

1-1 By: Creighton S.B. No. 946
 1-2 (In the Senate - Filed March 4, 2015; March 9, 2015, read
 1-3 first time and referred to Committee on Intergovernmental
 1-4 Relations; April 30, 2015, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0; April 30, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Lucio	X			
1-8 Bettencourt	X			
1-9 Campbell	X			
1-10 Garcia	X			
1-11 Menéndez	X			
1-12 Nichols			X	
1-13 Taylor of Galveston	X			

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the creation of the Montgomery County Municipal Utility
 1-18 District No. 145; granting a limited power of eminent domain;
 1-19 providing authority to issue bonds; providing authority to impose
 1-20 assessments, fees, and taxes.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-22 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-23 Code, is amended by adding Chapter 8498 to read as follows:
 1-24 CHAPTER 8498. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 145

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8498.001. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "Commission" means the Texas Commission on
 1-29 Environmental Quality.

1-30 (3) "Director" means a board member.

1-31 (4) "District" means the Montgomery County Municipal
 1-32 Utility District No. 145.

1-33 Sec. 8498.002. NATURE OF DISTRICT. The district is a
 1-34 municipal utility district created under Section 59, Article XVI,
 1-35 Texas Constitution.

1-36 Sec. 8498.003. CONFIRMATION AND DIRECTORS' ELECTION
 1-37 REQUIRED. The temporary directors shall hold an election to
 1-38 confirm the creation of the district and to elect five permanent
 1-39 directors as provided by Section 49.102, Water Code.

1-40 Sec. 8498.004. CONSENT OF MUNICIPALITY REQUIRED. The
 1-41 temporary directors may not hold an election under Section 8498.003
 1-42 until each municipality in whose corporate limits or
 1-43 extraterritorial jurisdiction the district is located has
 1-44 consented by ordinance or resolution to the creation of the
 1-45 district and to the inclusion of land in the district.

1-46 Sec. 8498.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-47 (a) The district is created to serve a public purpose and benefit.

1-48 (b) The district is created to accomplish the purposes of:

1-49 (1) a municipal utility district as provided by
 1-50 general law and Section 59, Article XVI, Texas Constitution; and

1-51 (2) Section 52, Article III, Texas Constitution, that
 1-52 relate to the construction, acquisition, improvement, operation,
 1-53 or maintenance of macadamized, graveled, or paved roads, or
 1-54 improvements, including storm drainage, in aid of those roads.

1-55 Sec. 8498.006. INITIAL DISTRICT TERRITORY. (a) The
 1-56 district is initially composed of the territory described by
 1-57 Section 2 of the Act enacting this chapter.

1-58 (b) The boundaries and field notes contained in Section 2 of
 1-59 the Act enacting this chapter form a closure. A mistake made in the
 1-60 field notes or in copying the field notes in the legislative process
 1-61 does not affect the district's:

- 2-1 (1) organization, existence, or validity;
 2-2 (2) right to issue any type of bond for the purposes
 2-3 for which the district is created or to pay the principal of and
 2-4 interest on a bond;
 2-5 (3) right to impose a tax; or
 2-6 (4) legality or operation.

2-7 SUBCHAPTER B. BOARD OF DIRECTORS

2-8 Sec. 8498.051. GOVERNING BODY; TERMS. (a) The district is
 2-9 governed by a board of five elected directors.

2-10 (b) Except as provided by Section 8498.052, directors serve
 2-11 staggered four-year terms.

2-12 Sec. 8498.052. TEMPORARY DIRECTORS. (a) On or after
 2-13 September 1, 2015, the owner or owners of a majority of the assessed
 2-14 value of the real property in the district may submit a petition to
 2-15 the commission requesting that the commission appoint as temporary
 2-16 directors the five persons named in the petition. The commission
 2-17 shall appoint as temporary directors the five persons named in the
 2-18 petition.

2-19 (b) Temporary directors serve until the earlier of:

2-20 (1) the date permanent directors are elected under
 2-21 Section 8498.003; or

2-22 (2) September 1, 2019.

2-23 (c) If permanent directors have not been elected under
 2-24 Section 8498.003 and the terms of the temporary directors have
 2-25 expired, successor temporary directors shall be appointed or
 2-26 reappointed as provided by Subsection (d) to serve terms that
 2-27 expire on the earlier of:

2-28 (1) the date permanent directors are elected under
 2-29 Section 8498.003; or

2-30 (2) the fourth anniversary of the date of the
 2-31 appointment or reappointment.

