

By: Creighton

S.B. No. 2465

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Montgomery County Municipal Utility District No. 166; 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 8067 to read as follows:

CHAPTER 8067. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 166

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8067.0101. 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. 166.

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

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

1 Sec. 8067.0104. CONSENT OF MUNICIPALITY REQUIRED. The
2 temporary directors may not hold an election under Section
3 8067.0103 until each municipality in whose corporate limits or
4 extraterritorial jurisdiction the district is located has
5 consented by ordinance or resolution to the creation of the
6 district and to the inclusion of land in the district.

7 Sec. 8067.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

8 (a) The district is created to serve a public purpose and benefit.

9 (b) The district is created to accomplish the purposes of:

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

12 (2) Section 52, Article III, Texas Constitution, that
13 relate to the construction, acquisition, improvement, operation,
14 or maintenance of macadamized, graveled, or paved roads, or
15 improvements, including storm drainage, in aid of those roads.

16 Sec. 8067.0106. INITIAL DISTRICT TERRITORY. (a) The
17 district is initially composed of the territory described by
18 Section 2 of the Act enacting this chapter.

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

23 (1) organization, existence, or validity;

24 (2) right to issue any type of bond for the purposes
25 for which the district is created or to pay the principal of and
26 interest on a bond;

27 (3) right to impose a tax; or

1 (4) legality or operation.

2 SUBCHAPTER B. BOARD OF DIRECTORS

3 Sec. 8067.0201. GOVERNING BODY; TERMS. (a) The district is
4 governed by a board of five elected directors.

5 (b) Except as provided by Section 8067.0202, directors
6 serve staggered four-year terms.

7 Sec. 8067.0202. TEMPORARY DIRECTORS. (a) The temporary
8 board consists of:

9 (1) Emily Lassetter;

10 (2) Stephanie Trevino;

11 (3) Mike Scott;

12 (4) Allen DeJonge; and

13 (5) Marcus Campbell.

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

15 (1) the date permanent directors are elected under
16 Section 8067.0103; or

17 (2) the fourth anniversary of the effective date of
18 the Act enacting this chapter.

19 (c) If permanent directors have not been elected under
20 Section 8067.0103 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 8067.0103; 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. 8067.0301. GENERAL POWERS AND DUTIES. The district
10 has the powers and duties necessary to accomplish the purposes for
11 which the district is created.

12 Sec. 8067.0302. 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. 8067.0303. 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. 8067.0304. 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. 8067.0305. COMPLIANCE WITH MUNICIPAL CONSENT
10 ORDINANCE OR RESOLUTION. The district shall comply with all
11 applicable requirements of any ordinance or resolution that is
12 adopted under Section 54.016 or 54.0165, Water Code, and that
13 consents to the creation of the district or to the inclusion of land
14 in the district.

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. 8067.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
17 The district may issue, without an election, bonds and other
18 obligations secured by:

- 19 (1) revenue other than ad valorem taxes; or
20 (2) contract payments described by Section 8067.0403.

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

25 (c) The district may not issue bonds payable from ad valorem
26 taxes to finance a road project unless the issuance is approved by a
27 vote of a two-thirds majority of the district voters voting at an

1 election held for that purpose.

2 Sec. 8067.0402. OPERATION AND MAINTENANCE TAX. (a) If
3 authorized at an election held under Section 8067.0401, the
4 district may impose an operation and maintenance tax on taxable
5 property in the district in accordance with Section 49.107, Water
6 Code.

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

9 Sec. 8067.0403. CONTRACT TAXES. (a) In accordance with
10 Section 49.108, Water Code, the district may impose a tax other than
11 an operation and maintenance tax and use the revenue derived from
12 the tax to make payments under a contract after the provisions of
13 the contract have been approved by a majority of the district voters
14 voting at an election held for that purpose.

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

18 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

19 Sec. 8067.0501. AUTHORITY TO ISSUE BONDS AND OTHER
20 OBLIGATIONS. The district may issue bonds or other obligations
21 payable wholly or partly from ad valorem taxes, impact fees,
22 revenue, contract payments, grants, or other district money, or any
23 combination of those sources, to pay for any authorized district
24 purpose.

25 Sec. 8067.0502. TAXES FOR BONDS. At the time the district
26 issues bonds payable wholly or partly from ad valorem taxes, the
27 board shall provide for the annual imposition of a continuing

1 direct ad valorem tax, without limit as to rate or amount, while all
2 or part of the bonds are outstanding as required and in the manner
3 provided by Sections 54.601 and 54.602, Water Code.

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

9 SECTION 2. The Montgomery County Municipal Utility District
10 No. 166 initially includes all the territory contained in the
11 following area:

12 BEING a 200.31 acre tract of land in the T Chatham Survey
13 Abstract 137 being all of a called 152.0 acre tract of land as
14 recorded in Montgomery County Clerk's File No. 2017-01236 (Save and
15 Except the Right of Way of FM 2854 as recorded in Volume 1110, Page
16 816 of the Deed Records of Montgomery County) and all of a called
17 52.4 acre tract of land as recorded in Montgomery County Clerk's
18 File No. 2017-012360, said 200.31 acre tract being more
19 particularly described as follows:

20 BEGINNING at a 1/2" iron rod found for the southeast corner of
21 Lot 13 Block 1 Hilltop Ranch, Section 1, a subdivision recorded in
22 the Cabinet O, Sheet 138 of the Map Records of Montgomery County,
23 Texas, also being the southwesterly corner of the said 52.4 acre
24 tract and being southwesterly corner of herein described tract;

25 THENCE N 02 deg. 05' 33" W along an easterly line of Hilltop
26 Ranch, a distance of 1645.09 feet to a 1/2" iron rod for an interior
27 angle point of Hilltop Ranch and being the northwesterly corner of

1 herein described tract;

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

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

13 THENCE S 89 deg. 21' 05" W along the northerly line of said
14 857.061 acre tract, a distance of 1064.74 feet to a 3" iron pipe
15 found for the northeasterly corner of the Winston Heir's 1.00 acre
16 tract, also being the northwesterly corner of the said 857.061 acre
17 tract and being a angle point of the herein described tract;

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

24 THENCE along the easterly Right of Way of FM 2854, N 52 deg.
25 18' 39" W a distance of 865.84 feet to a concrete monument found for
26 an angle point;

27 THENCE along the easterly Right of Way of FM 2854, along a

1 curve to the right with a radius of 2804.79 feet, a chord that bears
2 N 44 deg. 18' 53" W a distance of 794.75 feet to a concrete monument
3 found for an angle point;

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

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

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

18 (b) The governor, one of the required recipients, has
19 submitted the notice and Act to the Texas Commission on
20 Environmental Quality.

21 (c) The Texas Commission on Environmental Quality has filed
22 its recommendations relating to this Act with the governor, the
23 lieutenant governor, and the speaker of the house of
24 representatives within the required time.

25 (d) All requirements of the constitution and laws of this
26 state and the rules and procedures of the legislature with respect
27 to the notice, introduction, and passage of this Act are fulfilled

1 and accomplished.

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

6 Sec. 8067.0306. NO EMINENT DOMAIN POWER. The district may
7 not exercise the power of eminent domain.

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

11 SECTION 5. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2019.