

1-1 By: Bettencourt, Lucio S.B. No. 2056
 1-2 (In the Senate - Filed April 15, 2015; April 20, 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	X			
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13			X	
1-14	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. 148; 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 7921 to read as follows:

1-24 CHAPTER 7921. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 148

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 7921.001. 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. 148.

1-33 Sec. 7921.002. 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. 7921.003. 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. 7921.004. CONSENT OF MUNICIPALITY REQUIRED. The
 1-41 temporary directors may not hold an election under Section 7921.003
 1-42 until each municipality in whose corporate limits the district is
 1-43 located has consented by ordinance or resolution to the creation of
 1-44 the district and to the inclusion of land in the district.

1-45 Sec. 7921.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-46 (a) The district is created to serve a public purpose and benefit.

1-47 (b) The district is created to accomplish the purposes of:

1-48 (1) a municipal utility district as provided by
 1-49 general law and Section 59, Article XVI, Texas Constitution; and

1-50 (2) Section 52, Article III, Texas Constitution, that
 1-51 relate to the construction, acquisition, improvement, operation,
 1-52 or maintenance of macadamized, graveled, or paved roads, or
 1-53 improvements, including storm drainage, in aid of those roads.

1-54 Sec. 7921.006. INITIAL DISTRICT TERRITORY. (a) The
 1-55 district is initially composed of the territory described by
 1-56 Section 2 of the Act enacting this chapter.

1-57 (b) The boundaries and field notes contained in Section 2 of
 1-58 the Act enacting this chapter form a closure. A mistake made in the
 1-59 field notes or in copying the field notes in the legislative process
 1-60 does not affect the district's:

1-61 (1) organization, existence, or validity;

2-1 (2) right to issue any type of bond for the purposes
2-2 for which the district is created or to pay the principal of and
2-3 interest on a bond;

2-4 (3) right to impose a tax; or

2-5 (4) legality or operation.

2-6 SUBCHAPTER B. BOARD OF DIRECTORS

2-7 Sec. 7921.051. GOVERNING BODY; TERMS. (a) The district is
2-8 governed by a board of five elected directors.

2-9 (b) Except as provided by Section 7921.052, directors serve
2-10 staggered four-year terms.

2-11 Sec. 7921.052. TEMPORARY DIRECTORS. (a) The temporary
2-12 board consists of:

2-13 (1) Timothy P. Williamson;

2-14 (2) Keith Schoonover;

2-15 (3) Jim C. Platt;

2-16 (4) Christopher DiPaolo; and

2-17 (5) Joe Mattingly.

2-18 (b) Temporary directors serve until the earlier of:

2-19 (1) the date permanent directors are elected under
2-20 Section 7921.003; or

2-21 (2) the fourth anniversary of the effective date of
2-22 the Act enacting this chapter.

2-23 (c) If permanent directors have not been elected under
2-24 Section 7921.003 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 7921.003; 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. 7921.101. 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. 7921.102. 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. 7921.103. 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. 7921.104. 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. 7921.105. 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 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-5 Sec. 7921.151. ELECTIONS REGARDING TAXES OR BONDS.

3-6 (a) The district may issue, without an election, bonds and other
3-7 obligations secured by:

3-8 (1) revenue other than ad valorem taxes; or

3-9 (2) contract payments described by Section 7921.153.

3-10 (b) The district must hold an election in the manner
3-11 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-12 before the district may impose an ad valorem tax or issue bonds
3-13 payable from ad valorem taxes.

3-14 (c) The district may not issue bonds payable from ad valorem
3-15 taxes to finance a road project unless the issuance is approved by a
3-16 vote of a two-thirds majority of the district voters voting at an
3-17 election held for that purpose.

3-18 Sec. 7921.152. OPERATION AND MAINTENANCE TAX. (a) If
3-19 authorized at an election held under Section 7921.151, the district
3-20 may impose an operation and maintenance tax on taxable property in
3-21 the district in accordance with Section 49.107, Water Code.

3-22 (b) The board shall determine the tax rate. The rate may not
3-23 exceed the rate approved at the election.

