

1-1 By: Nichols S.B. No. 2028
 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 29, 2015, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 7, Nays 0;
 1-6 April 29, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 2028 By: Nichols

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the Montgomery County Municipal Utility
 1-20 District No. 151; granting a limited power of eminent domain;
 1-21 providing authority to issue bonds; providing authority to impose
 1-22 assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-25 Code, is amended by adding Chapter 7918 to read as follows:

1-26 CHAPTER 7918. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO.

1-27 151

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 7918.001. DEFINITIONS. In this chapter:

1-30 (1) "Board" means the district's board of directors.

1-31 (2) "Commission" means the Texas Commission on
 1-32 Environmental Quality.

1-33 (3) "Director" means a board member.

1-34 (4) "District" means the Montgomery County Municipal
 1-35 Utility District No. 151.

1-36 Sec. 7918.002. NATURE OF DISTRICT. The district is a
 1-37 municipal utility district created under Section 59, Article XVI,
 1-38 Texas Constitution.

1-39 Sec. 7918.003. CONFIRMATION AND DIRECTORS' ELECTION
 1-40 REQUIRED. The temporary directors shall hold an election to
 1-41 confirm the creation of the district and to elect five permanent
 1-42 directors as provided by Section 49.102, Water Code.

1-43 Sec. 7918.004. CONSENT OF MUNICIPALITY REQUIRED. The
 1-44 temporary directors may not hold an election under Section 7918.003
 1-45 until each municipality in whose corporate limits or
 1-46 extraterritorial jurisdiction the district is located has
 1-47 consented by ordinance or resolution to the creation of the
 1-48 district and to the inclusion of land in the district.

1-49 Sec. 7918.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-50 (a) The district is created to serve a public purpose and benefit.

1-51 (b) The district is created to accomplish the purposes of:

1-52 (1) a municipal utility district as provided by
 1-53 general law and Section 59, Article XVI, Texas Constitution; and

1-54 (2) Section 52, Article III, Texas Constitution, that
 1-55 relate to the construction, acquisition, improvement, operation,
 1-56 or maintenance of macadamized, graveled, or paved roads, or
 1-57 improvements, including storm drainage, in aid of those roads.

1-58 Sec. 7918.006. INITIAL DISTRICT TERRITORY. (a) The
 1-59 district is initially composed of the territory described by
 1-60 Section 2 of the Act enacting this chapter.

2-1 (b) The boundaries and field notes contained in Section 2 of
2-2 the Act enacting this chapter form a closure. A mistake made in the
2-3 field notes or in copying the field notes in the legislative process
2-4 does not affect the district's:

- 2-5 (1) organization, existence, or validity;
- 2-6 (2) right to issue any type of bond for the purposes
2-7 for which the district is created or to pay the principal of and
2-8 interest on a bond;
- 2-9 (3) right to impose a tax; or
- 2-10 (4) legality or operation.

2-11 SUBCHAPTER B. BOARD OF DIRECTORS

2-12 Sec. 7918.051. GOVERNING BODY; TERMS. (a) The district is
2-13 governed by a board of five elected directors.

2-14 (b) Except as provided by Section 7918.052, directors serve
2-15 staggered four-year terms.

2-16 Sec. 7918.052. TEMPORARY DIRECTORS. (a) On or after the
2-17 effective date of the Act enacting this chapter, the owner or owners
2-18 of a majority of the assessed value of the real property in the
2-19 district may submit a petition to the commission requesting that
2-20 the commission appoint as temporary directors the five persons
2-21 named in the petition. The commission shall appoint as temporary
2-22 directors the five persons named in the petition.

2-23 (b) Temporary directors serve until the earlier of:

- 2-24 (1) the date permanent directors are elected under
2-25 Section 7918.003; or
- 2-26 (2) the fourth anniversary of the effective date of
2-27 the Act enacting this chapter.

2-28 (c) If permanent directors have not been elected under
2-29 Section 7918.003 and the terms of the temporary directors have
2-30 expired, successor temporary directors shall be appointed or
2-31 reappointed as provided by Subsection (d) to serve terms that
2-32 expire on the earlier of:

- 2-33 (1) the date permanent directors are elected under
2-34 Section 7918.003; or
- 2-35 (2) the fourth anniversary of the date of the
2-36 appointment or reappointment.

