

Brooke T. Paup, *Chairwoman*
Bobby Janecka, *Commissioner*
Catarina R. Gonzales, *Commissioner*
Kelly Keel, *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 29, 2025

The Honorable Dan Patrick
Lieutenant Governor of Texas
Capitol Station
PO Box 12068
Austin, Texas 78711

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

Senate Bill (SB) 3036, as Filed by Senator Brandon Creighton - Relating to the creation of the Montgomery County Municipal Utility District No. 258; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

Dear Governor Patrick:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Michele Risko".

Michele Risko, Deputy Director
Water Supply Division

cc: Honorable Paul Bettencourt, Chairman, Senate Local Government Committee
Senator Brandon Creighton, Texas Senate

Enclosure

**SB 3036, as Filed by Senator Brandon Creighton
Texas Commission on Environmental Quality's Comments**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Montgomery County Municipal Utility District No. 258 (the “District”) with the powers and duties of a municipal utility district under Water Code Chapters 49 and 54.

Comments on Powers/Duties Different from Similar Types of Districts: The bill grants the District the same powers as similar municipal utility districts. The bill states that if this Act does not receive a two-thirds vote of all the members elected to each house, the District may not exercise the power of eminent domain.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

LETTER OF TRANSMITTAL
TEXAS SENATE
STATE OF TEXAS

SB 3036

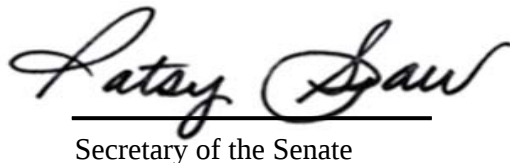
Bill Number

TO: The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

3/31/2025

Date transmitted to
Governor's Office



Secretary of the Senate

TO: Texas Commission on Environmental Quality
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

April 2, 2025

Date transmitted to
Texas Commission on Environmental Quality



Governor

TO: The Honorable President of the Senate
The Honorable Speaker of the House of Representatives
The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.



Texas Commission on Environmental Quality

By: Creighton

S.B. No. 3036

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Montgomery County Municipal Utility District No. 258; 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 8003A to read as follows:

CHAPTER 8003A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT

NO. 258

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8003A.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. 258.

Sec. 8003A.0102. NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 8003A.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. 8003A.0104. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 8003A.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 as required by applicable law.

Sec. 8003A.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. 8003A.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

1 interest on a bond;

2 (3) right to impose a tax; or

3 (4) legality or operation.

4 SUBCHAPTER B. BOARD OF DIRECTORS

5 Sec. 8003A.0201. GOVERNING BODY; TERMS. (a) The district
6 is governed by a board of five elected directors.

7 (b) Except as provided by Section 8003A.0202, directors
8 serve staggered four-year terms.

9 Sec. 8003A.0202. TEMPORARY DIRECTORS. (a) On or after the
10 effective date of the Act enacting this chapter, the owner or owners
11 of a majority of the assessed value of the real property in the
12 district may submit a petition to the commission requesting that
13 the commission appoint as temporary directors the five persons
14 named in the petition. The commission shall appoint as temporary
15 directors the five persons named in the petition.

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

17 (1) the date permanent directors are elected under
18 Section 8003A.0103; or

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

21 (c) If permanent directors have not been elected under
22 Section 8003A.0103 and the terms of the temporary directors have
23 expired, successor temporary directors shall be appointed or
24 reappointed as provided by Subsection (d) to serve terms that
25 expire on the earlier of:

26 (1) the date permanent directors are elected under
27 Section 8003A.0103; or

1 (2) the fourth anniversary of the date of the
2 appointment or reappointment.

3 (d) If Subsection (c) applies, the owner or owners of a
4 majority of the assessed value of the real property in the district
5 may submit a petition to the commission requesting that the
6 commission appoint as successor temporary directors the five
7 persons named in the petition. The commission shall appoint as
8 successor temporary directors the five persons named in the
9 petition.