3-24 Sec. 7921.153. CONTRACT TAXES. (a) In accordance with
3-25 Section 49.108, Water Code, the district may impose a tax other than
3-26 an operation and maintenance tax and use the revenue derived from
3-27 the tax to make payments under a contract after the provisions of
3-28 the contract have been approved by a majority of the district voters
3-29 voting at an election held for that purpose.

3-30 (b) A contract approved by the district voters may contain a
3-31 provision stating that the contract may be modified or amended by
3-32 the board without further voter approval.

3-33 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-34 Sec. 7921.201. AUTHORITY TO ISSUE BONDS AND OTHER
3-35 OBLIGATIONS. The district may issue bonds or other obligations
3-36 payable wholly or partly from ad valorem taxes, impact fees,
3-37 revenue, contract payments, grants, or other district money, or any
3-38 combination of those sources, to pay for any authorized district
3-39 purpose.

3-40 Sec. 7921.202. TAXES FOR BONDS. At the time the district
3-41 issues bonds payable wholly or partly from ad valorem taxes, the
3-42 board shall provide for the annual imposition of a continuing
3-43 direct ad valorem tax, without limit as to rate or amount, while all
3-44 or part of the bonds are outstanding as required and in the manner
3-45 provided by Sections 54.601 and 54.602, Water Code.

3-46 Sec. 7921.203. BONDS FOR ROAD PROJECTS. At the time of
3-47 issuance, the total principal amount of bonds or other obligations
3-48 issued or incurred to finance road projects and payable from ad
3-49 valorem taxes may not exceed one-fourth of the assessed value of the
3-50 real property in the district.

3-51 SECTION 2. The Montgomery County Municipal Utility District
3-52 No. 148 initially includes all the territory contained in the
3-53 following area:

3-54 All that certain 82.91 acres of land, in the A. M. Folks Survey,
3-55 A-215, and the John Dorsey, A-174, Montgomery County, Texas, being
3-56 a portion of the 93.0689 acre residue tract of the 164.9807 acre
3-57 Partition tract described in the deed to Jonathan Thornberry
3-58 recorded under Montgomery County Clerk's File Number 9361507 of the
3-59 Official Public Records of Real Property of Montgomery County,
3-60 Texas, being more particularly described by metes and bounds as
3-61 follows with bearings based on the Texas Coordinate System of 1983,
3-62 Central Zone:

3-63 BEGINNING at a 5/8 inch iron rod found for the northeast corner of
3-64 said 93.0689 acre tract, common to the northwest corner of the
3-65 56.904 acre tract described in deed to Long Street, L.L.C. from
3-66 Henry T. Brooks recorded under Montgomery County Clerk's File
3-67 Number 2012095116, of the Official Public Records of Real Property
3-68 of Montgomery County, Texas, in the south line of the 538.209 acre
3-69 tract described in the deed to Land Barons XX-Conroe recorded in

