## A BILL TO BE ENTITLED

## AN ACT

relating to the creation of the Montgomery County Municipal Utility District No. 147; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7907 to read as follows: CHAPTER 7907. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 147

## SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7907.001. DEFINITIONS. In this chapter:
(1) "Board" means the district's board of directors.
(2) "Commission" means the Texas Commission on

Environmental Quality.
(3) "Director" means a board member.
(4) "District" means the Montgomery County Municipal Utility District No. 147.

Sec. 7907.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7907.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7907.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7907.003 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7907.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.
(b) The district is created to accomplish the purposes of:
(1) a municipal utility district as provided by
general law and Section 59, Article XVI, Texas Constitution; and
(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7907.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.
(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect the district's:
(1) organization, existence, or validity;
(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;
(3) right to impose a tax; or
(4) legality or operation. SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7907.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.
(b) Except as provided by Section 7907.052 , directors serve staggered four-year terms.

Sec. 7907.052. TEMPORARY DIRECTORS. (a) On or after September 1, 2015, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.
(b) Temporary directors serve until the earlier of:
(1) the date permanent directors are elected under Section 7907.003; or
(2) September 1, 2019.
(c) If permanent directors have not been elected under Section 7907.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:
(1) the date permanent directors are elected under Section 7907.003; or
(2) the fourth anniversary of the date of the appointment or reappointment.
(d) If Subsection (c) applies, the owner or owners of a
majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES
Sec. 7907.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7907.102. 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. 7907.103. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7907.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.
(b) If a road project is not located in the corporate limits

## or extraterritorial jurisdiction of a municipality, the road

 project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7907.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. (a) The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165 , Water Code, and that consents to the creation of the district or to the inclusion of land in the district.
(b) Section 54.016(f), Water Code, does not apply to the district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
Sec. 7907.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:
(1) revenue other than ad valorem taxes; or
(2) contract payments described by Section 7907.153.
(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 the district voters voting at an election held for that purpose.

Sec. 7907.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7907.151 , the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.
(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Sec. 7907.153. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.
(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval. SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7907.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7907.202. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing
direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7907.203. BONDS FOR ROAD PROJECTS. 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 the real property in the district.

SECTION 2. The Montgomery County Municipal Utility District No. 147 initially includes all the territory contained in the following area:

TRACT ONE:
BEING 75.060 ACRES OF LAND IN THE ROBERT MARSH SURVEY, A-355, THE JAMES EDWARDS SURVEY, A-189, MONTGOMERY COUNTY, TEXAS, SAID 75.060 ACRES BEING OUT OF THE RODRIGUEZ FAMILY TRUST 210.3078 ACRE TRACT OF LAND DEED OF WHICH IS RECORDED UNDER COUNTY CLERK'S FILE NUMBER 2013-098325, MONTGOMERY COUNTY REAL PROPERTY RECORDS, SAID 75.060 ACRES BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING at a 5/8" iron rod set for the Northwest corner of the herein described tract, same being the Northeast corner of a 0.1653 acre tract of land described by deed recorded in Volume 1087, Page 346, Montgomery County Deed Records, said corner being N. $75^{\circ}$ 03' 44" E., along the North line of the 210.3078 acre tract, the South line of the Conroe Venture Ltd; 410.539 acre tract, (Conroe Tract 4) deed of which is recorded under County Clerk's File Number 9149317, Montgomery County Real Property Records a distance of 746.31 feet from a $3 / 4$ " iron pipe found for the Southwest corner of the 410.3078 acre tract;

THENCE N. 75 0 $03^{\prime} 4^{\prime \prime}$ E., along the above mentioned lines for a distance of $3,439.09$ feet to a 5/8" iron rod found with a plastic cap stamped COC for the Northeast corner of the herein described tract, the West corner of the City of Conroe 1.820 acre tract of land deed of which is recorded under County Clerk's File Number 2012-000764, Montgomery County Real Property Records;

THENCE S. $19^{\circ} 07^{\prime} 00^{\prime \prime}$ E., along the Southwest line of the said 1.820 acre tract for a distance of 796.87 feet to a $5 / 8^{\prime \prime}$ iron rod found with a plastic cap stamped CoC for the South corner of the 1.820 acre tad, in the North line of La Salle Crossing, (60' Cab. C, Sht. 1, M.C.M.R.) and being the Southeast corner of the herein described tract;

THENCE S. $71^{\circ} 07$ 56" W., along the North line of La Salle Crossing for a distance of 25.10 feet to a $5 / 8^{\prime \prime}$ iron rod set for the beginning of a curve to the right;

THENCE in a Southwesterly direction continuing with said North line, along said curve to the right having a radius of 270.00 feet, a central angle of $14^{\circ} 28^{\prime} 2^{\prime \prime}$, for an are length of 68.20 feet, chord bears S. $78^{\circ} 00^{\prime} 30^{\prime \prime}$ W., 68.02 feet to a 5/8" iron rod set for the end of curve;

