

1-1 By: Metcalf (Senate Sponsor - Creighton) H.B. No. 5652  
1-2 (In the Senate - Received from the House May 8, 2025;  
1-3 May 9, 2025, read first time and referred to Committee on Local  
1-4 Government; May 16, 2025, reported favorably by the following  
1-5 vote: Yeas 6, Nays 0, one present not voting; May 16, 2025, sent to  
1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Bettencourt	X			
1-9 Middleton				X
1-10 Cook	X			
1-11 Gutierrez	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 West	X			

1-16 A BILL TO BE ENTITLED  
1-17 AN ACT

1-18 relating to the creation of the Montgomery County Municipal Utility  
1-19 District No. 258; granting a limited power of eminent domain;  
1-20 providing authority to issue bonds; providing authority to impose  
1-21 assessments, fees, and taxes.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
1-24 Code, is amended by adding Chapter 8003A to read as follows:

1-25 CHAPTER 8003A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT  
1-26 NO. 258

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 8003A.0101. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.

1-30 (2) "Commission" means the Texas Commission on  
1-31 Environmental Quality.

1-32 (3) "Director" means a board member.

1-33 (4) "District" means the Montgomery County Municipal  
1-34 Utility District No. 258.

1-35 Sec. 8003A.0102. NATURE OF DISTRICT. The district is a  
1-36 municipal utility district created under Section 59, Article XVI,  
1-37 Texas Constitution.

1-38 Sec. 8003A.0103. CONFIRMATION AND DIRECTOR ELECTION  
1-39 REQUIRED. The temporary directors shall hold an election to  
1-40 confirm the creation of the district and to elect five permanent  
1-41 directors as provided by Section 49.102, Water Code.

1-42 Sec. 8003A.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
1-43 temporary directors may not hold an election under Section  
1-44 8003A.0103 until each municipality in whose corporate limits or  
1-45 extraterritorial jurisdiction the district is located has  
1-46 consented by ordinance or resolution to the creation of the  
1-47 district and to the inclusion of land in the district as required by  
1-48 applicable law.

1-49 Sec. 8003A.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-50 (a) The district is created to serve a public purpose and benefit.

1-51 (b) The district is created to accomplish the purposes of:

1-52 (1) a municipal utility district as provided by  
1-53 general law and Section 59, Article XVI, Texas Constitution; and

1-54 (2) Section 52, Article III, Texas Constitution, that  
1-55 relate to the construction, acquisition, improvement, operation,  
1-56 or maintenance of macadamized, graveled, or paved roads, or  
1-57 improvements, including storm drainage, in aid of those roads.

1-58 Sec. 8003A.0106. INITIAL DISTRICT TERRITORY. (a) The  
1-59 district is initially composed of the territory described by  
1-60 Section 2 of the Act enacting this chapter.

1-61 (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. 8003A.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

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

Sec. 8003A.0202. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, 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 8003A.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 8003A.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 8003A.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. 8003A.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8003A.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. 8003A.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. 8003A.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. 8003A.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.

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

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8003A.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 8003A.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. 8003A.0402. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8003A.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. 8003A.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. 8003A.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. 8003A.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. 8003A.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. 258 initially includes all the territory contained in the following area:

#### PART 1:

BEING 415.36 acres of land in the Samuel Lindley Survey, Abstract Number 23, and the William Hulon Survey, Abstract Number 262 in Montgomery County, Texas, being a portion of the called 811.345 acre tract described under "Schedule 1", a portion of the

called 71.884 acre tract described under "Schedule 2", and all of the called 11.071 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 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 tract, in the easterly right of way line of State Highway 75 (120' R.O.W.);

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

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

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

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

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

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

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

North 62° 10' 15" East - 757.18 feet to a 5/8-inch iron rod with cap stamped "IDS" set for an angle corner of the herein described tract;

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

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

THENCE North 17° 10' 32" West, at 370.87 feet pass a 1/2-inch iron rod found for the most easterly northeast corner of said called 34.290-acre tract and the southeast corner of a called 2.913 acre tract described in the deed from Jane Zimmer to Amber Renee Fischer, Et al. recorded under Document Number 2017027478 of the official

Public Records of Montgomery County, Texas, a total distance of 715.73 feet to bent axle found for the northeast corner of said called 2.913 acre tract and the most northerly northwest corner of the herein described tract, in the southerly line of a called 162.577-acre tract described in the deed from Hanson Aggregates LLC to Lehigh Hanson Materials South LLC recorded under Document Number 2021173941 of the Official Public Records of Montgomery County, Texas;

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

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

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

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

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

THENCE South 74° 30' 45" East - 177.32 feet, with the southerly line of said 2.213-acre tract, 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 State Highway 75 (120' R.O.W.);

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

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

THENCE North 06° 57' 44" West - 119.24 feet, with the easterly right-of-way line of said Interstate Highway 45, to a concrete monument found for an angle corner of the herein described tract;

THENCE North 02° 22' 59" East - 364.20 feet, continuing with the easterly right-of-way line of said Interstate Highway 45, to the POINT OF BEGINNING of the herein described tract and containing 1.270 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 8003A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 8003A.0307 to read as follows:

Sec. 8003A.0307. 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, 2025.

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