

By: Nichols

S.B. No. 2025

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

1 directors as provided by Section 49.102, Water Code.

2 Sec. 7907.004. CONSENT OF MUNICIPALITY REQUIRED. The
3 temporary directors may not hold an election under Section 7907.003
4 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. 7907.005. 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. 7907.006. 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. 7907.051. GOVERNING BODY; TERMS. (a) The district is
5 governed by a board of five elected directors.

6 (b) Except as provided by Section 7907.052, directors serve
7 staggered four-year terms.

8 Sec. 7907.052. TEMPORARY DIRECTORS. (a) On or after
9 September 1, 2015, the owner or owners of a majority of the assessed
10 value of the real property in the district may submit a petition to
11 the commission requesting that the commission appoint as temporary
12 directors the five persons named in the petition. The commission
13 shall appoint as temporary directors the five persons named in the
14 petition.

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

16 (1) the date permanent directors are elected under
17 Section 7907.003; or

18 (2) September 1, 2019.

19 (c) If permanent directors have not been elected under
20 Section 7907.003 and the terms of the temporary directors have
21 expired, successor temporary directors shall be appointed or
22 reappointed as provided by Subsection (d) to serve terms that
23 expire on the earlier of:

24 (1) the date permanent directors are elected under
25 Section 7907.003; or

26 (2) the fourth anniversary of the date of the
27 appointment or reappointment.

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

8 SUBCHAPTER C. POWERS AND DUTIES

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

12 Sec. 7907.102. MUNICIPAL UTILITY DISTRICT POWERS AND
13 DUTIES. The district has the powers and duties provided by the
14 general law of this state, including Chapters 49 and 54, Water Code,
15 applicable to municipal utility districts created under Section 59,
16 Article XVI, Texas Constitution.

17 Sec. 7907.103. AUTHORITY FOR ROAD PROJECTS. Under Section
18 52, Article III, Texas Constitution, the district may design,
19 acquire, construct, finance, issue bonds for, improve, operate,
20 maintain, and convey to this state, a county, or a municipality for
21 operation and maintenance macadamized, graveled, or paved roads, or
22 improvements, including storm drainage, in aid of those roads.

23 Sec. 7907.104. ROAD STANDARDS AND REQUIREMENTS. (a) A
24 road project must meet all applicable construction standards,
25 zoning and subdivision requirements, and regulations of each
26 municipality in whose corporate limits or extraterritorial
27 jurisdiction the road project is located.

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

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

9 Sec. 7907.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
10 OR RESOLUTION. (a) The district shall comply with all applicable
11 requirements of any ordinance or resolution that is adopted under
12 Section 54.016 or 54.0165, Water Code, and that consents to the
13 creation of the district or to the inclusion of land in the
14 district.

15 (b) Section 54.016(f), Water Code, does not apply to the
16 district.

17 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

18 Sec. 7907.151. ELECTIONS REGARDING TAXES OR BONDS.

19 (a) 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 7907.153.

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

27 (c) The district may not issue bonds payable from ad valorem

1 taxes to finance a road project unless the issuance is approved by a
2 vote of a two-thirds majority of the district voters voting at an
3 election held for that purpose.

4 Sec. 7907.152. OPERATION AND MAINTENANCE TAX. (a) If
5 authorized at an election held under Section 7907.151, the district
6 may impose an operation and maintenance tax on taxable property in
7 the district in accordance with Section 49.107, Water Code.

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

10 Sec. 7907.153. CONTRACT TAXES. (a) In accordance with
11 Section 49.108, Water Code, the district may impose a tax other than
12 an operation and maintenance tax and use the revenue derived from
13 the tax to make payments under a contract after the provisions of
14 the contract have been approved by a majority of the district voters
15 voting at an election held for that purpose.

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

19 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

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

26 Sec. 7907.202. TAXES FOR BONDS. At the time the district
27 issues bonds payable wholly or partly from ad valorem taxes, the

1 board shall provide for the annual imposition of a continuing
2 direct ad valorem tax, without limit as to rate or amount, while all
3 or part of the bonds are outstanding as required and in the manner
4 provided by Sections 54.601 and 54.602, Water Code.

5 Sec. 7907.203. BONDS FOR ROAD PROJECTS. At the time of
6 issuance, the total principal amount of bonds or other obligations
7 issued or incurred to finance road projects and payable from ad
8 valorem taxes may not exceed one-fourth of the assessed value of the
9 real property in the district.

