S.B. No. 2164

AN ACT

relating to the creation of the Montgomery County Municipal Utility District No. 201; 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 8019 to read as follows:

CHAPTER 8019.  MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 201

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8019.0101.  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. 201.

Sec. 8019.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8019.0103.  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.

Sec. 8019.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8019.0103 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. 8019.0105.  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. 8019.0106.  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;

(3)  right to impose a tax; or

(4)  legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8019.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 8019.0202, directors serve staggered four-year terms.

Sec. 8019.0202.  TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1)  Rose Ann Hancock;

(2)  Kimberly Newman;

(3)  Morgan L. Horvitz;

(4)  Gigi Zientek; and

(5)  Michelle McCormick.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 8019.0103; or

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

(c)  If permanent directors have not been elected under Section 8019.0103 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 8019.0103; 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. 8019.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8019.0302.  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. 8019.0303.  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. 8019.0304.  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. 8019.0305.  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. 8019.0401.  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 8019.0403.

(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 election held for that purpose.

Sec. 8019.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8019.0401, 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. 8019.0403.  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. 8019.0501.  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. 8019.0502.  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 or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 8019.0503.  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. 201 initially includes all the territory contained in the following area:

TRACT I:

Being 104.5 acres of land located in the Ebenezer R. Hale Survey, Abstract 264, Montgomery County, Texas, more particularly being all of that certain called 104.52 acre tract described in deed to Anthony Comer and Nichole Comer by an instrument of record under Document Number 2012093908 in the Official Public Records of Montgomery County, Texas (O.P.R.M.C.), said 104.5 acres being more particularly described by metes and bounds as follows, all bearings referenced to the Texas State Plane Coordinate System, South Central Zone, NAD 83 (2010 EPOCH);

BEGINNING at a 1/2" iron rod found for a southeasterly corner of said 104.52 acre tract, common to an east corner of Logtowne, a subdivision of record in Cabinet E, Sheet 56-B, Plat Records of said Montgomery County, Texas (P.R.M.C.) in the north right-of-way line of Hardin Store Road (no deed of record found, 50' R.O.W. as shown per Document Number 2013092954 O.P.R.M.C.);

Thence, South 86° 56' 39" West (called South 89° 34' 07" West - 722.41'), along the south line of said 104.52 acre tract, common to a north line of said Logtowne, at 263.29 feet passing a 5/8" iron rod found for the northeast corner of Lot 6, Block 1 of said Logtowne, continuing for a total distance of 722.41 feet to the southwest corner of said 104.52 acre tract, common to an angle corner of said Logtowne;

Thence, North 02° 40' 07" West (called North 00° 03' 36" West - 2736.02'), along the west line of said 104.52 acre tract, common to an east line of said Logtowne, the east line of a called 11.493 acre tract described as Tract I, described in deed to James A. Kelly, a married man and Sandra M. Kelly, his wife by an instrument of record under Document Number 9427115, O.P.R.M.C., and the east line of a called 3.325 acre tract described as Tract II, described in deed to Rocio Rincon and husband Lucio M. Rincon by an instrument of record under Document Number 2006065456, O.P.R.M.C., at 221.70 feet passing the southeast corner of Lot 18, common to the northeast corner of Lot 12 of Block 4 of said Logtowne, from which a 5/8" iron rod found bears South 87° 19' 53" West - 0.70 feet, at 1898.16 feet passing a 3/4" iron pipe found for the northeast corner of said Logtowne common to the southeast corner of said 11.493 acre tract which bears South 87° 19' 53" West - 1.73 feet, at 2384.62 feet passing a 3/4" iron pipe found for the northeast corner of said 11.493 acre tract, common to the southeast corner of said 3.325 acre tract, continuing for a total distance of 2736.25 feet, to a 1/2" iron rod found for the northeast corner of said 3.325 acre tract common to the southeast corner of Britwood Estates, a subdivision of record in Cabinet L, Sheet 119, P.R.M.C.;

Thence, North 02° 31' 44" West (called North 00° 06' 02" East - 1631.62'), continuing along the west line of said 104.52 acre tract, common to the east line of said Britwood Estates, at 876.59 feet passing a 3/4" iron rod with cap stamped "HUFFMAN RPLS 1882", continuing for a total distance of 1632.08 feet to a 5/8" iron rod with cap stamped "EIG SURVEYING CO." found for the northeast corner of said Britwood Estates, common to the northwest corner of said 104.52 acre tract, in the south line of a called 7.4654 acre tract described in deed to Julissa Gonzalez and David Gonzalez, husband and wife by an instrument of record under Document Number 2015115963, O.P.R.M.C.;