2-32 (d) If Subsection (c) applies, the owner or owners of a
 2-33 majority of the assessed value of the real property in the district
 2-34 may submit a petition to the commission requesting that the
 2-35 commission appoint as successor temporary directors the five
 2-36 persons named in the petition. The commission shall appoint as
 2-37 successor temporary directors the five persons named in the
 2-38 petition.

2-39 SUBCHAPTER C. POWERS AND DUTIES

2-40 Sec. 8498.101. GENERAL POWERS AND DUTIES. The district has
 2-41 the powers and duties necessary to accomplish the purposes for
 2-42 which the district is created.

2-43 Sec. 8498.102. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-44 DUTIES. The district has the powers and duties provided by the
 2-45 general law of this state, including Chapters 49 and 54, Water Code,
 2-46 applicable to municipal utility districts created under Section 59,
 2-47 Article XVI, Texas Constitution.

2-48 Sec. 8498.103. AUTHORITY FOR ROAD PROJECTS. Under Section
 2-49 52, Article III, Texas Constitution, the district may design,
 2-50 acquire, construct, finance, issue bonds for, improve, operate,
 2-51 maintain, and convey to this state, a county, or a municipality for
 2-52 operation and maintenance macadamized, graveled, or paved roads, or
 2-53 improvements, including storm drainage, in aid of those roads.

2-54 Sec. 8498.104. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-55 road project must meet all applicable construction standards,
 2-56 zoning and subdivision requirements, and regulations of each
 2-57 municipality in whose corporate limits or extraterritorial
 2-58 jurisdiction the road project is located.

2-59 (b) If a road project is not located in the corporate limits
 2-60 or extraterritorial jurisdiction of a municipality, the road
 2-61 project must meet all applicable construction standards,
 2-62 subdivision requirements, and regulations of each county in which
 2-63 the road project is located.

2-64 (c) If the state will maintain and operate the road, the
 2-65 Texas Transportation Commission must approve the plans and
 2-66 specifications of the road project.

2-67 Sec. 8498.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
 2-68 OR RESOLUTION. The district shall comply with all applicable
 2-69 requirements of any ordinance or resolution that is adopted under

3-1 Section 54.016 or 54.0165, Water Code, and that consents to the
 3-2 creation of the district or to the inclusion of land in the
 3-3 district.

3-4 Sec. 8498.106. DIVISION OF DISTRICT. (a) The district may
 3-5 be divided into two or more new districts only if the district:

3-6 (1) has no outstanding bonded debt; and

3-7 (2) is not imposing ad valorem taxes.

3-8 (b) This chapter applies to any new district created by the
 3-9 division of the district, and a new district has all the powers and
 3-10 duties of the district.

3-11 (c) Any new district created by the division of the district
 3-12 may not, at the time the new district is created, contain any land
 3-13 outside the area described by Section 2 of the Act creating this
 3-14 chapter.

3-15 (d) The board, on its own motion or on receipt of a petition
 3-16 signed by the owner or owners of a majority of the assessed value of
 3-17 the real property in the district, may adopt an order dividing the
 3-18 district.

3-19 (e) The board may adopt an order dividing the district
 3-20 before or after the date the board holds an election under Section
 3-21 8498.003 to confirm the creation of the district and before or after
 3-22 an election under Section 8498.151 to authorize the issuance of
 3-23 bonds.

3-24 (f) An order dividing the district must:

3-25 (1) name each new district;

3-26 (2) include the metes and bounds description of the
 3-27 territory of each new district;

3-28 (3) appoint temporary directors for each new district;

3-29 and

3-30 (4) provide for the division of assets and liabilities
 3-31 between or among the new districts.

3-32 (g) On or before the 30th day after the date of adoption of
 3-33 an order dividing the district, the district shall file the order
 3-34 with the commission and record the order in the real property
 3-35 records of each county in which the district is located.

3-36 (h) Any new district created by the division of the district
 3-37 shall hold a confirmation and directors' election as required by
 3-38 Section 8498.003.

3-39 (i) Any new district created by the division of the district
 3-40 must hold an election as required by this chapter to obtain voter
 3-41 approval before the district may impose a maintenance tax or issue
 3-42 bonds payable wholly or partly from ad valorem taxes.