THENCE S. $85^{\circ} 32^{\prime} 49^{\prime \prime}$ W., continuing along said North line for a distance of 49.93 feet to a 5/8" iron rod found for the beginning of a curve to the left;

THENCE in a Southwesterly direction continuing with said North line, along said curve to the left having a radius of 330.00 feet, a central angle of $18^{\circ} 20^{\prime} 2^{\prime \prime}$ for an arc length of 105.64
feet, chord bears S. $76^{\circ} 09^{\prime} 01^{\prime \prime}$ W., 105.19 feet to a 5/8" iron rod found for the end of curve;

THENCE S. $67^{\circ} 01^{\prime} 40^{\prime \prime} \mathrm{W} .$, along the North line of La Salle Crossing for a distance of $1,311.05$ feet to a 5/8" iron rod found for the beginning of a curve to the right;

THENCE in a Northwesterly direction continuing with said North line, along said curve to the right having a radius of 340.00 feet, a central angle of $46^{\circ} \mathbf{1 9}^{\prime} 02^{\prime \prime}$, an arc length of 274.85 feet, chord bears N. 89 $48^{\prime}$ 50" W., 267.43 feet to a 5/8" iron rod set for the end of curve;

THENCE N. $66^{\circ} 39^{\prime} 20^{\prime \prime}$ W., continuing along said North line for a distance of 259.28 feet to a $5 / 8^{\prime \prime}$ iron rod set for the most Northerly comer of La Salle Crossing;

THENCE S. $23^{\circ} 20^{\prime} 40^{\prime \prime}$ W., along the most Westerly line of La Salle Crossing, passing at 60.00 feet its most Westerly corner, same being the North corner of Lot 1, Block 1, La Salle Crossing, and continuing along the Northwest line of Block 1 for a distance of 538.30 feet to a $5 / 8^{\prime \prime}$ iron rod set for corner, same being a corner of the Montgomery County M.U.D. No. 42391.0643 acre tract of land deed of which is recorded in Volume 1142, Page 663, Montgomery County Deed Records;

THENCE S. $45^{\circ} 15^{\prime} 00^{\prime \prime} \mathrm{W} .$, continuing along the Northwest line of Block 1 for a distance of 483.21 feet to the most Southerly corner of the herein described tract;

THENCE N. 55 5 51' 51" W., crossing said 210.3078 acre tract for a distance of 722.37 feet;

THENCE N. $47^{\circ} 07^{\prime} 24^{\prime \prime} \mathrm{W} .$, continuing across said 210.3078 acre tract for a distance of 497.42 feet

THENCE N. $14^{\circ} 51^{\prime} 19{ }^{\prime \prime} \mathrm{W} .$, at 311.58 feet passing the East comer of $a 0.1653$ acre tract and then along it's Northeast line for a distance of 431.19 feet to the POINT OF BEGINNING and containing in all 75.060 acres of land.

TRACT TWO:
BEING 55.369 ACRES OF LAND IN THE ROBERT MARSH SURVEY, A-355, THE JAMES EDWARDS SURVEY, A -189, MONTGOMERY COUNTY, TEXAS SAID 55.369 ACRES BEING OUT OF THE WESLIE R. MARKS 210.3078 ACRE TRACT OF LAND DEED OF WHICH IS RECORDED UNDER COUNTY CLERK'S FILE NUMBER 9223195, MONTGOMERY COUNTY REAL PROPERTY RECORDS, SAID 55. 369 ACRES BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING at a 3/4 " iron pipe found for the most Northerly corner of the said 210.3078 acre tract, in a South line of the Conroe Venture Ltd; 410.539 acre tract of land, ( Conroe Tract 4 ) deed of which is recorded under County Clerk's File Number 9149317, Montgomery County Real Property Records;

THENCE S. 74 17' 38" E., along the Northeast line of the said 210.3078 acre tract, a South line of the said 410.539 acre tract, and called to be the North line of the marsh and the South line of the James Edwards Survey, A-190 for a distance of 985.33 feet to a 5/8" iron rod found for the Northeast corner of the herein described tract, the Northwest corner of the Pierre G. Mulacek and wife Suzee 6.00 acre tract of land deed of which is recorded under county Clerk's File Number 9554950, Montgomery County Real Properly Records, from whence a 1/2" iron rod found for the East corner of the 210.3078 acre tract bears S. 74́17' 38" E., 333.73 feet;

THENCE S. $17^{\circ} 24^{\prime} 18^{\prime \prime} \mathrm{W} .$, along the West line of the said 6.00 acre tract for a distance of 548.96 feet to a $5 / 8^{\prime \prime}$ iron rod found for corner;

THENCE S. $06^{\circ} 15^{\prime} 16^{\prime \prime}$ E., continuing along said West line, passing at feet a 5/8" iron rod set for reference and continuing in all for a distance of 397.48 feet to the Lower Northeast corner of the herein described tract, in the centerline of a creek, same being the Westerly line of Willowridge Estates, Section 2, a Subdivision map of which is recorded in Cabinet D, Sheet 35B, Montgomery County Map Records, same being the Southeast line of the said 210.3078 acre tract;

