

1-1 By: Bell of Montgomery (Senate Sponsor - Creighton) H.B. No. 4682
1-2 (In the Senate - Received from the House May 6, 2019;
1-3 May 6, 2019, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 15, 2019, reported favorably by
1-5 the following vote: Yeas 7, Nays 0; May 15, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	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. 166; 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 8067 to read as follows:

1-24 CHAPTER 8067. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 166

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8067.0101. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on
1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Montgomery County Municipal
1-32 Utility District No. 166.

1-33 Sec. 8067.0102. NATURE OF DISTRICT. The district is a
1-34 municipal utility district created under Section 59, Article XVI,
1-35 Texas Constitution.

1-36 Sec. 8067.0103. CONFIRMATION AND DIRECTOR ELECTION
1-37 REQUIRED. The temporary directors shall hold an election to
1-38 confirm the creation of the district and to elect five permanent
1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 8067.0104. CONSENT OF MUNICIPALITY REQUIRED. The
1-41 temporary directors may not hold an election under Section
1-42 8067.0103 until each municipality in whose corporate limits or
1-43 extraterritorial jurisdiction the district is located has
1-44 consented by ordinance or resolution to the creation of the
1-45 district and to the inclusion of land in the district.

1-46 Sec. 8067.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-47 (a) The district is created to serve a public purpose and benefit.

1-48 (b) The district is created to accomplish the purposes of:

1-49 (1) a municipal utility district as provided by
1-50 general law and Section 59, Article XVI, Texas Constitution; and

1-51 (2) Section 52, Article III, Texas Constitution, that
1-52 relate to the construction, acquisition, improvement, operation,
1-53 or maintenance of macadamized, graveled, or paved roads, or
1-54 improvements, including storm drainage, in aid of those roads.

1-55 Sec. 8067.0106. INITIAL DISTRICT TERRITORY. (a) The
1-56 district is initially composed of the territory described by
1-57 Section 2 of the Act enacting this chapter.

1-58 (b) The boundaries and field notes contained in Section 2 of
1-59 the Act enacting this chapter form a closure. A mistake made in the
1-60 field notes or in copying the field notes in the legislative process
1-61 does not affect the district's:

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

SUBCHAPTER B. BOARD OF DIRECTORS

2-8 Sec. 8067.0201. GOVERNING BODY; TERMS. (a) The district is
 2-9 governed by a board of five elected directors.
 2-10 (b) Except as provided by Section 8067.0202, directors
 2-11 serve staggered four-year terms.

2-12 Sec. 8067.0202. TEMPORARY DIRECTORS. (a) The temporary
 2-13 board consists of:

- 2-14 (1) Emily Lassetter;
- 2-15 (2) Stephanie Trevino;
- 2-16 (3) Mike Scott;
- 2-17 (4) Allen DeJonge; and
- 2-18 (5) Marcus Campbell.

2-19 (b) Temporary directors serve until the earlier of:
 2-20 (1) the date permanent directors are elected under
 2-21 Section 8067.0103; or
 2-22 (2) the fourth anniversary of the effective date of
 2-23 the Act enacting this chapter.

2-24 (c) If permanent directors have not been elected under
 2-25 Section 8067.0103 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 8067.0103; 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.

SUBCHAPTER C. POWERS AND DUTIES

2-41 Sec. 8067.0301. GENERAL POWERS AND DUTIES. The district
 2-42 has the powers and duties necessary to accomplish the purposes for
 2-43 which the district is created.

2-44 Sec. 8067.0302. 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. 8067.0303. 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. 8067.0304. 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. 8067.0305. COMPLIANCE WITH MUNICIPAL CONSENT
 2-69 ORDINANCE OR RESOLUTION. The district shall comply with all

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

3-5 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-6 Sec. 8067.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)

3-7 The district may issue, without an election, bonds and other
3-8 obligations secured by:

3-9 (1) revenue other than ad valorem taxes; or

3-10 (2) contract payments described by Section 8067.0403.

