

1-1 By: Nichols S.B. No. 2500
 1-2 (In the Senate - Filed March 29, 2019; April 1, 2019, read
 1-3 first time and referred to Committee on Intergovernmental
 1-4 Relations; April 23, 2019, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0; April 23, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Lucio	X			
1-8 Schwertner	X			
1-9 Alvarado	X			
1-10 Campbell	X			
1-11 Fallon	X			
1-12 Menéndez			X	
1-13 Nichols	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. 180; 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 8083 to read as follows:

1-24 CHAPTER 8083. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 180
 1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 8083.0101. 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. 180.

1-33 Sec. 8083.0102. 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. 8083.0103. CONFIRMATION AND DIRECTOR 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. 8083.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-41 temporary directors may not hold an election under Section
 1-42 8083.0103 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. 8083.0105. 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. 8083.0106. 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.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8083.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8083.0202, directors serve staggered four-year terms.

Sec. 8083.0202. 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 8083.0103; 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 8083.0103 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 8083.0103; 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. 8083.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 8083.0302. 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. 8083.0303. 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. 8083.0304. 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. 8083.0305. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all

3-1 applicable requirements of any ordinance or resolution that is
3-2 adopted under Section 54.016 or 54.0165, Water Code, and that
3-3 consents to the creation of the district or to the inclusion of land
3-4 in the district.

3-5 Sec. 8083.0306. DIVISION OF DISTRICT. (a) The district
3-6 may be divided into two or more new districts only if the district:

- 3-7 (1) has never issued any bonds; and
- 3-8 (2) is not imposing ad valorem taxes.

3-9 (b) This chapter applies to any new district created by the
3-10 division of the district, and a new district has all the powers and
3-11 duties of the district.

3-12 (c) A new district created by the division of the district
3-13 may not, at the time the new district is created, contain any land
3-14 outside the area described by Section 2 of the Act enacting this
3-15 chapter.

3-16 (d) The board, on its own motion or on receipt of a petition
3-17 signed by the owner or owners of a majority of the assessed value of
3-18 the real property in the district, may adopt an order dividing the
3-19 district.

3-20 (e) The board may adopt an order dividing the district
3-21 before or after the date the board holds an election under Section
3-22 8083.0103 to confirm the district's creation.

3-23 (f) An order dividing the district shall:

- 3-24 (1) name each new district;
- 3-25 (2) include the metes and bounds description of the
3-26 territory of each new district;
- 3-27 (3) appoint temporary directors for each new district;

3-28 and
3-29 (4) provide for the division of assets and liabilities
3-30 between the new districts.

3-31 (g) On or before the 30th day after the date of adoption of
3-32 an order dividing the district, the district shall file the order
3-33 with the commission and record the order in the real property
3-34 records of each county in which the district is located.

3-35 (h) A new district created by the division of the district
3-36 shall hold a confirmation and directors' election as required by
3-37 Section 8083.0103.

3-38 (i) If the creation of the new district is confirmed, the
3-39 new district shall provide the election date and results to the
3-40 commission.

3-41 (j) Any new district created by the division of the district
3-42 must hold an election as required by this chapter to obtain voter
3-43 approval before the district may impose a maintenance tax or issue
3-44 bonds payable wholly or partly from ad valorem taxes.

3-45 (k) Municipal consent to the creation of the district and to
3-46 the inclusion of land in the district granted under Section
3-47 8083.0104 acts as municipal consent to the creation of any new
3-48 district created by the division of the district and to the
3-49 inclusion of land in the new district.

3-50 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-51 Sec. 8083.0401. ELECTIONS REGARDING TAXES OR BONDS.

3-52 (a) The district may issue, without an election, bonds and other
3-53 obligations secured by:

- 3-54 (1) revenue other than ad valorem taxes; or
- 3-55 (2) contract payments described by Section 8083.0403.

3-56 (b) The district must hold an election in the manner
3-57 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-58 before the district may impose an ad valorem tax or issue bonds
3-59 payable from ad valorem taxes.

3-60 (c) The district may not issue bonds payable from ad valorem
3-61 taxes to finance a road project unless the issuance is approved by a
3-62 vote of a two-thirds majority of the district voters voting at an
3-63 election held for that purpose.

3-64 Sec. 8083.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-65 authorized at an election held under Section 8083.0401, the
3-66 district may impose an operation and maintenance tax on taxable
3-67 property in the district in accordance with Section 49.107, Water
3-68 Code.