3-43 (j) If the creation of the new district is confirmed, the
 3-44 new district shall provide the election date and results to the
 3-45 commission.

3-46 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-47 Sec. 8498.151. ELECTIONS REGARDING TAXES OR BONDS.

3-48 (a) The district may issue, without an election, bonds and other
 3-49 obligations secured by:

3-50 (1) revenue other than ad valorem taxes; or

3-51 (2) contract payments described by Section 8498.153.

3-52 (b) The district must hold an election in the manner
 3-53 provided by Chapters 49 and 54, Water Code, to obtain voter approval
 3-54 before the district may impose an ad valorem tax or issue bonds
 3-55 payable from ad valorem taxes.

3-56 (c) The district may not issue bonds payable from ad valorem
 3-57 taxes to finance a road project unless the issuance is approved by a
 3-58 vote of a two-thirds majority of the district voters voting at an
 3-59 election held for that purpose.

3-60 Sec. 8498.152. OPERATION AND MAINTENANCE TAX. (a) If
 3-61 authorized at an election held under Section 8498.151, the district
 3-62 may impose an operation and maintenance tax on taxable property in
 3-63 the district in accordance with Section 49.107, Water Code.

3-64 (b) The board shall determine the tax rate. The rate may not
 3-65 exceed the rate approved at the election.

3-66 Sec. 8498.153. CONTRACT TAXES. (a) In accordance with
 3-67 Section 49.108, Water Code, the district may impose a tax other than
 3-68 an operation and maintenance tax and use the revenue derived from
 3-69 the tax to make payments under a contract after the provisions of

4-1 the contract have been approved by a majority of the district voters
 4-2 voting at an election held for that purpose.

4-3 (b) A contract approved by the district voters may contain a
 4-4 provision stating that the contract may be modified or amended by
 4-5 the board without further voter approval.

4-6 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-7 Sec. 8498.201. AUTHORITY TO ISSUE BONDS AND OTHER
 4-8 OBLIGATIONS. The district may issue bonds or other obligations
 4-9 payable wholly or partly from ad valorem taxes, impact fees,
 4-10 revenue, contract payments, grants, or other district money, or any
 4-11 combination of those sources, to pay for any authorized district
 4-12 purpose.

4-13 Sec. 8498.202. TAXES FOR BONDS. At the time the district
 4-14 issues bonds payable wholly or partly from ad valorem taxes, the
 4-15 board shall provide for the annual imposition of a continuing
 4-16 direct ad valorem tax, without limit as to rate or amount, while all
 4-17 or part of the bonds are outstanding as required and in the manner
 4-18 provided by Sections 54.601 and 54.602, Water Code.

4-19 Sec. 8498.203. BONDS FOR ROAD PROJECTS. At the time of
 4-20 issuance, the total principal amount of bonds or other obligations
 4-21 issued or incurred to finance road projects and payable from ad
 4-22 valorem taxes may not exceed one-fourth of the assessed value of the
 4-23 real property in the district.

4-24 SECTION 2. The Montgomery County Municipal Utility District
 4-25 No. 145 initially includes all the territory contained in the
 4-26 following area:

4-27 BEING 265.772 ACRES OF LAND IN THE THOMAS P. DAVY SURVEY, A-162 AND
 4-28 THE BENNETT BLAKE SURVEY, A-4 MONTGOMERY COUNTY, TEXAS, SAID
 4-29 265.772 ACRES BEING OUT OF THE WILLIS-WAUKEGAN, LTD. 583.12 ACRE
 4-30 TRACT OF LAND, DEED OF WHICH IS RECORDED UNDER COUNTY CLERKS' FILE
 4-31 NUMBER 2004-095061, MONTGOMERY COUNTY REAL PROPERTY RECORDS, SAID
 4-32 265.772 ACRES BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

4-33 BEGINNING at the West corner of the above mentioned 583.12
 4-34 acre tract of land and the South corner of the Duane T. Corley,
 4-35 Trustee 200.00 acre tract of land, deed of which is recorded under
 4-36 County Clerks' File Number 2004-094357, Montgomery County Real
 4-37 Property Records, for the West corner of the herein described tract
 4-38 of land;

4-39 THENCE N. 57° 34' 10" E., along the Northwest line of said
 4-40 583.12 acre tract of land and the Southeast line of the above
 4-41 mentioned 200.00 acre tract of land for a distance of 2,401.60 feet
 4-42 to the West corner of the Foroutan Amini and Michele Rodgers-Amini
 4-43 74.119 acre tract of land, deed of which is recorded under County
 4-44 Clerks' File Number 2009-010950, Montgomery County Real Property
 4-45 Records, for the North corner of the herein described tract of land;

