## A BILL TO BE ENTITLED

## AN ACT

relating to the creation of the Montgomery County Municipal Utility District No. 158; 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 7986 to read as follows:

CHAPTER 7986. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT
No. 158
SUBCHAPTER A. GENERAL PROVISIONS
Sec. 7986.001. 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. 158.

Sec. 7986.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7986.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent

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directors as provided by Section 49.102, Water Code.
    Sec. 7986.004. CONSENT OF MUNICIPALITY REQUIRED. The
temporary directors may not hold an election under Section 7986.003
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. 7986.005. 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. 7986.006. 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;
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(3) right to impose a tax; or
(4) legality or operation. SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7986.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.
(b) Except as provided by Section 7986.052, directors serve staggered four-year terms.

Sec. 7986.052. TEMPORARY DIRECTORS. (a) On or after September 1, 2017, 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 7986.003; or
(2) September 1, 2021.
(c) If permanent directors have not been elected under Section 7986.003 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 7986.003; 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. 7986.101. GENERAL POWERS AND DUTIES. The district has
the powers and duties necessary to accomplish the purposes for
which thedistrict is created.
Sec. 7986.102. 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. 7986.103. 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. 7986.104. 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. 7986.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. 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.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
Sec. 7986.151. 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 7986.153.
(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

[^0] or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7986.203. 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. 158 initially includes all the territory contained in the following area:

Tract One
Being a 134.09 acres of land located in the W. L. Goss Survey, Abstract No. 739, T.N.N.O.R.R. Co. Survey, Abstract No. 566, R.J Goss Survey, Abstract No. 719 and the T.N.N.O.R.R. Co. Survey, Abstract No. 572, Montgomery County, Texas, more particularly being all of that certain called 134.091 acre tract (described as Tract 1) conveyed to Pilot Land Acquisitions, LLC by an instrument of record in Document Number 2016040394 of the Official Public Records of said Montgomery County (M.C.O.P.R.) said 134.09 acre tract being more particularly described by metes and bounds as follows (Bearings based on Texas Coordinate System, Central Zone, NAD83 (NA2011) Epoch 2010.00):

BEGINNING at the west corner of said 134.091 acre tract, same being the northwest corner of that certain Old Houston Acres Subdivision, Section Three, described in Cabinet Z, Pages 700-703 of the Map Records of said Montgomery County, (M.C.M.R.), same being on the east right of way line of that certain Old Houston Road
(called 120 feet wide) from which a found $1 / 2$-inch iron rod bears South $71^{\circ} 48^{\prime} 33^{\prime \prime}$ East, 8.03 feet;

Thence, North $18^{\circ} 52^{\prime} 30^{\prime \prime}$ East, along the west line of said 134.091 acre tract, and the east right of way line of said old Houston Road, 683.55 feet to a 5/8-inch iron rod found for the most westerly northwest corner of said 134.091 acre tract, same being the southwest corner of that certain Jewel Scott called 15.6 acre tract of land, described in File Number 9314164 of the Official Public Records of Real Property of said Montgomery County (M.C.O.P.R.R.P.);

Thence, North $87^{\circ} 02^{\prime}$ 18" East, along the most westerly north line of said 134.091 acre tract, and the south line of said 15.6 acre tract, 246.38 feet to a axel found for an interior corner of said 134.091 acre tract, same being the southeast corner of said 15.6 acre tract;

Thence, North $03^{\circ} 06^{\prime} 18^{\prime \prime}$ West, along the most northerly west line of said 134.091 acre tract, same being the East line of said 15.6 acre tract, 613.49 feet to a $1 / 2$-inch iron rod found for an angle point, same being the north corner of said 15.6 acre tract and on the east right-of-way line of said Old Houston Road;

Thence, North $18^{\circ} 5^{\prime} 6^{\prime \prime}$ 31 East, continuing along the most northerly east line of said 134.091 acre tract and the east right of way line of said Old Houston Road, 120.01 feet to a 1/2-inch iron rod found for the north corner of said 134.091 acre tract, same being a southwesterly corner of that certain Deegan Enterprise, LLC called 26.000 acre tract described in File Number 2004-087460, M.C.O.P.R.R.P.;

