

1-1 By: Nichols S.B. No. 2025
 1-2 (In the Senate - Filed March 31, 2015; April 1, 2015, read
 1-3 first time and referred to Committee on Intergovernmental
 1-4 Relations; April 30, 2015, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0; April 30, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Lucio	X			
1-8 Bettencourt	X			
1-9 Campbell	X			
1-10 Garcia	X			
1-11 Menéndez	X			
1-12 Nichols			X	
1-13 Taylor of Galveston	X			

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the creation of the Montgomery County Municipal Utility
 1-18 District No. 147; granting a limited power of eminent domain;
 1-19 providing authority to issue bonds; providing authority to impose
 1-20 assessments, fees, and taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-23 Code, is amended by adding Chapter 7907 to read as follows:

1-24 CHAPTER 7907. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO.

1-25 147
 1-26 SUBCHAPTER A. GENERAL PROVISIONS

1-27 Sec. 7907.001. DEFINITIONS. In this chapter:

1-28 (1) "Board" means the district's board of directors.
 1-29 (2) "Commission" means the Texas Commission on
 1-30 Environmental Quality.

1-31 (3) "Director" means a board member.
 1-32 (4) "District" means the Montgomery County Municipal
 1-33 Utility District No. 147.

1-34 Sec. 7907.002. NATURE OF DISTRICT. The district is a
 1-35 municipal utility district created under Section 59, Article XVI,
 1-36 Texas Constitution.

1-37 Sec. 7907.003. CONFIRMATION AND DIRECTORS' ELECTION
 1-38 REQUIRED. The temporary directors shall hold an election to
 1-39 confirm the creation of the district and to elect five permanent
 1-40 directors as provided by Section 49.102, Water Code.

1-41 Sec. 7907.004. CONSENT OF MUNICIPALITY REQUIRED. The
 1-42 temporary directors may not hold an election under Section 7907.003
 1-43 until each municipality in whose corporate limits or
 1-44 extraterritorial jurisdiction the district is located has
 1-45 consented by ordinance or resolution to the creation of the
 1-46 district and to the inclusion of land in the district.

1-47 Sec. 7907.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.
 1-48 (a) The district is created to serve a public purpose and benefit.

1-49 (b) The district is created to accomplish the purposes of:
 1-50 (1) a municipal utility district as provided by
 1-51 general law and Section 59, Article XVI, Texas Constitution; and
 1-52 (2) Section 52, Article III, Texas Constitution, that
 1-53 relate to the construction, acquisition, improvement, operation,
 1-54 or maintenance of macadamized, graveled, or paved roads, or
 1-55 improvements, including storm drainage, in aid of those roads.

1-56 Sec. 7907.006. INITIAL DISTRICT TERRITORY. (a) The
 1-57 district is initially composed of the territory described by
 1-58 Section 2 of the Act enacting this chapter.

1-59 (b) The boundaries and field notes contained in Section 2 of
 1-60 the Act enacting this chapter form a closure. A mistake made in the
 1-61 field notes or in copying the field notes in the legislative process

2-1 does not affect the district's:

2-2 (1) organization, existence, or validity;

2-3 (2) right to issue any type of bond for the purposes
2-4 for which the district is created or to pay the principal of and
2-5 interest on a bond;

2-6 (3) right to impose a tax; or

2-7 (4) legality or operation.

2-8 SUBCHAPTER B. BOARD OF DIRECTORS

2-9 Sec. 7907.051. GOVERNING BODY; TERMS. (a) The district is
2-10 governed by a board of five elected directors.

2-11 (b) Except as provided by Section 7907.052, directors serve
2-12 staggered four-year terms.

2-13 Sec. 7907.052. TEMPORARY DIRECTORS. (a) On or after
2-14 September 1, 2015, the owner or owners of a majority of the assessed
2-15 value of the real property in the district may submit a petition to
2-16 the commission requesting that the commission appoint as temporary
2-17 directors the five persons named in the petition. The commission
2-18 shall appoint as temporary directors the five persons named in the
2-19 petition.

2-20 (b) Temporary directors serve until the earlier of:

2-21 (1) the date permanent directors are elected under
2-22 Section 7907.003; or

2-23 (2) September 1, 2019.