4-1 Volume 808, Page 578 of the Montgomery County Deed Records;
4-2 THENCE South 17° 45' 51" East - 1520.62 feet, with an east line of
4-3 said 93.0689 acre tract, common to the east line of said 56.904 acre
4-4 tract and the west line of the 15.000 acre tract described in the
4-5 deed from Henry T. Brooks and Billie F. Brooks to Proformance, Inc.
4-6 recorded under Montgomery County Clerk's File Number 2002133498, of
4-7 the Official Public Records of Real Property of Montgomery County,
4-8 Texas, to the most easterly southeast corner of the herein
4-9 described tract, common to the northeast corner of the 10.00 acre
4-10 tract described in the deed from Jerel J. Hill to Living Word
4-11 Assembly of God of Conroe, Inc. recorded under Montgomery County
4-12 Clerk's File Number 9514320, of the Official Public Records of Real
4-13 Property of Montgomery County, Texas, from which a found 1/2 inch
4-14 iron rod bears North 46° 15' 19" East - 0.84 feet;
4-15 THENCE South 72° 14' 30" West - 399.89 feet, with the north line of
4-16 said 10.00 acre tract to a 5/8 inch iron rod found for an angle
4-17 corner of the herein described tract, common to the northwest
4-18 corner of said 10.00 acre tract, from which a found 1/2 inch iron
4-19 rod bears North 87° 12' 00" East - 1.51 feet;
4-20 THENCE South 17° 45' 30" East - 1090.57 feet, with the west line of
4-21 said 10.00 acre tract to the most southerly southeast corner of the
4-22 herein described tract, common to the southwest corner of said
4-23 10.00 acre tract, in the north right-of-way line of Loop 336 (150'
4-24 R.O.W.), from which a found 1/2 inch iron rod bears
4-25 North 79° 11' 13" East - 1.63 feet;
4-26 THENCE South 71° 45' 56" West - 380.09 feet, with the north
4-27 right-of-way line of said Loop 336, to a 5/8 inch iron rod found for
4-28 the Point of Curvature of a curve to the left;
4-29 THENCE in a southwesterly direction, continuing with said north
4-30 right-of-way line, along said curve to the left, having a central
4-31 angle of 12° 56' 20", a chord bearing and distance of South 65° 17'
4-32 46" West - 663.62 feet, a radius of 2944.90 feet, an arc distance of
4-33 665.04 feet to a 5/8 inch iron rod found for the most southerly
4-34 southwest corner of the herein described tract, common to the
4-35 southwest corner of said 93.0689 acre tract and the southeast
4-36 corner of the 29.197 acre tract described as Tract V in the deed
4-37 from Conroe Parks Foundation, Inc. to Al Stewart, Trustee recorded
4-38 under Montgomery County Clerk's File Number 2005-061027, of the
4-39 Official Public Records of Real Property of Montgomery County,
4-40 Texas;
4-41 THENCE North 17° 43' 38" West - 984.39 feet, with a west line of
4-42 said 93.0689 acre tract, common to the east line of said 29.197 acre
4-43 tract, to an angle corner of the herein described tract, common to
4-44 an angle corner of said 93.0689 acre tract and the northeast corner
4-45 of said 29.197 acre tract;
4-46 THENCE South 71° 36' 50" West - 361.03 feet, with a south line of
4-47 said 93.0689 acre tract, common to the north line of said 29.197
4-48 acre tract, to an angle corner of the herein described tract, in the
4-49 centerline of Little Caney Creek;
4-50 THENCE with the centerline meanders of Little Caney Creek the
4-51 following (29) twenty-nine courses and distances:
4-52 North 03° 03' 51" West - 52.47 feet to an angle corner of the
4-53 herein described tract;
4-54 North 66° 24' 47" West - 41.80 feet to an angle corner of the
4-55 herein described tract;
4-56 North 12° 29' 51" West - 17.49 feet to an angle corner of the
4-57 herein described tract;
4-58 North 41° 05' 34" East - 45.82 feet to an angle corner of the
4-59 herein described tract;
4-60 North 07° 13' 07" East - 12.93 feet to an angle corner of the
4-61 herein described tract;
4-62 North 46° 08' 56" West - 59.04 feet to an angle corner of the
4-63 herein described tract;
4-64 North 02° 24' 21" West - 70.14 feet to an angle corner of the
4-65 herein described tract;
4-66 North 26° 18' 57" East - 34.57 feet to an angle corner of the
4-67 herein described tract;
4-68 North 07° 09' 40" West - 28.66 feet to an angle corner of the
4-69 herein described tract;