2-37 (d) If Subsection (c) applies, the owner or owners of a
2-38 majority of the assessed value of the real property in the district
2-39 may submit a petition to the commission requesting that the
2-40 commission appoint as successor temporary directors the five
2-41 persons named in the petition. The commission shall appoint as
2-42 successor temporary directors the five persons named in the
2-43 petition.

2-44 SUBCHAPTER C. POWERS AND DUTIES

2-45 Sec. 7918.101. GENERAL POWERS AND DUTIES. The district has
2-46 the powers and duties necessary to accomplish the purposes for
2-47 which the district is created.

2-48 Sec. 7918.102. MUNICIPAL UTILITY DISTRICT POWERS AND
2-49 DUTIES. The district has the powers and duties provided by the
2-50 general law of this state, including Chapters 49 and 54, Water Code,
2-51 applicable to municipal utility districts created under Section 59,
2-52 Article XVI, Texas Constitution.

2-53 Sec. 7918.103. AUTHORITY FOR ROAD PROJECTS. Under Section
2-54 52, Article III, Texas Constitution, the district may design,
2-55 acquire, construct, finance, issue bonds for, improve, operate,
2-56 maintain, and convey to this state, a county, or a municipality for
2-57 operation and maintenance macadamized, graveled, or paved roads, or
2-58 improvements, including storm drainage, in aid of those roads.

2-59 Sec. 7918.104. ROAD STANDARDS AND REQUIREMENTS. (a) A
2-60 road project must meet all applicable construction standards,
2-61 zoning and subdivision requirements, and regulations of each
2-62 municipality in whose corporate limits or extraterritorial
2-63 jurisdiction the road project is located.

2-64 (b) If a road project is not located in the corporate limits
2-65 or extraterritorial jurisdiction of a municipality, the road
2-66 project must meet all applicable construction standards,
2-67 subdivision requirements, and regulations of each county in which
2-68 the road project is located.

2-69 (c) If the state will maintain and operate the road, the

3-1 Texas Transportation Commission must approve the plans and
3-2 specifications of the road project.

3-3 Sec. 7918.105. CERTAIN NAVIGATION IMPROVEMENTS. (a) The
3-4 district is created for the following purposes and has the power to
3-5 purchase, construct, acquire, own, operate, maintain, improve, or
3-6 extend, inside or outside the district, a canal or other waterway,
3-7 bulkhead, dock, or improvement in aid of such canals, waterways,
3-8 bulkheads, or docks.

3-9 (b) Notwithstanding any other law, the powers provided by
3-10 Subsection (a) are subject to the applicable rules, regulations,
3-11 and approval of the San Jacinto River Authority.

3-12 (c) In the event the district adopts a rule or regulation
3-13 relating to boating or navigation, the rule or regulation must be
3-14 consistent with the applicable rules or regulations of the San
3-15 Jacinto River Authority.

3-16 Sec. 7918.106. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
3-17 OR RESOLUTION. The district shall comply with all applicable
3-18 requirements of any ordinance or resolution that is adopted under
3-19 Section 54.016 or 54.0165, Water Code, and that consents to the
3-20 creation of the district or to the inclusion of land in the
3-21 district.

3-22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-23 Sec. 7918.151. ELECTIONS REGARDING TAXES OR BONDS.

3-24 (a) The district may issue, without an election, bonds and other
3-25 obligations secured by:

- 3-26 (1) revenue other than ad valorem taxes; or
- 3-27 (2) contract payments described by Section 7918.153.

3-28 (b) The district must hold an election in the manner
3-29 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-30 before the district may impose an ad valorem tax or issue bonds
3-31 payable from ad valorem taxes.

3-32 (c) The district may not issue bonds payable from ad valorem
3-33 taxes to finance a road project unless the issuance is approved by a
3-34 vote of a two-thirds majority of the district voters voting at an
3-35 election held for that purpose.

3-36 Sec. 7918.152. OPERATION AND MAINTENANCE TAX. (a) If
3-37 authorized at an election held under Section 7918.151, the district
3-38 may impose an operation and maintenance tax on taxable property in
3-39 the district in accordance with Section 49.107, Water Code.