THENCE in a Southerly direction with said centerline, the Westerly line of Willowridge Estates, Section 2, the Westerly line of Willowridge Estates, Section 3, ( Cab. D, Sht. 36B, M.C.M.R.) as follows;

1. S. $87^{\circ} 09^{\prime} 06^{\prime \prime} \mathrm{W}, 85.39$ feet,
2. S. $44^{\circ} 02^{\prime} 00^{\prime \prime}$ W., 48.96 feet,
3. N. 58 $14^{\prime} 36^{\prime \prime}$ W., 37.43 feet,
4. S. 79́10' 59" W., 27.07 feet,
5. S. $27^{\circ} 14^{\prime} 07^{\prime \prime}$ W., 27.53 feet,
6. S. $75^{\circ} 06^{\prime} 44^{\prime \prime}$ W., 40.89 feet,
7. N. $49^{\circ} 30^{\prime} 04^{\prime \prime}$ W., 31.06 feet,
8. S. $07^{\circ} 50^{\prime} 39^{\prime \prime}$ E., 48.09 feet,
9. N. $85^{\circ} 40^{\prime} 09^{\prime \prime}$ W., 101.99 feet,
10. S. $19^{\circ} 18^{\prime} 28^{\prime \prime}$ E., 70.95 feet,
11. S. $77^{\circ} 49^{\prime} 55^{\prime \prime}$ W., 45.75 feet,
12. S. $35^{\circ} 18^{\prime} 07{ }^{\prime}$ W., 34.72 feet,

13. S. $01^{\circ} 31^{\prime} 17{ }^{\prime \prime}$ E., 158.07 feet to the Southeast corner of the 210.3078 acre tract, the Southeast corner of the herein described tract;

THENCE S. $75^{\circ} 38^{\prime} 38^{\prime \prime} \mathrm{W} .$, along the South line of the 210.3078 acre tract passing at 3.81 feet a 5/8" iron rod found for reference and continuing in all for a distance of 94.94 feet to a 5/8" iron rod found with a plastic cap stamped coc for the Southeast corner of the City of Conroe 1.461 acre tract of land deed of which is recorded under County Clerk's File Number 2012-000763, Montgomery County Real Property Records;

THENCE N. $45^{\circ} 28^{\prime}$ 08" W., along the East line of the said 1.461 acre tract for a distance of 46.96 feet to a $5 / 8^{\prime \prime}$ iron rod found with a plastic cap stamped COC for the beginning of a curve to the right;

THENCE in a Northwesterly direction continuing with the above mentioned East line along said curve to the right having a radius of 87.59 feet, a central angle of $51^{\circ} 05^{\prime} 30^{\prime \prime}$, for an arc length of 78.11 feet, chord bears N. $03^{\circ} 53^{\prime} 14 " ~ W ., ~_{75} .54$ feet to a 5/8" iron rod set for the end of curve;

THENCE N. $22^{\circ}$ 49' $^{\prime}$ 06" E,, continuing along said East line for a distance of 301.34 feet to a 5/8" iron rod set for the beginning of a curve to the left;

THENCE in a Northwesterly direction continuing with the said East line, along said curve to the left having a radius of 420.00 feet, a central angle of $66^{\circ} 2^{\prime} 5^{\prime \prime} 9^{\prime \prime}$, for an arc length of 487.22 feet, chord bears N. 10 23' 13 " W., 460.36 feet to a 5/8" iron rod set for the end of curve;

THENCE N. 43 $35^{\prime} 28^{\prime \prime}$ W., continuing along the said East line
for a distance of 443.44 feet to a 5/8" iron rod found with a plastic cap stamped COC for the beginning of a curve to the right;

THENCE in a Northwesterly direction continuing with the said East line along said curve to the right having a radius of 430.00 feet, a central angle of $24^{\circ} 32^{\prime} 07^{\prime \prime}$, for an arc length of 184.14 feet, chord bears N. 31²7' 19" W., 182.73 feet to a 5/8" iron rod found with a plastic cap stamped COC for the end of curve;

THENCE N. 1907' 00" W., continuing along said East line passing at 61.03 feet a $5 / 8^{\prime \prime}$ iron rod found with a plastic cap stamped COC for the Northeast corner of the said 1.461 acre tract, the East corner of the City of Conroe 1.820 acre tract deed of which is recorded under County Clerk's File Number 2012-000764, Montgomery County Real Property Records and continuing in all along the Easterly line of the 1.820 acre tract for a distance of 849.88 feet to a 5/8" iron rod set for4 its' North corner, the Northwesterly corner of the herein described tract, in the North line of the said 210.3078 acre tract, a South line of the said 410.539 acre tract;

THENCE N. 75 0 0 ' 44" E., along the above mentioned lines for a distance of $1,076.06$ feet to the POINT OF BEGINNING and containing in all 55.369 acres of land.

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

## Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.
(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.
(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. (a) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7907, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7907.106 to read as follows:

Sec. 7907.106. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.
(b) This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5. This Act takes effect September 1, 2015.