Thence, South 7059' 58" East, along the most northerly north line of said 134.091 acre tract, same being a southerly line of said Deegan Enterprise called 26.000 acre tract, 167.03 feet to a 1/2-inch iron rod found for the most northerly northeast corner of said 134.091 acre tract, same being an interior corner of said Deegan Enterprise called 26.000 acre tract;

Thence, South 0307' $23^{\prime \prime}$ East, along the most northerly east line of said 134.091 acre tract on a west line of said Deegan Enterprise called 26.000 acre tract, 541.16 feet to a 5/8-inch iron rod found for an angle point on the westerly line of said Deegan Enterprise called 26.000 acre tract;

Thence, South 48ㅇ́ $05^{\prime \prime}$ East, along the northeast line of said 134.091 acre tract and a southwest line of said Deegan Enterprise called 26.000 acre tract, 169.75 feet to an axel found for an angle point on the north line of said 134.091 acre tract on the south line of said Deegan Enterprise called 26.000 acre tract;

Thence, North $86^{\circ} 48^{\prime} 40^{\prime \prime}$ East, along the north line of said 134.091 acre tract and the south line of said Deegan Enterprise called 26.000 acre tract, $2,700.72$ feet to a $1 / 2$-inch iron rod found for the northeast corner of said 134.091 acre tract, same being an interior corner of said Deegan Enterprise called 26.000 acre tract;

Thence, South 02 ${ }^{\circ} 4^{\prime}$ 30" East, along the east line of said 134.091 acre tract and a west line of said Deegan Enterprise called 26.000 acre tract, $1,850.01$ feet to a $1 / 2$-inch iron rod found for the southeast corner of said 134.091 acre tract, same being the southwest corner of said Deegan Enterprise called 26.000 acre tract on the north line of that certain Fred R. Stalling and Joyce P.

Stallings called 72.657 acre tract of land, described in File Number 2012123297, M.C.O.P.R.;

Thence, South $86^{\circ} 48^{\prime} 28^{\prime \prime}$ West, along the south line of said 134.091 acre tract and the north line of said Stallings called 72.657 acre tract, that certain Scott W. Harris and Karen C. Harris called 27.7844 acre tract of land, described in File Number 2009-016393, M.C.O.P.R.R.P., that certain John P. Sherrill and wife, Samantha S. Sherrill called Residue of 91.9970 acre tract of land, described in File Number 9513551 M.C.O.P.R. R.P. and that certain Patsy M. Graham called 100.00 acre tract of land, described in File Number 2003-135100 M.C.O.P.R. R.P., passing at a distance of 320.22 feet a $1 / 2$-inch iron rod, passing at a distance of 890.42 feet to a $1 / 2$-inch iron rod bearing South $03^{\circ} 11^{\prime} 32^{\prime \prime}$ East a distance of 0.21 feet offline and continuing in all a total distance of 2,842.37 feet to a 1/2-inch iron rod found for the southwest corner of said 134.091 acre tract, same being the northwest corner of said Graham called 100.00 acre tract on the east line of the aforementioned Old Houston Acres, Section Three subdivision;

Thence, North $02^{\circ} 44^{\prime} 38^{\prime \prime}$ West, along the southerly west line of said 134.091 acre tract, and the east line of said Old Houston Acres, Section Three, Block No. 1, passing at a distance of 180.13 feet to a found capped iron rod marked "Jeff Moon RPLS 4639" a distance of 0.67 feet offline, passing at a distance of 686.98 feet to a found capped iron rod marked "Jeff Moon RPLS 4639" a distance of 0.54 feet offline, passing at a distance of 775.85 feet to a found capped iron rod marked "Jeff Moon RPLS 4639" a distance of 0.49 feet offline and continuing in all a total distance of 953.20
feet to a $1 / 2$-inch iron rod found for an interior corner of said 134.091 acre tract, same being the Northeast corner of said Old Houston Acres, Section Three;

Thence, North 7148' 33" West, along the westerly south line of said 134.091 acre tract, and the north line of said Old Houston Acres, Section Three, 724.86 feet to the POINT OF BEGINNING and containing 134.09 acres of land.