3-40 (b) The board shall determine the tax rate. The rate may not
3-41 exceed the rate approved at the election.

3-42 Sec. 7918.153. CONTRACT TAXES. (a) In accordance with
3-43 Section 49.108, Water Code, the district may impose a tax other than
3-44 an operation and maintenance tax and use the revenue derived from
3-45 the tax to make payments under a contract after the provisions of
3-46 the contract have been approved by a majority of the district voters
3-47 voting at an election held for that purpose.

3-48 (b) A contract approved by the district voters may contain a
3-49 provision stating that the contract may be modified or amended by
3-50 the board without further voter approval.

3-51 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-52 Sec. 7918.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-53 OBLIGATIONS. The district may issue bonds or other obligations
3-54 payable wholly or partly from ad valorem taxes, impact fees,
3-55 revenue, contract payments, grants, or other district money, or any
3-56 combination of those sources, to pay for any authorized district
3-57 purpose.

3-58 Sec. 7918.202. TAXES FOR BONDS. At the time the district
3-59 issues bonds payable wholly or partly from ad valorem taxes, the
3-60 board shall provide for the annual imposition of a continuing
3-61 direct ad valorem tax, without limit as to rate or amount, while all
3-62 or part of the bonds are outstanding as required and in the manner
3-63 provided by Sections 54.601 and 54.602, Water Code.

3-64 Sec. 7918.203. BONDS FOR ROAD PROJECTS. At the time of
3-65 issuance, the total principal amount of bonds or other obligations
3-66 issued or incurred to finance road projects and payable from ad
3-67 valorem taxes may not exceed one-fourth of the assessed value of the
3-68 real property in the district.

3-69 SECTION 2. The Montgomery County Municipal Utility District

4-1 No. 151 initially includes all the territory contained in the
4-2 following area:

4-3 All that certain tract or parcel containing 144.891 acres of
4-4 land in the Neal Martin Survey, A-26, Montgomery County, Texas,
4-5 being part of tracts 1, 2, 3 and 4 in Exhibit "A", and all of the 4.0
4-6 acre Exhibit "B" Tract conveyed from Edward Goethe-Barnes, et al,
4-7 Trustees to Goethe Ingleet Family Partners, Ltd., by an instrument
4-8 of record in Clerks File #2001014383, Montgomery County Official
4-9 Public Record (MCOPR), said 144.891 acres being more particularly
4-10 described by metes and bounds as follows, basing bearings on the
4-11 Texas Coordinate System of 1983, Central Zone, to wit:

4-12 COMMENCING FOR REFERENCE at a 5/8" iron rod found for
4-13 northwest corner of a tract which was called 2.5000 acres and
4-14 conveyed from Goethe Ingleet Family Partners, Ltd. to Shapla
4-15 Enterprises, Inc., by an instrument of record in Clerks File
4-16 #2014038035, MCOPR, lying in the east line of Longstreet Road;

4-17 THENCE N12°17'22"E, 50.00 feet along the east line of
4-18 Longstreet Road to a 5/8" iron rod set for southwest corner and
4-19 PLACE OF BEGINNING of the tract described herein;

4-20 THENCE N12°17'22"E, 2,359.12 feet along the east line of
4-21 Longstreet Road to a 5/8" iron rod set for interior corner;

4-22 THENCE N07°59'53"E, 569.41 feet continuing along the east
4-23 line of Longstreet Road to a 6" wood post found for a northwest
4-24 corner, lying in the south line of a tract which was called 2.7213
4-25 acres and conveyed from Goethe Ingleet Family Partners, Ltd. to
4-26 Carol Phyllis Barnes Ingram, by an instrument of record in Clerks
4-27 File #2005050891, MCOPR;

4-28 THENCE S82°39'45"E, 558.52 feet along the south line of said
4-29 2.7213 acre tract to a 6" wood post found for interior corner, being
4-30 the southeast corner of said 2.7213 acre tract;

4-31 THENCE N08°08'04"E, 200.35 feet along the east line of said
4-32 2.7213 acre tract to a 6" wood post found for interior corner, being
4-33 the northeast corner of said 2.7213 acre tract;

4-34 THENCE N82°08'11"W, 558.96 feet along the north line of said
4-35 2.7213 acre tract to a 7" wood post found for corner, lying in the
4-36 east line of Longstreet Road;