2-24 (c) If permanent directors have not been elected under
2-25 Section 7907.003 and the terms of the temporary directors have
2-26 expired, successor temporary directors shall be appointed or
2-27 reappointed as provided by Subsection (d) to serve terms that
2-28 expire on the earlier of:

2-29 (1) the date permanent directors are elected under
2-30 Section 7907.003; or

2-31 (2) the fourth anniversary of the date of the
2-32 appointment or reappointment.

2-33 (d) If Subsection (c) applies, the owner or owners of a
2-34 majority of the assessed value of the real property in the district
2-35 may submit a petition to the commission requesting that the
2-36 commission appoint as successor temporary directors the five
2-37 persons named in the petition. The commission shall appoint as
2-38 successor temporary directors the five persons named in the
2-39 petition.

2-40 SUBCHAPTER C. POWERS AND DUTIES

2-41 Sec. 7907.101. GENERAL POWERS AND DUTIES. The district has
2-42 the powers and duties necessary to accomplish the purposes for
2-43 which the district is created.

2-44 Sec. 7907.102. MUNICIPAL UTILITY DISTRICT POWERS AND
2-45 DUTIES. The district has the powers and duties provided by the
2-46 general law of this state, including Chapters 49 and 54, Water Code,
2-47 applicable to municipal utility districts created under Section 59,
2-48 Article XVI, Texas Constitution.

2-49 Sec. 7907.103. AUTHORITY FOR ROAD PROJECTS. Under Section
2-50 52, Article III, Texas Constitution, the district may design,
2-51 acquire, construct, finance, issue bonds for, improve, operate,
2-52 maintain, and convey to this state, a county, or a municipality for
2-53 operation and maintenance macadamized, graveled, or paved roads, or
2-54 improvements, including storm drainage, in aid of those roads.

2-55 Sec. 7907.104. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-56 road project must meet all applicable construction standards,
2-57 zoning and subdivision requirements, and regulations of each
2-58 municipality in whose corporate limits or extraterritorial
2-59 jurisdiction the road project is located.

2-60 (b) If a road project is not located in the corporate limits
2-61 or extraterritorial jurisdiction of a municipality, the road
2-62 project must meet all applicable construction standards,
2-63 subdivision requirements, and regulations of each county in which
2-64 the road project is located.

2-65 (c) If the state will maintain and operate the road, the
2-66 Texas Transportation Commission must approve the plans and
2-67 specifications of the road project.

2-68 Sec. 7907.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
2-69 OR RESOLUTION. (a) The district shall comply with all applicable

3-1 requirements of any ordinance or resolution that is adopted under
3-2 Section 54.016 or 54.0165, Water Code, and that consents to the
3-3 creation of the district or to the inclusion of land in the
3-4 district.

3-5 (b) Section 54.016(f), Water Code, does not apply to the
3-6 district.

3-7 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-8 Sec. 7907.151. ELECTIONS REGARDING TAXES OR BONDS.

3-9 (a) The district may issue, without an election, bonds and other
3-10 obligations secured by:

3-11 (1) revenue other than ad valorem taxes; or

3-12 (2) contract payments described by Section 7907.153.

3-13 (b) The district must hold an election in the manner
3-14 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-15 before the district may impose an ad valorem tax or issue bonds
3-16 payable from ad valorem taxes.

3-17 (c) The district may not issue bonds payable from ad valorem
3-18 taxes to finance a road project unless the issuance is approved by a
3-19 vote of a two-thirds majority of the district voters voting at an
3-20 election held for that purpose.

3-21 Sec. 7907.152. OPERATION AND MAINTENANCE TAX. (a) If
3-22 authorized at an election held under Section 7907.151, the district
3-23 may impose an operation and maintenance tax on taxable property in
3-24 the district in accordance with Section 49.107, Water Code.

3-25 (b) The board shall determine the tax rate. The rate may not
3-26 exceed the rate approved at the election.

3-27 Sec. 7907.153. CONTRACT TAXES. (a) In accordance with
3-28 Section 49.108, Water Code, the district may impose a tax other than
3-29 an operation and maintenance tax and use the revenue derived from
3-30 the tax to make payments under a contract after the provisions of
3-31 the contract have been approved by a majority of the district voters
3-32 voting at an election held for that purpose.