3-69 (b) The board shall determine the tax rate. The rate may not

4-1 exceed the rate approved at the election.
 4-2 Sec. 8083.0403. CONTRACT TAXES. (a) In accordance with
 4-3 Section 49.108, Water Code, the district may impose a tax other than
 4-4 an operation and maintenance tax and use the revenue derived from
 4-5 the tax to make payments under a contract after the provisions of
 4-6 the contract have been approved by a majority of the district voters
 4-7 voting at an election held for that purpose.

4-8 (b) A contract approved by the district voters may contain a
 4-9 provision stating that the contract may be modified or amended by
 4-10 the board without further voter approval.

4-11 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

4-12 Sec. 8083.0501. AUTHORITY TO ISSUE BONDS AND OTHER
 4-13 OBLIGATIONS. The district may issue bonds or other obligations
 4-14 payable wholly or partly from ad valorem taxes, impact fees,
 4-15 revenue, contract payments, grants, or other district money, or any
 4-16 combination of those sources, to pay for any authorized district
 4-17 purpose.

4-18 Sec. 8083.0502. TAXES FOR BONDS. At the time the district
 4-19 issues bonds payable wholly or partly from ad valorem taxes, the
 4-20 board shall provide for the annual imposition of a continuing
 4-21 direct ad valorem tax, without limit as to rate or amount, while all
 4-22 or part of the bonds are outstanding as required and in the manner
 4-23 provided by Sections 54.601 and 54.602, Water Code.

4-24 Sec. 8083.0503. BONDS FOR ROAD PROJECTS. At the time of
 4-25 issuance, the total principal amount of bonds or other obligations
 4-26 issued or incurred to finance road projects and payable from ad
 4-27 valorem taxes may not exceed one-fourth of the assessed value of the
 4-28 real property in the district.

4-29 SECTION 2. The Montgomery County Municipal Utility District
 4-30 No. 180 initially includes all the territory contained in the
 4-31 following area:

4-32 TRACT 1:

4-33 Being 303.862 acres of land situated in the Lorenzo Jones
 4-34 Survey, A-294, and the Joseph B. Artoff Survey, A-56, Montgomery
 4-35 County, Texas, and being out of a residual of a certain 1731.823
 4-36 acres of land as described in deed recorded under County Clerk's
 4-37 File No. 2007-032747 of the Real Property Records of Montgomery
 4-38 County, Texas, said 303.862 acres of land being more particularly
 4-39 described by metes and bounds as follows:

4-40 BEGINNING at a 5/8 inch iron rod with survey cap (Moyer) found
 4-41 in the east line of F.M. 1486, a 100 foot right-of-way, for the
 4-42 northwest corner of a certain 73.082 acres of land as described in
 4-43 deed recorded under County Clerk's File No. 2008-033746 of the Real
 4-44 Property Records of Montgomery County, Texas, same being the
 4-45 southwest corner and POINT OF BEGINNING of the herein described
 4-46 tract;

4-47 THENCE North 02 degrees 35 minutes 18 seconds West, along the
 4-48 east line of said F.M. 1486 and the west boundary line of the herein
 4-49 described tract, a distance of 1424.40 feet to a 5/8 inch iron rod
 4-50 with survey cap (Moyer) set for the northwest corner of the herein
 4-51 described tract;

4-52 THENCE North 87 degrees 31 minutes 51 seconds East, severing
 4-53 the said residual of 1731.823 acres of land along the north boundary
 4-54 line of the herein described tract, a distance of 9,294.00 feet to a
 4-55 5/8 inch iron rod with survey cap (Moyer) set for the northeast
 4-56 corner of the herein described tract;

4-57 THENCE South 02 degrees 28 minutes 09 seconds East, severing
 4-58 the said 1731.823 acres of land along the east boundary line of the
 4-59 herein described tract, a distance of 1424.40 feet to a 5/8 inch
 4-60 iron rod with survey cap (Moyer) set for the southeast corner of the
 4-61 herein described tract;

4-62 THENCE South 87 degrees 31 minutes 51 seconds West, severing
 4-63 the said 1731.823 acres of land along the south boundary line of the
 4-64 herein described tract, passing at 787.06 feet, a 5/8 inch iron rod
 4-65 with survey cap (Moyer) found for reference and the northeast
 4-66 corner of a certain 300.000 acres of land as described in deed
 4-67 recorded under County Clerk's File No. 2007-058588 of the Real
 4-68 Property Records of Montgomery County, Texas, passing at 6,862.31
 4-69 feet a 5/8 inch iron rod with survey cap (Moyer) found for reference

5-1 and the northwest corner of the said 300.000 acres of land common to
 5-2 the northeast corner of the said 73.082 acres of land continuing in
 5-3 all a distance of 9291.04 feet to the POINT OF BEGINNING and
 5-4 containing 303.862 acres of land.