Tract Two
Being 461.19 acres of land located in the John Smither Survey, Abstract 521, the T. \& N. O. R.R. Co. Survey, Abstract 566, and the Benjamin B. Foster Survey, Abstract 785, Montgomery County, Texas, more particularly being all of that certain called 312.7 acre tract (described as Tract 6) conveyed to Pilot Land Acquisitions, LLC by an instrument of record in Document Number 2016040394 of the Official Public Records of Montgomery County, Texas (M.C.O.P.R.) and a portion of that certain called 772.7 acre tract (described as Tract 3) conveyed to Pilot Land Acquisitions, LLC by an instrument of record in said Document Number 2016040394, M.C.O.P.R., said 461.19 acre tract being more particularly described by metes and bounds as follows (Bearings based on Texas Coordinate System, Central Zone, NAD83 (NA2011) Epoch 2010.00);

BEGINNING at a brass disk in concrete stamped "FLC" found for the southeast corner of said John Smither Survey, Abstract 521, the northeast corner of the Samuel V. Lamothe Survey, Abstract 333, the southwest corner of Lot 6 , Block 1 of Oak Tree Section One, a subdivision of record in Cabinet $Y$, Sheets 28 through 30 of the Map Records of Montgomery County, Texas (M.C.M.R.), and the southeast corner of said 772.7 acre tract on the west survey line of said T. \& N. O. R.R. Co. Survey;

Thence, South $85^{\circ} 24^{\prime} 01^{\prime \prime}$ West, with the common survey line of said John Smither Survey and said Samuel V. Lamothe Survey, the south line of said 772.7 acre tract and a northerly line of said Oak Tree Section One, at 140.50 feet pass a found $1 / 2$-inch iron rod with cap stamped "Jeff Moon RPLS 4639", and continuing in all 202.89 feet to a brass disk in concrete stamped "CP \& FM 295" found for the common north corner of said Oak Tree Section One and that certain called 14.6924 acre tract conveyed to Paul McQueen by an instrument of record under Volume 1095, Page 696 of the Deed Records of Montgomery County, (M.C.D.R.);

Thence, South $86^{\circ} 53^{\prime} 28^{\prime \prime}$ West, continuing with said common survey line, the south line of said 772.7 acre tract, the north line of said 14.6924 acre tract, and that certain called 1.3834 acre tract conveyed to Sam W. Baker, Trustee by an instrument of record under Document Number 2010088724, M.C.O.P.R., at 791.47 feet pass a found 5/8-inch iron rod, and continuing in all a total distance of 1,549.11 feet to a point for the northwest corner of said 1.3834 acre tract and on the northerly right-of-way line of $F M 1314$, from which a found bent 5/8-inch iron rod bears South 56․52' 47 " West, 0.31 feet;

Thence, with the northerly right-of-way line of said FM 1314 and the southwesterly line of said 772.7 acre tract, the following three (3) courses:

1. North $63^{\circ} 11^{\prime} 02^{\prime \prime}$ West, 426.37 feet to a 5/8-inch iron rod with cap stamped "LJA ENG" found for corner, the beginning of a

## curve;

2. 354.89 feet along the arc of a tangent curve to the left, having a radius of 5,809.58 feet, a central angle of $03^{\circ} 30^{\prime} 00 "$ and a chord which bears North 64 $56^{\prime} 02^{\prime \prime}$ West, 354.83 feet to a 5/8-inch iron rod with cap stamped "LJA ENG" found for corner;
3. North $66^{\circ} 41^{\prime} 02^{\prime \prime}$ West, at 116.49 feet pass a found bent 5/8-inch iron rod bears South 64́ 46' 13" West, 0.18 feet, continuing in all a total distance of 891.28 feet to a point for corner;

Thence, North 45 49' 56" East, departing said northerly right-of-way line, over and across the aforementioned 772.7 acre tract, 4,289.20 feet to a point for corner on the common east line of said 772.7 acre tract and the west line of that certain called 86.659 acre tract conveyed to Darrell Dudczak by an instrument of record under File Number 2004-128243 of the Official Public Records of Real Property of said Montgomery County (M.C.O.P.R.R.P.), said point being on the common survey line of said Benjamin B. Foster Survey and the W. C. Clark Survey, Abstract 732;