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

13 BEING 75.060 ACRES OF LAND IN THE ROBERT MARSH SURVEY, A-355, THE
14 JAMES EDWARDS SURVEY, A-189, MONTGOMERY COUNTY, TEXAS, SAID 75.060
15 ACRES BEING OUT OF THE RODRIGUEZ FAMILY TRUST 210.3078 ACRE TRACT OF
16 LAND DEED OF WHICH IS RECORDED UNDER COUNTY CLERK'S FILE NUMBER
17 2013-098325, MONTGOMERY COUNTY REAL PROPERTY RECORDS, SAID 75.060
18 ACRES BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS:

19 BEGINNING at a 5/8" iron rod set for the Northwest corner of the
20 herein described tract, same being the Northeast corner of a 0.1653
21 acre tract of land described by deed recorded in Volume 1087, Page
22 346, Montgomery County Deed Records, said corner being N. 750 03'
23 44" E., along the North line of the 210.3078 acre tract, the South
24 line of the Conroe Venture Ltd; 410.539 acre tract, (Conroe Tract 4)
25 deed of which is recorded under County Clerk's File Number 9149317,
26 Montgomery County Real Property Records a distance of 746.31 feet
27 from a 3/4" iron pipe found for the Southwest corner of the 410.3078

1 acre tract;

2 THENCE N. 75° 03' 44" E., along the above mentioned lines for a
3 distance of 3,439.09 feet to a 5/8" iron rod found with a plastic
4 cap stamped COC for the Northeast corner of the herein described
5 tract, the West corner of the City of Conroe 1.820 acre tract of
6 land deed of which is recorded under County Clerk's File Number
7 2012-000764, Montgomery County Real Property Records;

8 THENCE S. 190 07' 00" E., along the Southwest line of the said 1.820
9 acre tract for a distance of 796.87 feet to a 5/8" iron rod found
10 with a plastic cap stamped COC for the South corner of the 1.820
11 acre tad, in the North line of La Salle Crossing, (60' Cab. C, Sht.
12 1, M.C.M.R. 0 and being the Southeast corner of the herein described
13 tract;

14 THENCE S. 710 07 56" W., along the North line of La Salle Crossing
15 for a distance of 25.10 feet to a 5/8" iron rod set for the beginning
16 of a curve to the right;

17 THENCE in a Southwesterly direction continuing with said North
18 line, along said curve to the right having a radius of 270.00 feet,
19 a central angle of 14° 28' 21", for an arc length of 68.20 feet,
20 chord bears S. 78° 00' 30" W., 68.02 feet to a 5/8" iron rod set for
21 the end of curve;

22 THENCE S. 85 32' 49" W., continuing along said North line for a
23 distance of 49.93 feet to a 5/8" iron rod found for the beginning of
24 a curve to the left;

25 THENCE in a Southwesterly direction continuing with said North
26 line, along said curve to the left having a radius of 330.00 feet, a
27 central angle of 18° 20' 28" for an arc length of 105.64 feet, chord

1 bears S. 76° 09' 01" W., 105.19 feet to a 5/8" iron rod found for the
2 end of curve;
3 THENCE S. 67° 01' 40" W., along the North line of La Salle Crossing
4 for a distance of 1,311.05 feet to a 5/8" iron rod found for the
5 beginning of a curve to the right;
6 THENCE in a Northwesterly direction continuing with said North
7 line, along said curve to the right having a radius of 340.00 feet,
8 a central angle of 46° 19' 02", an arc length of 274.85 feet, chord
9 bears N. 89° 48' 50" W., 267.43 feet to a 5/8" iron rod set for the
10 end of curve;
11 THENCE N. 66° 39' 20" W., continuing along said North line for a
12 distance of 259.28 feet to a 5/8" iron rod set for the most
13 Northerly comer of La Salle Crossing;
14 THENCE S. 23° 20' 40" W., along the most Westerly line of La Salle
15 Crossing, passing at 60.00 feet its' most Westerly corner, same
16 being the North corner of Lot 1, Block 1, La Salle Crossing, and
17 continuing along the Northwest line of Block 1 for a distance of
18 538.30 feet to a 5/8" iron rod set for corner, same being a corner of
19 the Montgomery County M.U.D. No. 42 391.0643 acre tract of land
20 deed of which is recorded in Volume 1142, Page 663, Montgomery
21 County Deed Records;
22 THENCE S. 45° 15' 00" W., continuing along the Northwest line of
23 Block 1 for a distance of 483.21 feet to the most Southerly corner
24 of the herein described tract;
25 THENCE N. 55° 51' 51" W., crossing said 210.3078 acre tract for a
26 distance of 722.37 feet;
27 THENCE N. 47° 07' 24" W., continuing across said 210.3078 acre tract

1 for a distance of 497.42 feet
2 THENCE N. 14° 51' 19" W., at 311.58 feet passing the East comer of a
3 0.1653 acre tract and then along it's Northeast line for a distance
4 of 431.19 feet to the POINT OF BEGINNING and containing in all
5 75.060 acres of land.

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

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

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

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

24 SECTION 4. (a) If this Act does not receive a two-thirds
25 vote of all the members elected to each house, Subchapter C, Chapter
26 7907, Special District Local Laws Code, as added by Section 1 of
27 this Act, is amended by adding Section 7907.106 to read as follows:

1 Sec. 7907.106. NO EMINENT DOMAIN POWER. The district may
2 not exercise the power of eminent domain.

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

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