Thence, North 87° 24' 45" East (called South 89° 57' 51" East - 1043.28'), along the north line of said 104.52 acre tract, common to the south line of said 7.4654 acre tract and the south line of a called 24.944 acre tract described in deed to Michael Lawrence Johnson by an instrument of record under Document Number 2011064873, O.P.R.M.C., at 318.91 feet passing the southeast corner of said 7.4654 acre tract, from which a 5/8" iron rod with cap stamped "EIG SURVEYING CO" bears North 02° 35' 15" West - 0.79 feet, at 324.02 feet passing a found 1" iron pipe, which bears North 02° 35' 15" West - 0.89 feet, at 548.76 feet passing the southwest corner of said 24.944 acre tract from which a 5/8" iron rod bears South 02° 35' 15" East - 0.88 feet, continuing for a total distance of 1044.43 feet to a 5/8" iron rod with cap stamped "LJA ENG" set for the northeast corner of said 104.52 acre tract, common to the southeast corner of said 24.944 acre tract, in the west line of Lot 4 of Rimwick Forest, Section 1, unrecorded subdivision, same being a called 1.7759 acre tract described in deed to Harold F. Taylor by an instrument of record under Document Number 2014118415, O.P.R.M.C.;

Thence, South 03° 46' 24" East (called South 01° 13' 17" West - 1050.04'), along the east line of said 104.52 acre tract, the west line of said Lot 4 of Rimwick Forest, Section 1, the west line of Lot 3 of Rimwick Forest, Section 1, unrecorded subdivision, same being a called 1.859 acre tract described in deed Jo E. Shaw, Jr. by an instrument of record under Document Number 8848911, O.P.R.M.C., the west line of Lot 2 of Rimwick Forest, Section 1, unrecorded subdivision, same being a called 2.444 acre tract described as Tract 2 in deed to Scott Cobell and Charla Cobell Husband and wife by an instrument of record under Document Number 2014045874, O.P.R.M.C., and the west line of Tract Ten of Post Oak Forest, unrecorded subdivision, same being a called 2.5062 acre tract described in deed to Charles B. Stella, Jr. by an instrument of record under Document Number 8914750, O.P.R.M.C., at 52.10 feet passing a 1/2" iron rod found for the southwest corner of said 1.7759 acre tract, common to the northwest corner of said 1.859 acre tract, at 328.28 feet passing the southwest corner of said 1.859 acre tract, common to the northwest corner of said 2.444 acre tract from which a concrete monument bears South 86° 13' 36" West - 1.31 feet, continuing for a total distance of 1050.53 feet to a 5/8" iron rod found for the southwest corner of said Tract Ten, common to the northwest corner of Lot 11 of Post Oak Forest, unrecorded subdivision, same being a called 0.91 acre tract described in deed to Richard Gonzales, Jr. and Kalli Gonzalez by an instrument of record under Document Number 201703455, O.P.R.M.C.;

Thence, South 03° 33' 29" East (called South 00° 55' 07" East - 969.39'), continuing along the east line of said 104.52 acre tract, common to the west line of said Lot 11 of Post Oak Forest, the west line of Tract 12 of Post Oak Forest, unrecorded subdivision, same being a called 1.0329 acre tract described in deed to Richard Gonzales, Jr. and Kalli Gonzalez by an instrument of record under Document Number 2012058503, O.P.R.M.C., the west line of Tract 13 of Post Oak Forest, unrecorded subdivision, same being a called 1.0329 acre tract described in deed to Ralph W. Gates, Jr. and Audry Giles Gates by an instrument of record under Document Number 2000-076555, O.P.R.M.C., the west line of Lot 14 of Post Oak Forest, unrecorded subdivision, same being a called 1.02 acre tract described in deed to Wendy J. De Four by an instrument of record under Document Number 2017036615, O.P.R.M.C., and the west line of a called 1.0206 acre tract described in deed to James Patterson and Kimberly Patterson by an instrument of record under Document Number 2002099246, O.P.R.M.C., at 179.91 feet passing a 1/2" iron rod with cap stamped "RPLS 4789" found for the southwest corner of Lot 11, common to the northwest corner of Tract 12, at 359.66 feet passing a 5/8" iron rod inside a PVC pipe found for the southwest corner of said Tract 12 and the northwest corner of said Tract 13, at 539.72 feet passing a 5/8" iron rod found for the southwest corner of said Tract 13, common to the northwest corner of said Lot 14, at 689.37 feet passing a found 5/8" iron rod which bears South 86° 26' 31" West - 0.71 feet, continuing for a total distance of 969.25 feet to a concrete monument found for the southwest corner of said 1.0206 acre tract and the northwest corner of a called 2.129 acre tract described in deed to Lawrence E. Fogarty, III by an instrument of record under Document Number 2014096065, O.P.R.M.C.;

Thence, South 02° 43' 13" West (called South 05° 18' 32" West - 413.66'), continuing along the east line of said 104.52 acre tract, common to the west line of the said 2.129 acre tract, the west line of a called 2.586 acre tract described in deed to Anthony Comer and Nichole Comer by an instrument of record under Document Number 2012069670, O.P.R.M.C., at 302.47 feet passing a 5/8" iron rod with cap stamped "KING 4503" found for the southwest corner of said 2.179 acre tract common to the northwest corner of said 2.586 acre tract, continuing for a total distance of 413.66 feet to a 5/8" iron rod with cap stamped "LJA ENG" set for the southwest corner of said 2.586 acre tract, common to the northwest corner of a called 1.160 acre tract described in deed to Jeffery Richard Ryfa by an instrument of record under Document Number 9832631, O.P.R.M.C.;