3-33 (b) A contract approved by the district voters may contain a
3-34 provision stating that the contract may be modified or amended by
3-35 the board without further voter approval.

3-36 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-37 Sec. 7907.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-38 OBLIGATIONS. The district may issue bonds or other obligations
3-39 payable wholly or partly from ad valorem taxes, impact fees,
3-40 revenue, contract payments, grants, or other district money, or any
3-41 combination of those sources, to pay for any authorized district
3-42 purpose.

3-43 Sec. 7907.202. TAXES FOR BONDS. At the time the district
3-44 issues bonds payable wholly or partly from ad valorem taxes, the
3-45 board shall provide for the annual imposition of a continuing
3-46 direct ad valorem tax, without limit as to rate or amount, while all
3-47 or part of the bonds are outstanding as required and in the manner
3-48 provided by Sections 54.601 and 54.602, Water Code.

3-49 Sec. 7907.203. BONDS FOR ROAD PROJECTS. At the time of
3-50 issuance, the total principal amount of bonds or other obligations
3-51 issued or incurred to finance road projects and payable from ad
3-52 valorem taxes may not exceed one-fourth of the assessed value of the
3-53 real property in the district.

3-54 SECTION 2. The Montgomery County Municipal Utility District
3-55 No. 147 initially includes all the territory contained in the
3-56 following area:

3-57 BEING 75.060 ACRES OF LAND IN THE ROBERT MARSH SURVEY, A-355, THE
3-58 JAMES EDWARDS SURVEY, A-189, MONTGOMERY COUNTY, TEXAS, SAID 75.060
3-59 ACRES BEING OUT OF THE RODRIGUEZ FAMILY TRUST 210.3078 ACRE TRACT OF
3-60 LAND DEED OF WHICH IS RECORDED UNDER COUNTY CLERK'S FILE NUMBER
3-61 2013-098325, MONTGOMERY COUNTY REAL PROPERTY RECORDS, SAID 75.060
3-62 ACRES BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS:

3-63 BEGINNING at a 5/8" iron rod set for the Northwest corner of the
3-64 herein described tract, same being the Northeast corner of a 0.1653
3-65 acre tract of land described by deed recorded in Volume 1087, Page
3-66 346, Montgomery County Deed Records, said corner being N. 750 03'
3-67 44" E., along the North line of the 210.3078 acre tract, the South
3-68 line of the Conroe Venture Ltd; 410.539 acre tract, (Conroe Tract 4)
3-69 deed of which is recorded under County Clerk's File Number 9149317,