5-1 North 24° 28' 33" West - 49.25 feet to an angle corner of the
 5-2 herein described tract;
 5-3 North 16° 19' 11" East - 45.42 feet to an angle corner of the
 5-4 herein described tract;
 5-5 North 05° 22' 51" East - 48.13 feet to an angle corner of the
 5-6 herein described tract;
 5-7 North 31° 51' 20" West - 44.89 feet to an angle corner of the
 5-8 herein described tract;
 5-9 North 64° 34' 21" West - 25.73 feet to an angle corner of the
 5-10 herein described tract;
 5-11 North 05° 34' 25" West - 56.32 feet to an angle corner of the
 5-12 herein described tract;
 5-13 North 11° 31' 43" West - 39.97 feet to an angle corner of the
 5-14 herein described tract;
 5-15 North 19° 20' 05" East - 55.07 feet to an angle corner of the
 5-16 herein described tract;
 5-17 North 12° 22' 13" West - 37.23 feet to an angle corner of the
 5-18 herein described tract;
 5-19 North 12° 33' 04" East - 67.16 feet to an angle corner of the
 5-20 herein described tract;
 5-21 North 00° 06' 31" West - 64.48 feet to an angle corner of the
 5-22 herein described tract;
 5-23 North 24° 26' 14" West - 13.94 feet to an angle corner of the
 5-24 herein described tract;
 5-25 North 04° 37' 44" East - 79.92 feet to an angle corner of the
 5-26 herein described tract;
 5-27 North 35° 04' 05" East - 49.14 feet to an angle corner of the
 5-28 herein described tract;
 5-29 North 05° 22' 59" West - 59.03 feet to an angle corner of the
 5-30 herein described tract;
 5-31 North 29° 08' 10" West - 87.95 feet to an angle corner of the
 5-32 herein described tract;
 5-33 North 39° 59' 31" East - 57.02 feet to an angle corner of the
 5-34 herein described tract;
 5-35 North 20° 59' 46" East - 59.93 feet to an angle corner of the
 5-36 herein described tract;
 5-37 North 21° 59' 30" East - 72.85 feet to an angle corner of the
 5-38 herein described tract;
 5-39 North 00° 15' 24" West - 9.12 feet to an angle corner of the herein
 5-40 described tract, in the west line of said 93.0689 acre tract, common
 5-41 to the east line of SOUTHERN OAKS, SEC. 2, recorded under Cab. A,
 5-42 Sheet 30A, in the Map Records of Montgomery County, Texas;
 5-43 THENCE North 17° 43' 38" West - 502.80 feet, with the west line of
 5-44 said 93.0689 acre tract, the east line of said SOUTHERN OAKS, SEC. 2
 5-45 and the west line of CONROE MEMORIAL CEMETARY, recorded under Cab.
 5-46 T, Sheets 89-94, in the Map Records of Montgomery County, Texas, to
 5-47 a 5/8 inch iron rod found for the northwest corner of the herein
 5-48 described tract, common to the northwest corner of said 93.0689
 5-49 acre tract, from which a found 1/2 inch iron rod bears
 5-50 South 44° 25' 04" West - 1.42 feet;
 5-51 THENCE North 71° 33' 14" East - 1437.22 feet, with the north line of
 5-52 said 93.0689 acre tract, common to the south line of said 538.209
 5-53 acre tract to the POINT OF BEGINNING and containing 82.91 acres of
 5-54 land.

5-55 SECTION 3. (a) The legal notice of the intention to
 5-56 introduce this Act, setting forth the general substance of this
 5-57 Act, has been published as provided by law, and the notice and a
 5-58 copy of this Act have been furnished to all persons, agencies,
 5-59 officials, or entities to which they are required to be furnished
 5-60 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 5-61 Government Code.

5-62 (b) The governor, one of the required recipients, has
 5-63 submitted the notice and Act to the Texas Commission on
 5-64 Environmental Quality.

5-65 (c) The Texas Commission on Environmental Quality has filed
 5-66 its recommendations relating to this Act with the governor, the
 5-67 lieutenant governor, and the speaker of the house of
 5-68 representatives within the required time.

5-69 (d) All requirements of the constitution and laws of this

6-1 state and the rules and procedures of the legislature with respect
6-2 to the notice, introduction, and passage of this Act are fulfilled
6-3 and accomplished.

6-4 SECTION 4. (a) If this Act does not receive a two-thirds
6-5 vote of all the members elected to each house, Subchapter C, Chapter
6-6 7921, Special District Local Laws Code, as added by Section 1 of
6-7 this Act, is amended by adding Section 7921.106 to read as follows:

6-8 Sec. 7921.106. NO EMINENT DOMAIN POWER. The district may
6-9 not exercise the power of eminent domain.

6-10 (b) This section is not intended to be an expression of a
6-11 legislative interpretation of the requirements of Section 17(c),
6-12 Article I, Texas Constitution.

6-13 SECTION 5. This Act takes effect immediately if it receives
6-14 a vote of two-thirds of all the members elected to each house, as
6-15 provided by Section 39, Article III, Texas Constitution. If this
6-16 Act does not receive the vote necessary for immediate effect, this
6-17 Act takes effect September 1, 2015.

6-18

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