Thence, South 02° 18' 58" East (called South 00° 17' 29" West - 1643.03'), continuing along the east line of said 104.52 acre tract, common to the west line of said 1.160 acre tract, the west line of a called 5.42 acre tract described in deed to Phillip L. Hybner, Jr. and wife, Terri L. Hybner by an instrument of record under Document Number 9138200, O.P.R.M.C., and the west line of a called 2.5910 acre tract described in deed to Shannon Ray Gehring by an instrument of record under Document Number 20130929545, O.P.R.M.C., at 484.89 passing a found 1 1/4" iron pipe which bears North 87° 41' 02" East - 2.87 feet, continuing for a total distance of 1643.21 feet to a 3/4" iron pipe found for the southeast corner of said 104.52 acre tract in the aforesaid north right-of-way line of Hardin Store Road;

Thence, South 44° 42' 22" West, 424.52 feet (called South 47° 20' 53" West - 424.55') along the southeast line of said 104.52 acre tract, common to said north right-of-way line to the POINT OF BEGINNING and containing 104.5 acres of land.

TRACT II:

Being 0.4591 acre of land located in the Bartley Mury Survey, Abstract 343, Montgomery County, Texas, more particularly being a portion of that certain called 2.586 acre tract described in deed to Anthony Comer and Nichole Comer by an instrument of record under Document Number 2012069670, in the Official Public Records of Montgomery County, Texas (O.P.R.M.C.), said 0.4591 acres being more particularly described by metes and bounds as follows, all bearings referenced to the Texas Coordinate System, South Central Zone, NAD 83 (2010 EPOCH);

BEGINNING at a 5/8" iron rod with cap stamped "LJA ENG" previously set for the southwest corner of said 2.586 acre tract, common to the northwest corner of that certain called 1.160 acre tract described in deed to Jeffery Richard Ryfa by an instrument of record under Document Number 9832631, O.P.R.M.C. and the northwest corner of Hughes Lane (called 40 feet wide) described as a right-of-way and easement for road purposes in Volume 545, Page 428 in the Deed Records of said Montgomery County, Texas (D.R.M.C.), in the east line of that certain called 104.52 acre tract described in deed to Anthony Comer and Nichole Comer by an instrument of record under Document Number 2012093908, O.P.R.M.C.;

Thence, North 02° 43' 13" East (called North 04° 52' 00" East), along the west line of said 2.586 acre tract, common to the east line of said 104.52 acre tract, 111.25 feet to a 5/8" iron rod with cap stamped "KING 4503" found for the most westerly southwest corner of that certain called 2.129 acre tract described in deed to Lawrence E. Fogarty, III by an instrument of record under Document Number 2014096065, O.P.R.M.C.;

Thence, North 87° 36' 06" East (called South 89° 48' 19" East), along the south line of said 2.129 acre tract, 77.50 feet to a 5/8" iron rod with cap stamped "KING 4503" found for the beginning of a non-tangent curve;

Thence, continuing along the south line of said 2.129 acre tract, 185.86 feet (called 185.77 feet) along the arc of a non-tangent curve to the right, having a radius of 134.40 feet, a central angle of 79° 14' 04", and a chord which bears South 52° 04' 54" East (called South 49° 30' 29" East), 171.40 feet (called 171.33 feet) to a 5/8" iron rod with cap stamped "KING 4503" found for a south corner of said 2.129 acre tract, in the north line of that certain called 2.000 acre tract described in deed to Frank M. Hicks by an instrument of record under Document Number 2008064981, O.P.R.M.C. and the north line of the aforementioned Hughes Lane;

Thence, South 87° 37' 36" West (called South 89° 44' 55" West), along the south line of said 2.586 acre tract, common to the north line of said 2.000 acre tract, the north line of that certain called 1.069 acre tract described in deed to Alan Martinez and Erica Martinez by an instrument of record under Document Number 2016000207, O.P.R.M.C., the north line of the aforesaid 1.160 acre tract, and the north line of said Hughes Lane, passing at a distance of 113.70 feet the common north corner of said 1.069 acre tract and said 1.160 acre tract, from which a found 5/8" iron rod bears, South 02° 45' 39" East, 0.44 feet, continuing for a total distance of 218.12 feet to the POINT OF BEGINNING and containing 0.4591 acre 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 8019, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8019.0306 to read as follows:

Sec. 8019.0306.  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 immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.

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I hereby certify that S.B. No. 2164 passed the Senate on April 29, 2021, by the following vote:  Yeas 31, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Secretary of the Senate

I hereby certify that S.B. No. 2164 passed the House on May 14, 2021, by the following vote:  Yeas 105, Nays 40, two present not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Chief Clerk of the House

Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_           Governor