5-5 TRACT 2:

5-6 Being 362.014 acres of land situated in the Joseph M.
 5-7 Robinson Survey, A-450; the Lorenzo Jones Survey, A-294; and the
 5-8 Joseph B. Artoff Survey, A-56, Montgomery County, Texas, and being
 5-9 out of a residual of a certain 1731.823 acres of land as described
 5-10 in deed recorded under County Clerk's File No. 2007-032747 of the
 5-11 Real Property Records of Montgomery County, Texas, said 362.014
 5-12 acres of land being more particularly described by metes and bounds
 5-13 as follows:

5-14 BEGINNING at a 5/8 inch iron rod with survey cap (Moyer) set
 5-15 in the east line of F.M. 1486 for the southwest corner of a certain
 5-16 640.75 acres of land as described in deed recorded under County
 5-17 Clerk's File No. 9726626 of the Real Property Records of Montgomery
 5-18 County, Texas, and the northwest corner of the herein described
 5-19 tract from which a masonry nail found for reference and the
 5-20 northwest corner of the said 1731.823 acres of land bears South 87
 5-21 degrees 31 minutes 52 seconds West, a distance of 50.00 feet;

5-22 THENCE North 87 degrees 31 minutes 52 seconds East, along the
 5-23 south boundary line of the said 640.75 acres of land common to the
 5-24 north boundary line of the herein described tract, a distance of
 5-25 10,062.09 feet to a 5/8 inch iron rod with survey cap (Moyer) set
 5-26 for the northwest corner of a certain 19.000 acres of land as
 5-27 described in deed recorded under County Clerk's File
 5-28 No. 2009-107508 of the Real Property Records of Montgomery County,
 5-29 Texas, and the northeast corner of the herein described tract;

5-30 THENCE South 04 degrees 28 minutes 21 seconds East, along the
 5-31 west boundary line of the said 19.000 acres of land and continuing
 5-32 along the west boundary line of a 33.000 acre residual out of 52.000
 5-33 acres of land as described in deed recorded under County Clerk's
 5-34 File No. 2008-106440 of the Real Property Records of Montgomery
 5-35 County, Texas, same being the east boundary line of the herein
 5-36 described tract, a distance of 1857.28 feet to a 5/8 inch iron rod
 5-37 with survey cap (Moyer) set for the southwest corner of the said
 5-38 52.000 acres of land and an easterly interior corner of the herein
 5-39 described tract;

5-40 THENCE South 74 degrees 44 minutes 59 seconds East, along the
 5-41 southwest boundary line of the said 52.000 acres of land and a
 5-42 southeasterly boundary line of the herein described tract, a
 5-43 distance of 541.99 feet to a 5/8 inch iron rod with survey cap
 5-44 (Moyer) set for an interior southerly corner of the said 52.000
 5-45 acres of land and a southeasterly corner of the herein described
 5-46 tract;

5-47 THENCE South 04 degrees 28 minutes 21 seconds East, along a
 5-48 southerly boundary line of the said 52.000 acres of land and the
 5-49 most easterly southeast boundary line of the herein described
 5-50 tract, passing at 372.00 feet, a 5/8 inch iron rod with survey cap
 5-51 (Moyer) set for reference, continuing in all, a distance of 437.87
 5-52 feet to a 5/8 inch iron rod with survey cap (Moyer) set in a curve in
 5-53 the northeast boundary line of a certain 98.000 acres of land as
 5-54 described in deed recorded under County Clerk's File
 5-55 No. 2009-031792 of the Real Property Records of Montgomery County,
 5-56 Texas, for a southwesterly corner of the said 52.000 acres of land
 5-57 and the southeast corner of the herein described tract;