3-11 (b) The district must hold an election in the manner
3-12 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-13 before the district may impose an ad valorem tax or issue bonds
3-14 payable from ad valorem taxes.

3-15 (c) The district may not issue bonds payable from ad valorem
3-16 taxes to finance a road project unless the issuance is approved by a
3-17 vote of a two-thirds majority of the district voters voting at an
3-18 election held for that purpose.

3-19 Sec. 8067.0402. OPERATION AND MAINTENANCE TAX. (a) If

3-20 authorized at an election held under Section 8067.0401, the
3-21 district may impose an operation and maintenance tax on taxable
3-22 property in the district in accordance with Section 49.107, Water
3-23 Code.

3-24 (b) The board shall determine the tax rate. The rate may not
3-25 exceed the rate approved at the election.

3-26 Sec. 8067.0403. CONTRACT TAXES. (a) In accordance with

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

3-32 (b) A contract approved by the district voters may contain a
3-33 provision stating that the contract may be modified or amended by
3-34 the board without further voter approval.

3-35 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-36 Sec. 8067.0501. AUTHORITY TO ISSUE BONDS AND OTHER
3-37 OBLIGATIONS. The district may issue bonds or other obligations
3-38 payable wholly or partly from ad valorem taxes, impact fees,
3-39 revenue, contract payments, grants, or other district money, or any
3-40 combination of those sources, to pay for any authorized district
3-41 purpose.

3-42 Sec. 8067.0502. TAXES FOR BONDS. At the time the district
3-43 issues bonds payable wholly or partly from ad valorem taxes, the
3-44 board shall provide for the annual imposition of a continuing
3-45 direct ad valorem tax, without limit as to rate or amount, while all
3-46 or part of the bonds are outstanding as required and in the manner
3-47 provided by Sections 54.601 and 54.602, Water Code.

3-48 Sec. 8067.0503. BONDS FOR ROAD PROJECTS. At the time of
3-49 issuance, the total principal amount of bonds or other obligations
3-50 issued or incurred to finance road projects and payable from ad
3-51 valorem taxes may not exceed one-fourth of the assessed value of the
3-52 real property in the district.

3-53 SECTION 2. The Montgomery County Municipal Utility District
3-54 No. 166 initially includes all the territory contained in the
3-55 following area:

3-56 BEING a 200.31 acre tract of land in the T Chatham Survey
3-57 Abstract 137 being all of a called 152.0 acre tract of land as
3-58 recorded in Montgomery County Clerk's File No. 2017-01236 (Save and
3-59 Except the Right of Way of FM 2854 as recorded in Volume 1110, Page
3-60 816 of the Deed Records of Montgomery County) and all of a called
3-61 52.4 acre tract of land as recorded in Montgomery County Clerk's
3-62 File No. 2017-012360, said 200.31 acre tract being more
3-63 particularly described as follows:

3-64 BEGINNING at a 1/2" iron rod found for the southeast corner of
3-65 Lot 13 Block 1 Hilltop Ranch, Section 1, a subdivision recorded in
3-66 the Cabinet O, Sheet 138 of the Map Records of Montgomery County,
3-67 Texas, also being the southwesterly corner of the said 52.4 acre
3-68 tract and being southwesterly corner of herein described tract;

3-69 THENCE N 02 deg. 05' 33" W along an easterly line of Hilltop

4-1 Ranch, a distance of 1645.09 feet to a 1/2" iron rod for an interior
 4-2 angle point of Hilltop Ranch and being the northwesterly corner of
 4-3 herein described tract;

4-4 THENCE N 86 deg. 27' 49" E along a southerly line of Hilltop
 4-5 Ranch, a distance of 1300.68 feet to a 1/2" iron rod found for an
 4-6 easterly southeast corner of Hilltop Ranch, also in the westerly
 4-7 line of Roman Hills Section 1 as recorded in Volume 10, Sheet 58 of
 4-8 the Map Record of Montgomery County, Texas and being the
 4-9 northeasterly corner of herein described tract;