Thence, South 03 $00^{\prime}$ 30" East, along the west line of said 86.659 acre tract and its extension and the east line of said 772.7 acre tract, 922.30 feet to a brass disk in concrete stamped "FLC" found for the northwest corner of the aforementioned 312.7 acre tract, same point being the common west corner of said $W$. C. Clark Survey and the T. \& N. O. R.R. Co. Survey, Abstract 566 and the common east corner of the Benjamin B. Foster Survey, and the aforementioned John Smither Survey;

Thence, with the north line of said 312.7 acre tract and said
common survey line the following three (3) courses:

1. North $87^{\circ} 14^{\prime} 54 "_{\prime \prime}^{\prime \prime}$ East, $1,440.11$ feet to a concrete monument found for the southwest corner of that certain called 15.17 acre tract conveyed to Jessie C. Farmer and wife Carrie $S$. Farmer, as Trustees under the Jessie Farmer and Carrie Sue Farmer Revocable Trust by an instrument of record under File Number 99013631, M.C.O.P.R.R.P.;
2. North $86^{\circ} 33^{\prime} 36^{\prime \prime}$ East, with the southerly line of said 15.17 acre tract, $1,401.58$ feet to a concrete monument found for the common south corner of said 15.17 acre tract and that certain called 15.6 acre tract conveyed to Katy Holt by an instrument of record under File Number 2005-097233, M.C.O.P.R.R.P.;
3. North $86^{\circ} 59^{\prime} 5^{\prime \prime}$ East, with the southerly line of said 15.6 acre tract, the southerly line of that certain called 15.6 acre tract conveyed to John Edward Panzarella, Robert L. Panzarella, Sandre Paulette Lowry, and Carl Panzarella, Jr. by an instrument of record under Document Number 2010049469, M.C.O.P.R., and the southerly line of the residue of that certain called 15.6 acre tract conveyed to Jewel Oleta Scott and Husband A. G. Scott by an instrument of record under Volume 492, Page 539, M.C.D.R., 2,533.37 feet to a 5/8-inch iron rod found for the northeast corner of said 312.7 acre tract, said point being on the westerly right-of-way line of Old Houston Road (called 120 feet wide) described in Volume 969, Page 305, M.C.D.R.;

Thence, with the easterly line of said 312.7 acre tract and said westerly right-of-way line the following three (3) courses:

1. South $18^{\circ} 54^{\prime} 01^{\prime \prime}$ West, 2,504.88 feet to a found 1/2-inch
iron rod with cap stamped "Montgomery and Associates", the beginning of a curve;
2. 855.83 feet along the arc of a tangent curve to the left, having a radius of $2,973.51$ feet, a central angle of $16^{\circ} 29^{\prime} 27$ ", and a chord which bears South $10^{\circ} 39^{\prime} 18^{\prime \prime}$ West, 852.88 feet to a 5/8-inch iron rod with cap stamped "LJA ENG" set for corner from which a found 5/8-inch iron rod bears South 00 ${ }^{\circ} 52^{\prime} 56^{\prime \prime}$ East, 9.24 feet;
3. South $02^{\circ} 24^{\prime} 34^{\prime \prime}$ West, 376.98 feet to a $1 / 2$-inch iron rod found for the common easterly corner of said 312.7 acre tract and Lot 1, Block 2 of Old Houston Acres Section One, a subdivision of record in Cabinet $S$, Sheets 16-19, M.C.M.R., said point being on the common survey line of the aforementioned T. \& N. O. R.R. Co. Survey, Abstract 566 and the Ruben Copeland Survey, Abstract 671 of said Montgomery County;