5-58 THENCE in a northwesterly direction along the northeast
 5-59 boundary line of the said 98.000 acres of land and a southeast
 5-60 boundary line of the herein described tract along a non-tangent
 5-61 curve to the left having as its elements: a radius of 1970.00 feet,
 5-62 a central angle of 07 degrees 02 minutes 06 seconds, an arc length
 5-63 of 241.88 feet, and a chord bearing of North 73 degrees 13 minutes
 5-64 22 seconds West, a distance of 241.73 feet to a 5/8 inch iron rod
 5-65 with survey cap (Moyer) set for the most northerly northeast corner
 5-66 of the said 98.000 acres of land and an interior southeasterly
 5-67 corner of the herein described tract;

5-68 THENCE South 53 degrees 16 minutes 44 seconds West, along a
 5-69 northerly boundary line of the said 98.000 acres of land and a

6-1 southeasterly boundary line of the herein described tract, a
6-2 distance of 835.71 feet to a 5/8 inch iron rod with survey cap
6-3 (Moyer) set for a northerly angle point of the said 98.000 acres of
6-4 land and a southeasterly angle point of the herein described tract;

6-5 THENCE South 87 degrees 31 minutes 51 seconds West,
6-6 continuing along the north boundary line of the said 98.000 acres of
6-7 land and a southeast boundary line of the herein described tract, a
6-8 distance of 442.64 feet to a 5/8 inch iron rod with survey cap
6-9 (Moyer) set for the southeast corner of a certain 303.862 acres of
6-10 land as described in deed recorded under County Clerk's File
6-11 No. 2009-002342 of the Real Property Records of Montgomery County,
6-12 Texas, and the most southerly southeast corner of the herein
6-13 described tract;

6-14 THENCE North 02 degrees 28 minutes 09 seconds West, along the
6-15 east boundary line of the said 303.862 acres of land common to the
6-16 westerly southeast boundary line of the herein described tract, a
6-17 distance of 1424.40 feet to a 5/8 inch iron rod with survey cap
6-18 (Moyer) set for the northeast corner of the said 303.862 acres of
6-19 land and an interior southeasterly corner of the herein described
6-20 tract;

6-21 THENCE South 87 degrees 31 minutes 51 seconds West, along the
6-22 north boundary line of the said 303.862 acres of land common to the
6-23 south boundary line of the herein described tract, a distance of
6-24 9,294.00 feet to a 5/8 inch iron rod with survey cap (Moyer) set in
6-25 the east line of said F.M. 1486 for the northwest corner of the said
6-26 303.862 acres of land and the southwest corner of the herein
6-27 described tract;

6-28 THENCE North 02 degrees 35 minutes 18 seconds West, along the
6-29 east line of said F.M. 1486 and the west boundary line of the herein
6-30 described tract, a distance of 1425.04 feet to the POINT OF
6-31 BEGINNING and containing 362.014 acres of land.

6-32 SECTION 3. (a) The legal notice of the intention to
6-33 introduce this Act, setting forth the general substance of this
6-34 Act, has been published as provided by law, and the notice and a
6-35 copy of this Act have been furnished to all persons, agencies,
6-36 officials, or entities to which they are required to be furnished
6-37 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6-38 Government Code.

6-39 (b) The governor, one of the required recipients, has
6-40 submitted the notice and Act to the Texas Commission on
6-41 Environmental Quality.

6-42 (c) The Texas Commission on Environmental Quality has filed
6-43 its recommendations relating to this Act with the governor, the
6-44 lieutenant governor, and the speaker of the house of
6-45 representatives within the required time.

6-46 (d) All requirements of the constitution and laws of this
6-47 state and the rules and procedures of the legislature with respect
6-48 to the notice, introduction, and passage of this Act are fulfilled
6-49 and accomplished.

6-50 SECTION 4. (a) If this Act does not receive a two-thirds
6-51 vote of all the members elected to each house, Subchapter C, Chapter
6-52 8083, Special District Local Laws Code, as added by Section 1 of
6-53 this Act, is amended by adding Section 8083.0307 to read as follows:

6-54 Sec. 8083.0307. NO EMINENT DOMAIN POWER. The district may
6-55 not exercise the power of eminent domain.

6-56 (b) This section is not intended to be an expression of a
6-57 legislative interpretation of the requirements of Section 17(c),
6-58 Article I, Texas Constitution.

6-59 SECTION 5. This Act takes effect immediately if it receives
6-60 a vote of two-thirds of all the members elected to each house, as
6-61 provided by Section 39, Article III, Texas Constitution. If this
6-62 Act does not receive the vote necessary for immediate effect, this
6-63 Act takes effect September 1, 2019.

6-64 * * * * *