4-37 THENCE N07°59'53"E, 139.81 feet continuing along the east
4-38 line of Longstreet Road to a 5/8" iron rod set for northwest corner,
4-39 lying in a north line of said Fourth Tract;

4-40 THENCE S78°35'54"E, 68.53 feet along the north line of said
4-41 Fourth Tract to a 1/2" iron rod found for interior corner, being the
4-42 northeast corner of said Fourth Tract, lying in the west line of
4-43 said Third Tract;

4-44 THENCE N11°33'36"E, along the common line of said Third Tract
4-45 and a tract of unknown ownership, at 381.30 feet pass a 5/8" iron
4-46 rod set for reference in the south line of Longstreet Road,
4-47 continuing along said common line crossing Longstreet Road for a
4-48 distance in all of 493.30 feet to a point for northwest corner,
4-49 lying in the east line of a tract which was called Lot 8, Longwood
4-50 Estates Section Three, Cabinet H, Sheet 42 B;

4-51 THENCE 123.29 feet along the common line of said Lot 8 and
4-52 north line of Longstreet Road in the arc of a curve to the right,
4-53 ($\Delta = 47^{\circ}05'32''$, Radius= 150.00 feet, Chord= N70°59'48"E, 119.85
4-54 feet), to a 5/8" iron rod found marking the northeast corner of Lot
4-55 8, Longwood Estates, lying in the north line of said Third Tract and
4-56 south line of Lot 9, Longwood Estates;

4-57 THENCE S78°35'58"E, 365.38 feet along the north line of said
4-58 Third Tract crossing Longstreet Road to a 1/2" iron rod found for
4-59 interior corner,

4-60 THENCE N11°44'59"E, 69.53 feet crossing said Longstreet Road
4-61 to a 5/8" iron rod set for northwest corner, being a northwest
4-62 corner of said Third Tract and southwest corner of a tract which was
4-63 called 20 acres and conveyed from Laura Bell Paddock to Dorothy
4-64 Paddock Scott, by an instrument of record in Volume 223, Page 161,
4-65 MCOPR;

4-66 THENCE S78°15'01"E, 896.66 feet along the common line of said
4-67 20 acre tract, said Third Tract and a south line of The Estates,
4-68 Section One, a subdivision of record in Clerks File #2001076225,
4-69 MCOPR to a 5/8" iron rod found for northeast corner, being the

5-1 northeast corner of said Third Tract and common west corner of Lot 1
5-2 and Lot 2, Block 2, The Estates, Section One;

5-3 THENCE S11°17'46"W, 657.88 feet along the common line of said
5-4 Third Tract and The Estates, Section One to a 5/8" iron rod found
5-5 for angle point, being the southwest corner of The Estates, Section
5-6 One and northwest corner of the Residue of a tract which was called
5-7 106.394 acres and conveyed from the U.S. Land Corp to Carlson Bros.
5-8 Corp, by an instrument of record in the Clerks File #2005010043,
5-9 MCOPR;

5-10 THENCE S11°41'18"W, 1,162.18 feet along the common line of
5-11 said Third Tract and said 106.394 acre tract to a 1" flat bar found
5-12 for interior corner, being the northwest corner of said First Tract
5-13 and southwest corner of said 106.394 acre tract, from which a 5/8"
5-14 iron rod found bears: N08°23'14"E, 5.13 feet;

5-15 THENCE S77°52'09"E, 888.41 feet continuing along the common
5-16 line of said First Tract and said 106.394 acre tract to a x-tie
5-17 fence corner found for a northeast corner of said First Tract and
5-18 interior corner of said 106.394 acre tract;

5-19 THENCE S14°38'09"W, 5.30 feet continuing along said common
5-20 line to a 5/8" iron rod found for angle point, being a southwest
5-21 corner of said 106.394 acre tract and northwest corner of a tract
5-22 which was called 4.999 acres and conveyed from Drew Spencer, et al
5-23 to L.P. Carlson, Sr., by an instrument of record in Clerks File
5-24 #2004022798, MCOPR;