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 8003A.0301. GENERAL POWERS AND DUTIES. The district
12 has the powers and duties necessary to accomplish the purposes for
13 which the district is created.

14 Sec. 8003A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
15 DUTIES. The district has the powers and duties provided by the
16 general law of this state, including Chapters 49 and 54, Water Code,
17 applicable to municipal utility districts created under Section 59,
18 Article XVI, Texas Constitution.

19 Sec. 8003A.0303. AUTHORITY FOR ROAD PROJECTS. Under
20 Section 52, Article III, Texas Constitution, the district may
21 design, acquire, construct, finance, issue bonds for, improve,
22 operate, maintain, and convey to this state, a county, or a
23 municipality for operation and maintenance macadamized, graveled,
24 or paved roads, or improvements, including storm drainage, in aid
25 of those roads.

26 Sec. 8003A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
27 road project must meet all applicable construction standards,

1 zoning and subdivision requirements, and regulations of each
2 municipality in whose corporate limits or extraterritorial
3 jurisdiction the road project is located.

4 (b) If a road project is not located in the corporate limits
5 or extraterritorial jurisdiction of a municipality, the road
6 project must meet all applicable construction standards,
7 subdivision requirements, and regulations of each county in which
8 the road project is located.

9 (c) If the state will maintain and operate the road, the
10 Texas Transportation Commission must approve the plans and
11 specifications of the road project.

12 Sec. 8003A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
13 ORDINANCE OR RESOLUTION. The district shall comply with all
14 applicable requirements of any ordinance or resolution that is
15 adopted under Section 54.016 or 54.0165, Water Code, and that
16 consents to the creation of the district or to the inclusion of land
17 in the district.

18 Sec. 8003A.0306. DIVISION OF DISTRICT. This chapter
19 applies to any new district created by the division of the district
20 under Section 49.316, Water Code, and a new district has all the
21 powers and duties of the district.

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 8003A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
24 The district may issue, without an election, bonds and other
25 obligations secured by:

26 (1) revenue other than ad valorem taxes; or

27 (2) contract payments described by Section

1 8003A.0403.

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

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

10 Sec. 8003A.0402. OPERATION AND MAINTENANCE TAX. (a) If
11 authorized at an election held under Section 8003A.0401, the
12 district may impose an operation and maintenance tax on taxable
13 property in the district in accordance with Section 49.107, Water
14 Code.

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

17 Sec. 8003A.0403. CONTRACT TAXES. (a) In accordance with
18 Section 49.108, Water Code, the district may impose a tax other than
19 an operation and maintenance tax and use the revenue derived from
20 the tax to make payments under a contract after the provisions of
21 the contract have been approved by a majority of the district voters
22 voting at an election held for that purpose.

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

26 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

27 Sec. 8003A.0501. AUTHORITY TO ISSUE BONDS AND OTHER

1 OBLIGATIONS. The district may issue bonds or other obligations
2 payable wholly or partly from ad valorem taxes, impact fees,
3 revenue, contract payments, grants, or other district money, or any
4 combination of those sources, to pay for any authorized district
5 purpose.

6 Sec. 8003A.0502. TAXES FOR BONDS. At the time the district
7 issues bonds payable wholly or partly from ad valorem taxes, the
8 board shall provide for the annual imposition of a continuing
9 direct ad valorem tax, without limit as to rate or amount, while all
10 or part of the bonds are outstanding as required and in the manner
11 provided by Sections [54.601](#) and [54.602](#), Water Code.

12 Sec. 8003A.0503. BONDS FOR ROAD PROJECTS. At the time of
13 issuance, the total principal amount of bonds or other obligations
14 issued or incurred to finance road projects and payable from ad
15 valorem taxes may not exceed one-fourth of the assessed value of the
16 real property in the district.