4-1 Montgomery County Real Property Records a distance of 746.31 feet
4-2 from a 3/4" iron pipe found for the Southwest corner of the 410.3078
4-3 acre tract;
4-4 THENCE N. 75° 03' 44" E., along the above mentioned lines for a
4-5 distance of 3,439.09 feet to a 5/8" iron rod found with a plastic
4-6 cap stamped COC for the Northeast corner of the herein described
4-7 tract, the West corner of the City of Conroe 1.820 acre tract of
4-8 land deed of which is recorded under County Clerk's File Number
4-9 2012-000764, Montgomery County Real Property Records;
4-10 THENCE S. 190 07' 00" E., along the Southwest line of the said 1.820
4-11 acre tract for a distance of 796.87 feet to a 5/8" iron rod found
4-12 with a plastic cap stamped COC for the South corner of the 1.820
4-13 acre tract, in the North line of La Salle Crossing, (60' Cab. C, Sht.
4-14 1, M.C.M.R. 0 and being the Southeast corner of the herein described
4-15 tract;
4-16 THENCE S. 710 07 56" W., along the North line of La Salle Crossing
4-17 for a distance of 25.10 feet to a 5/8" iron rod set for the beginning
4-18 of a curve to the right;
4-19 THENCE in a Southwesterly direction continuing with said North
4-20 line, along said curve to the right having a radius of 270.00 feet,
4-21 a central angle of 14° 28' 21", for an arc length of 68.20 feet,
4-22 chord bears S. 78° 00' 30" W., 68.02 feet to a 5/8" iron rod set for
4-23 the end of curve;
4-24 THENCE S. 85 32' 49" W., continuing along said North line for a
4-25 distance of 49.93 feet to a 5/8" iron rod found for the beginning of
4-26 a curve to the left;
4-27 THENCE in a Southwesterly direction continuing with said North
4-28 line, along said curve to the left having a radius of 330.00 feet, a
4-29 central angle of 18° 20' 28" for an arc length of 105.64 feet, chord
4-30 bears S. 760 09' 01" W., 105.19 feet to a 5/8" iron rod found for the
4-31 end of curve;
4-32 THENCE S. 67° 01' 40" W., along the North line of La Salle Crossing
4-33 for a distance of 1,311.05 feet to a 5/8" iron rod found for the
4-34 beginning of a curve to the right;
4-35 THENCE in a Northwesterly direction continuing with said North
4-36 line, along said curve to the right having a radius of 340.00 feet,
4-37 a central angle of 46° 19' 02", an arc length of 274.85 feet, chord
4-38 bears N. 89° 48' 50" W., 267.43 feet to a 5/8" iron rod set for the
4-39 end of curve;
4-40 THENCE N. 66° 39' 20" W., continuing along said North line for a
4-41 distance of 259.28 feet to a 5/8" iron rod set for the most
4-42 Northerly corner of La Salle Crossing;
4-43 THENCE S. 23° 20' 40" W., along the most Westerly line of La Salle
4-44 Crossing, passing at 60.00 feet its' most Westerly corner, same
4-45 being the North corner of Lot 1, Block 1, La Salle Crossing, and
4-46 continuing along the Northwest line of Block 1 for a distance of
4-47 538.30 feet to a 5/8" iron rod set for corner, same being a corner of
4-48 the Montgomery County M.U.D. No. 42 391.0643 acre tract of land
4-49 deed of which is recorded in Volume 1142, Page 663, Montgomery
4-50 County Deed Records;
4-51 THENCE S. 450 15' 00" W., continuing along the Northwest line of
4-52 Block 1 for a distance of 483.21 feet to the most Southerly corner
4-53 of the herein described tract;
4-54 THENCE N. 55° 51' 51" W., crossing said 210.3078 acre tract for a
4-55 distance of 722.37 feet;
4-56 THENCE N. 47° 07' 24" W., continuing across said 210.3078 acre tract
4-57 for a distance of 497.42 feet
4-58 THENCE N. 14° 51' 19" W., at 311.58 feet passing the East corner of a
4-59 0.1653 acre tract and then along it's Northeast line for a distance
4-60 of 431.19 feet to the POINT OF BEGINNING and containing in all
4-61 75.060 acres of land.

4-62 SECTION 3. (a) The legal notice of the intention to
4-63 introduce this Act, setting forth the general substance of this
4-64 Act, has been published as provided by law, and the notice and a
4-65 copy of this Act have been furnished to all persons, agencies,
4-66 officials, or entities to which they are required to be furnished
4-67 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4-68 Government Code.

4-69 (b) The governor, one of the required recipients, has

5-1 submitted the notice and Act to the Texas Commission on
5-2 Environmental Quality.

5-3 (c) The Texas Commission on Environmental Quality has filed
5-4 its recommendations relating to this Act with the governor, the
5-5 lieutenant governor, and the speaker of the house of
5-6 representatives within the required time.

5-7 (d) All requirements of the constitution and laws of this
5-8 state and the rules and procedures of the legislature with respect
5-9 to the notice, introduction, and passage of this Act are fulfilled
5-10 and accomplished.

5-11 SECTION 4. (a) If this Act does not receive a two-thirds
5-12 vote of all the members elected to each house, Subchapter C, Chapter
5-13 7907, Special District Local Laws Code, as added by Section 1 of
5-14 this Act, is amended by adding Section 7907.106 to read as follows:

5-15 Sec. 7907.106. NO EMINENT DOMAIN POWER. The district may
5-16 not exercise the power of eminent domain.

5-17 (b) This section is not intended to be an expression of a
5-18 legislative interpretation of the requirements of Section 17(c),
5-19 Article I, Texas Constitution.

5-20 SECTION 5. This Act takes effect September 1, 2015.

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