5-25 THENCE S11°47'13"W, 881.49 feet along the common line of said
5-26 First Tract and said 4.999 acre tract to a 1/2" iron rod found for
5-27 most northerly southeast corner, being the southwest corner of said
5-28 4.999 acre tract and most northerly corner of a tract which was
5-29 called 26.15 acres and conveyed to the San Jacinto River Authority
5-30 by Award of Special Commissioners, Condemnation Proceedings, Case
5-31 No. 5058, Montgomery County Clerk;

5-32 THENCE S46°13'47"W, 109.20 feet along the common line of the
5-33 residue of said First Tract and said 26.15 acre tract to a 1/2" iron
5-34 rod found for angle point;

5-35 THENCE N86°35'41"W, 70.93 feet continuing along said common
5-36 line to a 1/2" iron rod found for angle point;

5-37 THENCE S63°45'48"W, 197.94 feet continuing along said common
5-38 line to a 1/2" iron rod found for angle point;

5-39 THENCE S49°48'09"W, 190.96 feet continuing along said common
5-40 line to a 1/2" iron rod found for angle point;

5-41 THENCE S75°04'12"W, 110.80 feet continuing along said common
5-42 line to a 1/2" iron rod found for angle point;

5-43 THENCE N87°35'24"W, 114.08 feet continuing along said common
5-44 line to a 1/2" iron rod found for angle point;

5-45 THENCE S20°42'33"W, 269.75 feet continuing along said common
5-46 line to a 5/8" iron rod set for angle point;

5-47 THENCE S51°53'06"W, 132.88 feet continuing along said common
5-48 line to a 5/8" iron rod set for angle point;

5-49 THENCE S68°37'09"W, 188.83 feet continuing along said common
5-50 line to a 5/8" iron rod set for angle point;

5-51 THENCE S73°00'22"W, 263.76 feet continuing along said common
5-52 line to a 5/8" iron rod set for angle point;

5-53 THENCE N67°43'26"W, 124.06 feet continuing along said common
5-54 line to a 1/2" iron rod found for angle point;

5-55 THENCE S60°30'30"W, 43.65 feet continuing along said common
5-56 line to a 1/2" iron rod found for angle point;

5-57 THENCE departing said common line, S88°32'20"W, 651.14 feet
5-58 crossing said Second Tract to a 5/8" iron rod set for angle point;

5-59 THENCE N76°59'49"W, 365.35 crossing said Second Tract to the
5-60 PLACE OF BEGINNING, containing 144.891 acres of land, more or less.
5-61 Save & Except 0.777 acre of land lying in Longstreet Road, leaving a
5-62 net acreage of 144.114 acres.

5-63 SECTION 3. (a) The legal notice of the intention to
5-64 introduce this Act, setting forth the general substance of this
5-65 Act, has been published as provided by law, and the notice and a
5-66 copy of this Act have been furnished to all persons, agencies,
5-67 officials, or entities to which they are required to be furnished
5-68 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-69 Government Code.

6-1 (b) The governor, one of the required recipients, has
6-2 submitted the notice and Act to the Texas Commission on
6-3 Environmental Quality.

6-4 (c) The Texas Commission on Environmental Quality has filed
6-5 its recommendations relating to this Act with the governor, the
6-6 lieutenant governor, and the speaker of the house of
6-7 representatives within the required time.

6-8 (d) All requirements of the constitution and laws of this
6-9 state and the rules and procedures of the legislature with respect
6-10 to the notice, introduction, and passage of this Act are fulfilled
6-11 and accomplished.

6-12 SECTION 4. (a) If this Act does not receive a two-thirds
6-13 vote of all the members elected to each house, Subchapter C, Chapter
6-14 7918, Special District Local Laws Code, as added by Section 1 of
6-15 this Act, is amended by adding Section 7918.107 to read as follows:

6-16 Sec. 7918.107. NO EMINENT DOMAIN POWER. The district may
6-17 not exercise the power of eminent domain.

6-18 (b) This section is not intended to be an expression of a
6-19 legislative interpretation of the requirements of Section 17(c),
6-20 Article I, Texas Constitution.

6-21 SECTION 5. This Act takes effect immediately if it receives
6-22 a vote of two-thirds of all the members elected to each house, as
6-23 provided by Section 39, Article III, Texas Constitution. If this
6-24 Act does not receive the vote necessary for immediate effect, this
6-25 Act takes effect September 1, 2015.

6-26

* * * * *