17 SECTION 2. The Montgomery County Municipal Utility District
18 No. 258 initially includes all the territory contained in the
19 following area:

20 PART 1:

21 BEING 415.36 acres of land in the Samuel Lindley Survey,
22 Abstract Number 23, and the William Hulon Survey, Abstract Number
23 262 in Montgomery County, Texas, being a portion of the called
24 811.345 acre tract described under "Schedule 1", a portion of the
25 called 71.884 acre tract described under "Schedule 2", and all of
26 the called 11.071 acre tract described under "Schedule 3" in the
27 deed from William McComb Dunwoody to Esperanza Ranch LLC, recorded

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under Document Number 2024075466 of the Official Public Records of Montgomery County, Texas, said 415.36-acre tract being more particularly described by metes and bounds as follows with bearings based on the Texas Coordinate System of 1983, Central Zone:

BEGINNING at an axle found for the north corner of a called 2.872-acre tract described in the deed from Cynthia Ann Uhlenhop, et al. to Willis Conservation Partners LLC recorded under Document No. 2021144058 of the Official Public Records of Montgomery County, Texas, in the southerly line of said called 71.884-acre tract;

THENCE North 77° 55' 08" West - 216.88 feet to a 5/8-inch iron rod with cap stamped "IDS" set for the southwest corner of the said called 71.884-acre tract, and an angle corner of the herein described tract;

THENCE North 77° 36' 25" West - 516.26 feet to an axle found for the northwest corner of said called 2.872-acre tract and an angle corner of the herein described tract, in the easterly line of said called 11.071-acre tract;

THENCE South 12° 54' 25" West - 50.78 feet to an iron bar found for the southeast corner of said called 11.071-acre tract, the northeast corner of a called 0.866-acre tract described in the deed from Justin Hasara to Chinook LP recorded under Document Number 2016116601 of the Official Public Records of Montgomery County, Texas and an angle corner of the herein described tract;

THENCE North 77° 10' 00" West - 208.84 feet to a 1/2-inch iron rod with an unreadable cap found for the northwest corner of the said called 0.866-acre tract, the southeast corner of the 11.071-acre tract and an angle corner of the herein described

1 tract, in the easterly right of way line of State Highway 75 (120'
2 R.O.W.);

3 THENCE, with the easterly right-of-way line of said State
4 Highway 75, the following courses, and distances:

5 North 05° 08' 47" East - 347.38 feet to a concrete monument
6 found for an angle corner of the herein described tract;

7 North 15° 56' 47" East - 2,910.67 feet to a 5/8-inch iron rod
8 with cap stamped "IDS" set for the beginning of a curve to the left;

9 in a northerly direction, with said curve to the left, having
10 a radius of 1616.70 feet, a central angle of 04° 20' 56", a chord
11 bearing and distance of North 13° 39' 18" East - 122.68 feet, and an
12 arc distance of 122.71 feet, to a 5/8-inch iron rod with cap stamped
13 "IDS" set for angle corner of a called 34.290 acre tract described
14 in the deed from Charles R. Dooley, et ux. to Tom Cutis Ansley, et
15 ux. recorded under Document No. 2010077331 of the Official Public
16 Records of Montgomery County, Texas, and being the most westerly
17 northwest corner of the herein described tract and end of said
18 curve;

19 THENCE, with the lines of said 34.290-acre tract, the
20 following courses, and distances:

21 North 56° 22' 40" East - 143.00 feet to a 5/8-inch iron rod
22 with cap stamped "IDS" set for an angle corner of the herein
23 described tract;

24 South 28° 46' 41" East - 1041.10 feet to an axle found laid
25 over at the southeast corner of the said 34.290-acre tract and an
26 angle corner of the herein described tract;

27 North 62° 10' 15" East - 757.18 feet to a 5/8-inch iron rod

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1 with cap stamped "IDS" set for an angle corner of the herein
2 described tract;

3 North 60° 36' 45" East - 435.97 feet to a bent axle found for
4 the southeast corner of the called 34.290-acre tract and an angle
5 corner of the herein described tract;