4-10 THENCE S 02 deg. 42' 57" E along the westerly line of Roman
 4-11 Hills Section 1, a distance of 3381.75 feet to a 1/2" iron rod found
 4-12 in the northerly line of a called 857.061 acre tract as recorded in
 4-13 Montgomery County Clerk's File No. 2013-004324, and being the
 4-14 southeasterly corner of herein described tract;

4-15 THENCE S 89 deg. 21' 05" W along the northerly line of said
 4-16 857.061 acre tract, a distance of 1064.74 feet to a 3" iron pipe
 4-17 found for the northeasterly corner of the Winston Heir's 1.00 acre
 4-18 tract, also being the northwesterly corner of the said 857.061 acre
 4-19 tract and being a angle point of the herein described tract;

4-20 THENCE S 87 deg. 24' 19" W along the northerly line of the
 4-21 Winston tract, a distance of 1949.94 feet to a 1/2" iron rod found
 4-22 in the easterly Right of Way of FM 2854, also being the
 4-23 northwesterly corner of a called 37.89 acre tract of land as
 4-24 recorded in Montgomery County Clerk's File No. 9534597, and being
 4-25 the southwesterly corner of the herein described tract;

4-26 THENCE along the easterly Right of Way of FM 2854, N 52 deg.
 4-27 18' 39" W a distance of 865.84 feet to a concrete monument found for
 4-28 an angle point;

4-29 THENCE along the easterly Right of Way of FM 2854, along a
 4-30 curve to the right with a radius of 2804.79 feet, a chord that bears
 4-31 N 44 deg. 18' 53" W a distance of 794.75 feet to a concrete monument
 4-32 found for an angle point;

4-33 THENCE N 35 deg. 48' 17" W along the easterly Right of Way of
 4-34 FM 2854, a distance of 640.23 feet to a 5/8" iron rod found for the
 4-35 southerly southwest corner of Hilltop Ranch, and being the
 4-36 northwesterly corner herein described tract;

4-37 THENCE N 87 deg. 34' 27" E along the southerly line of Hilltop
 4-38 Ranch, a distance of 3232.07 feet to the POINT OF BEGINNING and
 4-39 containing 200.31 acres of land, more or less.

4-40 SECTION 3. (a) The legal notice of the intention to
 4-41 introduce this Act, setting forth the general substance of this
 4-42 Act, has been published as provided by law, and the notice and a
 4-43 copy of this Act have been furnished to all persons, agencies,
 4-44 officials, or entities to which they are required to be furnished
 4-45 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 4-46 Government Code.

4-47 (b) The governor, one of the required recipients, has
 4-48 submitted the notice and Act to the Texas Commission on
 4-49 Environmental Quality.

4-50 (c) The Texas Commission on Environmental Quality has filed
 4-51 its recommendations relating to this Act with the governor, the
 4-52 lieutenant governor, and the speaker of the house of
 4-53 representatives within the required time.

4-54 (d) All requirements of the constitution and laws of this
 4-55 state and the rules and procedures of the legislature with respect
 4-56 to the notice, introduction, and passage of this Act are fulfilled
 4-57 and accomplished.

4-58 SECTION 4. (a) If this Act does not receive a two-thirds
 4-59 vote of all the members elected to each house, Subchapter C, Chapter
 4-60 8067, Special District Local Laws Code, as added by Section 1 of
 4-61 this Act, is amended by adding Section 8067.0306 to read as follows:

4-62 Sec. 8067.0306. NO EMINENT DOMAIN POWER. The district may
 4-63 not exercise the power of eminent domain.

4-64 (b) This section is not intended to be an expression of a
 4-65 legislative interpretation of the requirements of Section 17(c),
 4-66 Article I, Texas Constitution.

4-67 SECTION 5. This Act takes effect immediately if it receives
 4-68 a vote of two-thirds of all the members elected to each house, as
 4-69 provided by Section 39, Article III, Texas Constitution. If this

5-1 Act does not receive the vote necessary for immediate effect, this
5-2 Act takes effect September 1, 2019.

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