

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° 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° 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° 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° 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° 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.