6 North 17° 55' 46" West - 641.75 feet to an axle found for an
7 angle corner of the herein described tract;

8 THENCE North 17° 10' 32" West, at 370.87 feet pass a 1/2-inch
9 iron rod found for the most easterly northeast corner of said called
10 34.290-acre tract and the southeast corner of a called 2.913 acre
11 tract described in the deed from Jane Zimmer to Amber Renee Fischer,
12 Et al. recorded under Document Number 2017027478 of the official
13 Public Records of Montgomery County, Texas, a total distance of
14 715.73 feet to bent axle found for the northeast corner of said
15 called 2.913 acre tract and the most northerly northwest corner of
16 the herein described tract, in the southerly line of a called
17 162.577-acre tract described in the deed from Hanson Aggregates LLC
18 to Lehigh Hanson Materials South LLC recorded under Document Number
19 2021173941 of the Official Public Records of Montgomery County,
20 Texas;

21 THENCE, with the southern lines of said called 162.577-acre
22 tract, the following courses, and distances;

23 North 78° 00' 07" East - 834.82 feet to a crosstie fence post
24 found for an angle corner of the herein described tract;

25 North 66° 20' 31" East - 527.05 feet to a crosstie fence post
26 found for an angle corner of the herein described tract;

27 North 57° 56' 19" East - 452.74 feet to a crosstie fence post

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found for an angle corner of the herein described tract;

North 40° 00' 02" East - 494.87 feet to a crosstie fence post
found for an angle corner of the herein described tract;

North 45° 26' 06" East - 388.64 feet to a crosstie fence post
found for an angle corner of the herein described tract;

THENCE North 54° 51' 45" East - 363.15 feet to a 5/8-inch iron
rod with cap stamped "IDS" set for the northeast corner of the
herein described tract, in the westerly right-of-way line of the
International & Great Northern Railroad right-of-way (150'-wide at
this section) as recorded under Volume 5, Page 108 of the Deed
Records of Montgomery County, Texas, from which an axle bears North
54° 51' 45" East - 25.17 feet ;

THENCE South 32° 15' 17" East - 3,620.70 feet, with the
westerly right-of-way line of said railroad, to a 5/8-inch iron rod
with cap stamped "IDS";

THENCE South 63° 15' 50" West - 6,378.60 feet to the POINT OF
BEGINNING of the herein described tract and containing 415.36 acres
of land.

PART 2:

BEING 1.270 acres of land in the William Hulon Survey,
Abstract Number 262, in Montgomery County, Texas, being all of the
called 1.2764-acre tract described under "Schedule 3", in the deed
from William McComb Dunwoody to Esperanza Ranch LLC, recorded under
Document Number 2024075466 of the Official Public Records of
Montgomery County, Texas, said 1.270-acre tract being more
particularly described by metes and bounds as follows with bearings
based on the Texas Coordinate System of 1983, Central Zone:

1 BEGINNING at a square bolt found for the southwest corner of a
2 called 2.213-acre tract described in the deed to 5921 Columbus Club
3 recorded under Volume 1154, Page 464 of the Deed Recorded of
4 Montgomery County, Texas, and being the northwest corner of the
5 herein described tract, in the easterly right-of-way line of
6 Interstate Highway 45 (R.O.W. Varies);

7 THENCE South $74^{\circ} 30' 45''$ East - 177.32 feet, with the
8 southerly line of said 2.213-acre tract, to a 5/8-inch iron rod with
9 cap stamped "IDS" set for the northeast corner of the herein
10 described tract, in the westerly right-of-way line of State Highway
11 75 (120' R.O.W.);

12 THENCE South $15^{\circ} 56' 47''$ West - 465.11 feet, with the westerly
13 right-of-way line of said State Highway 75, to a 5/8-inch iron rod
14 with cap stamped "IDS" set for the southeast corner of the herein
15 described tract;

16 THENCE North $74^{\circ} 17' 44''$ West - 45.49 feet to a 5/8-inch iron
17 rod with cap stamped "IDS" set for the southwest corner of the
18 herein described tract, in the easterly right-of-way line of said
19 Interstate Highway 45;

20 THENCE North $06^{\circ} 57' 44''$ West - 119.24 feet, with the easterly
21 right-of-way line of said Interstate Highway 45, to a concrete
22 monument found for an angle corner of the herein described tract;

23 THENCE North $02^{\circ} 22' 59''$ East - 364.20 feet, continuing with
24 the easterly right-of-way line of said Interstate Highway 45, to
25 the POINT OF BEGINNING of the herein described tract and containing
26 1.270 acres of land.