Thence, South $87^{\circ} 08^{\prime} 43^{\prime \prime}$ West, with the southerly line of said 312.7 acre tract, the common survey line and the northerly line of said Old Houston Acres Section One, at 541.18 feet pass a 1/2-inch iron rod with cap stamped "Jeff Moon RPLS 4639" found for the common north corner of said Old Houston Acres Section One and Old Houston Acres Section Two, a subdivision of record in Cabinet Z, Sheets 313-316, M.C.M.R., and continuing along said southerly line and with the northerly line of said Old Houston Acres Section Two, pass at 649.28 feet a $1 / 2$-inch iron rod with cap stamped "Jeff Moon RPLS 4639" found for the common north corner of Lots 1 and 2 of Block 1 of said Old Houston Acres Section Two, and continuing in all a total distance of $1,486.22$ feet to a bent $1 / 2$-inch iron rod found for an angle point on the common line of said 312.7 acre tract and said Old Houston Acres Section Two, said point being the northwest corner of said Ruben Copeland Survey;

Thence, North $83^{\circ} 23^{\prime} 32^{\prime \prime}$ West, continuing with said common line, 280.75 feet to a $5 / 8$-inch iron rod with cap stamped "LJA ENG" set for an angle point on the south line of said 312.7 acre tract, said point being the northwest corner of said Old Houston Acres Section Two and the northeast corner of the E. H. Yeiser Survey, Abstract 731 of said Montgomery County, Texas;

Thence, South $87^{\circ} 04^{\prime} 13^{\prime \prime}$ West, with the southerly line of said 312.7 acre tract and the common survey line of said T. \& N. O. R.R. Co. Survey, Abstract 566 and said E. H. Yeiser Survey, 1,013.95 feet to a 5/8-inch iron rod with cap stamped "F\&S 409-832-7238" found for the common south corner of said 312.7 acre tract and the aforementioned Oak Tree Section One, from which a found 1/2-inch iron rod with cap stamped "Jeff Moon RPLS 4639" bears South 62³2' 45" East, 0.40 feet;

Thence, with the common line of said 312.7 acre tract and said Oak Tree Section One the following six (6) courses:

1. North $17^{\circ} 43^{\prime} 53^{\prime \prime}$ West, 1,141.63 feet to a found 5/8-inch iron rod, the beginning of a curve;
2. 251.53 feet along the arc of a non-tangent curve to the right, having a radius of $1,760.00$ feet, a central angle of $08^{\circ} 11^{\prime}$ 19", and a chord which bears North $77^{\circ}$ 4 $^{\prime}$ 50" East, 251.32 feet to a point for corner from which a found 5/8-inch iron rod bears North 8557' 03" West, 0.16 feet;
3. North 0306' 19 " West, 975.54 feet to a point for corner from which a found 5/8-inch iron rod bears South $25^{\circ} 44^{\prime} 03^{\prime \prime}$ West,

### 0.25 feet;

4. South $86^{\circ} 53^{\prime} 41^{\prime \prime}$ West, $1,065.00$ feet to a 1/2-inch iron rod with cap stamped "Montgomery and Associates" found for a northwesterly corner of said Oak Tree Section One;
5. South 0306' $19{ }^{\prime \prime}$ East, 66.77 feet (called South 030 $06^{\prime}$ 40" East, 66.77 feet) to a 5/8-inch iron rod found for a re-entrant corner on the north line of said Oak Tree Section One;
6. South $86^{\circ} 53^{\prime} 41^{\prime \prime}$ West, 315.00 feet (called South $86^{\circ} 53^{\prime}$ 20" West, 315.00 feet) to a $5 / 8$-inch iron rod found for the northwest corner of said Oak Tree Section One subdivision, same point being on the west line of said 312.7 acre tract, the east line of said 772.7 acre tract and on the common survey line of the aforementioned John Smither Survey, Abstract 521 and the T. \& N. O. R.R. Co. Survey, Abstract 566;

Thence, South 03 $05^{\prime} 17^{\prime \prime}$ East with the common line of said 772.7 acre tract, said Oak Tree Section One, and said common survey line, 1,245.40 feet to the POINT OF BEGINNING and containing 461.19 acres of land.

Said Tract One (134.09 acres) and Tract Two (461.19 acres) being a total of 595.28 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 7986, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7986.106 to read as follows:

Sec. 7986.106. 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, 2017.


[^0]:    election held for that purpose.
    Sec. 7986.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7986.151 , 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. 7986.153. 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. 7986.201. 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. 7986.202. 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

