along said West line for a  
 5-2 distance of 291.97 feet to a ½" iron rod set for the beginning of a  
 5-3 curve to the right;  
 5-4 THENCE continuing with said West line, along said curve to the right  
 5-5 having a radius of 4,970.00 feet, a central angle of 03° 26' 48" for  
 5-6 an arc length of 298.97 feet, chord bears S. 08° 57' 00" W., 298.93  
 5-7 feet to a ½" iron rod set for the end of curve;  
 5-8 THENCE S. 10° 40' 24" W., continuing with said West line for a  
 5-9 distance of 200.32 feet to a ½" iron rod set;  
 5-10 THENCE S. 08° 51' 30" W., continuing with said West line for a  
 5-11 distance of 202.97 feet to a ½" iron rod set for the beginning of a  
 5-12 curve to the right;  
 5-13 THENCE continuing with said West line, along said curve to the right  
 5-14 having a radius of 1,470.00 feet, a central angle of 06° 57' 56" for  
 5-15 an arc length of 178.71 feet, chord bears S. 12° 20' 28" W., 178.60  
 5-16 feet to a ½" iron rod set for the end of curve;  
 5-17 THENCE S. 15° 49' 25" W., continuing with said West line for a  
 5-18 distance of 1,031.43 feet to a ½" iron rod set;  
 5-19 THENCE S. 13° 16' 09" W., continuing with said West line for a  
 5-20 distance of 348.05 feet to a ½" iron rod set;  
 5-21 THENCE S. 14° 22' 25" W., continuing with said West line for a  
 5-22 distance of 177.43 feet to a ½" iron rod set in the South line of the  
 5-23 said 87.555 acre tract;  
 5-24 THENCE S. 75° 02' 09" E., for a distance of 66.96 feet to a 3" x 3"  
 5-25 concrete monument found for the Lower Northeast corner of the said  
 5-26 294.888 acre tract, the Southeast corner of the Foster Timber Ltd;  
 5-27 5.673 acre tract of land deed of which is recorded under County  
 5-28 Clerk's File Number 2004-117093, Montgomery County Real Property  
 5-29 Records;  
 5-30 THENCE S. 15° 56' 43" W., along the most Easterly line of the 294.888  
 5-31 acre tract for a distance of 1,724.57 feet to the POINT OF BEGINNING  
 5-32 and containing in all 295.750 acres of land.  
 5-33 TRACT 2:  
 5-34 BEING 34.868 ACRES OF LAND IN THE ELIJAH COLLARD SURVEY, A-7,  
 5-35 MONTGOMERY COUNTY, TEXAS, SAID 34.868 ACRES BEING THE SAME TRACT OF  
 5-36 LAND AS CONVEYED TO RCR VENTURES, LTD; DEED OF WHICH IS RECORDED  
 5-37 UNDER COUNTY CLERK'S FILE NUMBER 2000-034156, MONTGOMERY COUNTY  
 5-38 REAL PROPERTY RECORDS, SAID 34.868 ACRES BEING DESCRIBED MORE  
 5-39 PARTICULARLY AS FOLLOWS:  
 5-40 BEGINNING at a ½" iron pipe found in the North line of  
 5-41 Willis-Montgomery Road, (60' Vol. 197, Pg. 417, M.C.D.R. ) for the  
 5-42 Southwest corner of the herein described tract;  
 5-43 THENCE N. 15° 00' 04" W., leaving the North line of  
 5-44 Willis-Montgomery Road, passing at 9.76 feet a 1" galvanized iron  
 5-45 pipe found at a 4" iron post, said 1" galvanized iron pipe being the  
 5-46 Southeast corner of the Newton B. Derby and wife Violet W. Derby  
 5-47 80.650 acre tract of land deed of which is recorded under County  
 5-48 Clerk's File Number 9025433, Montgomery County Real Property  
 5-49 Records and continuing in all along Derby's East line for a distance  
 5-50 of 281.40 feet to a 1" iron bar found for corner at a 4" iron post,  
 5-51 from whence a deed call 18" dead Pine tree bears S. 86° E., 10.8  
 5-52 feet, a 26" White Oak bears N. 35° 40' E., 29.5 feet;  
 5-53 THENCE N. 15° 13' 25" E., continuing along Derby's East line for a  
 5-54 distance of 1,366.12 feet to a 5/8" iron rod found at a 4" iron post  
 5-55 for his Northeast corner, the Northwest corner of the herein  
 5-56 described tract, in the South line of Farm to Market Highway No.  
 5-57 830, ( Vol. 677, Pg. 98, M.C.D.R. );  
 5-58 THENCE S. 75° 38' 36" E., along the South line of F. M. 830 for a  
 5-59 distance of 136.56 feet to a 3" x 3" concrete monument found for the  
 5-60 beginning of a curve to the right;  
 5-61 THENCE in a Southeasterly direction continuing with the South line  
 5-62 of F. M. 830, along said curve to the right having a radius of  
 5-63 5,669.65 feet, a central angle of 15° 10' 58" for an arc length of  
 5-64 1,502.41 feet, chord bears S. 58° 21' 09" E., 1,498.02 feet to a 3" x  
 5-65 3" concrete monument found for the Northeast corner of the herein  
 5-66 described tract;  
 5-67 THENCE S. 15° 57' 19" W., for a distance of 149.45 feet to a 3" x 3"  
 5-68 concrete monument found in the North line of Willis-Montgomery Road  
 5-69 for the Southeast corner of the herein described tract;

6-1 THENCE S. 69° 14' 15" W., along the North line of Willis-Montgomery  
6-2 Road for a distance of 1,767.12 feet to the POINT OF BEGINNING and  
6-3 containing in all 34.868 acres of land.

6-4 SECTION 3. (a) The legal notice of the intention to  
6-5 introduce this Act, setting forth the general substance of this  
6-6 Act, has been published as provided by law, and the notice and a  
6-7 copy of this Act have been furnished to all persons, agencies,  
6-8 officials, or entities to which they are required to be furnished  
6-9 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
6-10 Government Code.

6-11 (b) The governor, one of the required recipients, has  
6-12 submitted the notice and Act to the Texas Commission on  
6-13 Environmental Quality.

6-14 (c) The Texas Commission on Environmental Quality has filed  
6-15 its recommendations relating to this Act with the governor, the  
6-16 lieutenant governor, and the speaker of the house of  
6-17 representatives within the required time.

6-18 (d) All requirements of the constitution and laws of this  
6-19 state and the rules and procedures of the legislature with respect  
6-20 to the notice, introduction, and passage of this Act are fulfilled  
6-21 and accomplished.

6-22 SECTION 4. This Act takes effect immediately if it receives  
6-23 a vote of two-thirds of all the members elected to each house, as  
6-24 provided by Section 39, Article III, Texas Constitution. If this  
6-25 Act does not receive the vote necessary for immediate effect, this  
6-26 Act takes effect September 1, 2007.

6-27

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