4-46 THENCE S. 32° 25' 50" E., leaving said Northwest and Southeast
 4-47 line, along the Southwest line of the above mentioned 74.119 acre
 4-48 tract of land and across said 583.12 acre tract of land for a
 4-49 distance of 920.00 feet to the South corner of said 74.119 acre
 4-50 tract of land for an inside corner of the herein described tract of
 4-51 land;

4-52 THENCE N. 57° 34' 10" E., continuing across said 583.12 acre
 4-53 tract of land and along the Southeast line of said 74.119 acre tract
 4-54 of land for a distance of 3,490.97 feet to the West line of
 4-55 Willis-Waukegan Road at the East corner of said 74.119 acre tract of
 4-56 land for the North corner of the herein described tract of land;

4-57 THENCE S. 32° 26' 09" E., leaving the above mentioned
 4-58 Southeast line for a distance of 194.13 feet to a corner of the
 4-59 herein described tract of land;

4-60 THENCE along the East line of said 583.12 acre tract of land
 4-61 and the West line of the above mentioned Willis-Waukegan Road the
 4-62 following calls to a corner of the herein described tract of land;

4-63 1) S. 25° 13' 00" E., for a distance of 275.54 feet;
 4-64 2) S. 23° 20' 51" E., for a distance of 236.97 feet;
 4-65 3) S. 18° 07' 26" E., for a distance of 153.41 feet to the

4-66 North corner of the Raul Rodriguez 55.955 acre tract of land, deed
 4-67 of which is recorded under County Clerks' File Number 2009-008448,
 4-68 Montgomery County Real Property Records;

4-69 THENCE S. 66° 39' 09" W., leaving said East and West line,

5-1 across said 583.12 acre tract of land and along the North line of
 5-2 the above mentioned Rodriguez tract of land, for a distance of
 5-3 1,185.46 feet to the beginning of a curve to the left for a corner of
 5-4 the herein described tract of land;

5-5 THENCE in a Southwesterly direction, continuing across said
 5-6 583.12 acre tract of land and along said Rodriguez North line and
 5-7 said curve to the left having a radius of 270.00 feet, a central
 5-8 angle of $09^{\circ} 06' 30''$, for an arc length of 42.92 feet, chord bears S.
 5-9 $61^{\circ} 47' 43''$ W., 42.88 feet to the end of curve for a corner of the
 5-10 herein described tract of land;

5-11 THENCE S. $57^{\circ} 21' 09''$ W., continuing across said 583.12 acre
 5-12 tract of land and along said Rodriguez North line for a distance of
 5-13 1,457.60 feet to the West corner of said 55.955 acre tract of land
 5-14 for an inside corner of the herein described tract of land;

5-15 THENCE S. $32^{\circ} 26' 40''$ E., continuing across said 583.12 acre
 5-16 tract of land and along the Northwest line of said Rodriguez tract
 5-17 of land for a distance of 70.00 feet to the North corner of the Raul
 5-18 Rodriguez and Wife Bernardina Rodriguez, 73.07 acre of land, deed
 5-19 of which is recorded under County Clerks' File Number 2011-041469,
 5-20 Montgomery County Real Property Records, for a corner of the herein
 5-21 described tract of land;

5-22 THENCE S. $57^{\circ} 21' 07''$ W., continuing across said 583.12 acre
 5-23 tract of land and along the North line of the above mentioned 73.07
 5-24 acre tract of land for a distance of 1,061.01 feet to its' Northwest
 5-25 corner for an inside corner of the herein described tract of land;

5-26 THENCE S. $06^{\circ} 51' 06''$ W., continuing across said 583.12 acre
 5-27 tract of land and along the West line of said 73.07 acre tract of
 5-28 land for a distance of 1,521.50 feet to its' West corner for an
 5-29 inside corner of the herein described tract of land;

5-30 THENCE S. $59^{\circ} 33' 43''$ E., continuing across said 583.12 acre
 5-31 tract of land and along the Southwest line of said 73.07 acre tract
 5-32 of land for a distance of 1,541.82 feet to a corner of the herein
 5-33 described tract of land;