27 SECTION 3. (a) The legal notice of the intention to

1 introduce this Act, setting forth the general substance of this
2 Act, has been published as provided by law, and the notice and a
3 copy of this Act have been furnished to all persons, agencies,
4 officials, or entities to which they are required to be furnished
5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6 Government Code.

7 (b) The governor, one of the required recipients, has
8 submitted the notice and Act to the Texas Commission on
9 Environmental Quality.

10 (c) The Texas Commission on Environmental Quality has filed
11 its recommendations relating to this Act with the governor, the
12 lieutenant governor, and the speaker of the house of
13 representatives within the required time.

14 (d) All requirements of the constitution and laws of this
15 state and the rules and procedures of the legislature with respect
16 to the notice, introduction, and passage of this Act are fulfilled
17 and accomplished.

18 SECTION 4. (a) If this Act does not receive a two-thirds
19 vote of all the members elected to each house, Subchapter C, Chapter
20 8003A, Special District Local Laws Code, as added by Section 1 of
21 this Act, is amended by adding Section 8003A.0307 to read as
22 follows:

23 Sec. 8003A.0307. NO EMINENT DOMAIN POWER. The district may
24 not exercise the power of eminent domain.

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

1 SECTION 5. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2025.

3036



AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, the Newspaper Representative at the HOUSTON CHRONICLE, a daily newspaper published in Harris County, Texas, and generally circulated in the Counties of: HARRIS, TRINITY, WALKER, GRIMES, POLK, SAN JACINTO, WASHINGTON, MONTGOMERY, LIBERTY, AUSTIN, WALLER, CHAMBERS, COLORADO, BRAZORIA, FORT BEND, GALVESTON, WHARTON, JACKSON, and MATAGORDA and that the publication, of which the annexed herein, or attached to, is a true and correct copy, was published to-wit:

258 MONTGOMERY COUNTY MUD0034364919

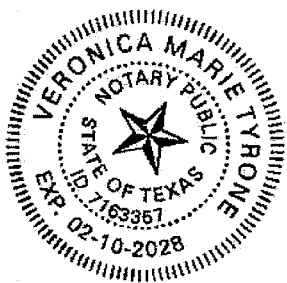
RAN A LEGAL NOTICE

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HCN Conroe Courier	Jan 6 2025	Legal Notices	A 12

NEWSPAPER REPRESENTATIVE

Sworn and subscribed to before me, this 6th Day of January A.D. 2025



Notary Public in and for the State of Texas

3036

**NOTICE OF INTENTION TO INTRODUCE A BILL
IN THE LEGISLATURE OF TEXAS**

Notice is hereby given of the intention to introduce in the Regular Session of the 89th Legislature of Texas a bill creating and establishing a special district consisting of approximately 416.63 acres and located within the Samuel Lindley Survey, Abstract No. 23, and the William Hulton Survey, Abstract No. 262, and wholly within Montgomery County, Texas, to be known as Montgomery County Municipal Utility District No. 258, under the provisions of Article 16, Section 59 of the Constitution of Texas and pursuant to the inherent power of the Legislature to create special governmental agencies and districts, with powers including those given to municipal utility districts operating pursuant to Chapters 49 and 54, Texas Water Code, and including road powers under Article III, Section 52 of the Constitution of Texas. The bill will provide for the district's administration, powers, name, duties, operation, and financing. If you would like a full copy of the legal description of the property to be included in the district, please call Sabrina Johnston at (713) 623-4531. Publication costs paid by William McComb Dunwoody, Jr.