5-34 THENCE continuing across said 583.12 acre tract of land and
 5-35 along the South and West lines of said 73.07 acre tract of land the
 5-36 following calls to a corner of the herein described tract of land;

- 5-37 1) S. $81^{\circ} 41' 54''$ E., for a distance of 65.14 feet;
- 5-38 2) S. $13^{\circ} 37' 01''$ E., for a distance of 27.17 feet;
- 5-39 3) S. $18^{\circ} 13' 47''$ W, for a distance of 16.81 feet;
- 5-40 4) S. $33^{\circ} 00' 05''$ W, for a distance of 78.46 feet;
- 5-41 5) S. $18^{\circ} 02' 43''$ W, for a distance of 31.61 feet;
- 5-42 6) S. $03^{\circ} 01' 00''$ W, for a distance of 33.62 feet;
- 5-43 7) S. $55^{\circ} 16' 32''$ E., for a distance of 12.71 feet;
- 5-44 8) N. $83^{\circ} 10' 28''$ E., for a distance of 24.02 feet;
- 5-45 9) N. $69^{\circ} 31' 40''$ E., for a distance of 50.14 feet;
- 5-46 10) $73^{\circ} 39' 10''$ E., for a distance of 10.05 feet to the

5-47 Southeast corner of said 73.07 acre tract of land on the West line
 5-48 of the Richard Koch 104.129 acre tract of land, deed of which is
 5-49 recorded under County Clerks' File Number 2009-006656, Montgomery
 5-50 County Real Property Records, for a corner of the herein described
 5-51 tract of land;

5-52 THENCE S. $03^{\circ} 52' 35''$ W., continuing across said 583.12 acre
 5-53 tract of land and along the West line of the above mentioned 104.129
 5-54 acre tract of land for a distance of 759.90 feet to the Northwest
 5-55 line of the Maurice Hoffman 25.770 acre tract of land, deed of which
 5-56 is recorded under County Clerks' File Number 9325516, Montgomery
 5-57 County Real Property Records on the Southeast line of said 583.12
 5-58 acre tract of land for the Southeasterly corner of the herein
 5-59 described tract of land;

5-60 THENCE S. $57^{\circ} 37' 47''$ W., along the above mentioned Northwest
 5-61 and Southeast line for a distance of 1,333.78 feet to the South
 5-62 corner of said 583.12 acre tract of land for the Southwest corner of
 5-63 the herein described tract of land;

5-64 THENCE N. $32^{\circ} 26' 50''$ W., along the Southwest line of said
 5-65 583.12 acre tract of land for a distance of 5,019.25 feet to the
 5-66 POINT OF BEGINNING and containing in all 265.772 acres of land.

5-67 This description is based upon an exhibit as prepared by
 5-68 Jeffrey Moon and Associates, Inc., dated October 17, 2014. Bearings
 5-69 are based upon the West line of the 583.12 acre tract of land.

6-1 SECTION 3. (a) The legal notice of the intention to
6-2 introduce this Act, setting forth the general substance of this
6-3 Act, has been published as provided by law, and the notice and a
6-4 copy of this Act have been furnished to all persons, agencies,
6-5 officials, or entities to which they are required to be furnished
6-6 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-7 Government Code.

6-8 (b) The governor, one of the required recipients, has
6-9 submitted the notice and Act to the Texas Commission on
6-10 Environmental Quality.

6-11 (c) The Texas Commission on Environmental Quality has filed
6-12 its recommendations relating to this Act with the governor, the
6-13 lieutenant governor, and the speaker of the house of
6-14 representatives within the required time.

6-15 (d) All requirements of the constitution and laws of this
6-16 state and the rules and procedures of the legislature with respect
6-17 to the notice, introduction, and passage of this Act are fulfilled
6-18 and accomplished.

6-19 SECTION 4. (a) If this Act does not receive a two-thirds
6-20 vote of all the members elected to each house, Subchapter C, Chapter
6-21 8498, Special District Local Laws Code, as added by Section 1 of
6-22 this Act, is amended by adding Section 8498.107 to read as follows:

6-23 Sec. 8498.107. NO EMINENT DOMAIN POWER. The district may
6-24 not exercise the power of eminent domain.

6-25 (b) This section is not intended to be an expression of a
6-26 legislative interpretation of the requirements of Section 17(c),
6-27 Article I, Texas Constitution.

6-28 SECTION 5. This Act takes effect September 1, 2015.

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