

1-1 By: Creighton S.B. No. 2173
 1-2 (In the Senate - Filed March 30, 2021; April 1, 2021, read
 1-3 first time and referred to Committee on Local Government;
 1-4 April 23, 2021, reported favorably by the following vote: Yeas 9,
 1-5 Nays 0; April 23, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the Montgomery County Municipal Utility
 1-20 District No. 207; granting a limited power of eminent domain;
 1-21 providing authority to issue bonds; providing authority to impose
 1-22 assessments, fees, and taxes.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-24 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-25 Code, is amended by adding Chapter 7931A to read as follows:

1-26 CHAPTER 7931A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT
 1-27 NO. 207

1-28 SUBCHAPTER A. GENERAL PROVISIONS

1-29 Sec. 7931A.0101. DEFINITIONS. In this chapter:

1-30 (1) "Board" means the district's board of directors.

1-31 (2) "Commission" means the Texas Commission on
 1-32 Environmental Quality.

1-33 (3) "Director" means a board member.

1-34 (4) "District" means the Montgomery County Municipal
 1-35 Utility District No. 207.

1-36 Sec. 7931A.0102. NATURE OF DISTRICT. The district is a
 1-37 municipal utility district created under Section 59, Article XVI,
 1-38 Texas Constitution.

1-39 Sec. 7931A.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-40 REQUIRED. The temporary directors shall hold an election to
 1-41 confirm the creation of the district and to elect five permanent
 1-42 directors as provided by Section 49.102, Water Code.

1-43 Sec. 7931A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-44 temporary directors may not hold an election under Section
 1-45 7931A.0103 until each municipality in whose corporate limits or
 1-46 extraterritorial jurisdiction the district is located has
 1-47 consented by ordinance or resolution to the creation of the
 1-48 district and to the inclusion of land in the district.

1-49 Sec. 7931A.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. 7931A.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

2-1 the Act enacting this chapter form a closure. A mistake made in the
 2-2 field notes or in copying the field notes in the legislative process
 2-3 does not affect the district's:

- 2-4 (1) organization, existence, or validity;
- 2-5 (2) right to issue any type of bond for the purposes
 2-6 for which the district is created or to pay the principal of and
 2-7 interest on a bond;
- 2-8 (3) right to impose a tax; or
- 2-9 (4) legality or operation.

2-10 SUBCHAPTER B. BOARD OF DIRECTORS

2-11 Sec. 7931A.0201. GOVERNING BODY; TERMS. (a) The district
 2-12 is governed by a board of five elected directors.

2-13 (b) Except as provided by Section 7931A.0202, directors
 2-14 serve staggered four-year terms.

2-15 Sec. 7931A.0202. TEMPORARY DIRECTORS. (a) On or after the
 2-16 effective date of the Act enacting this chapter, the owner or owners
 2-17 of a majority of the assessed value of the real property in the
 2-18 district may submit a petition to the commission requesting that
 2-19 the commission appoint as temporary directors the five persons
 2-20 named in the petition. The commission shall appoint as temporary
 2-21 directors the five persons named in the petition.

2-22 (b) Temporary directors serve until the earlier of:

2-23 (1) the date permanent directors are elected under
 2-24 Section 7931A.0103; or

2-25 (2) the fourth anniversary of the effective date of
 2-26 the Act enacting this chapter.

2-27 (c) If permanent directors have not been elected under
 2-28 Section 7931A.0103 and the terms of the temporary directors have
 2-29 expired, successor temporary directors shall be appointed or
 2-30 reappointed as provided by Subsection (d) to serve terms that
 2-31 expire on the earlier of:

2-32 (1) the date permanent directors are elected under
 2-33 Section 7931A.0103; or

2-34 (2) the fourth anniversary of the date of the
 2-35 appointment or reappointment.

2-36 (d) If Subsection (c) applies, the owner or owners of a
 2-37 majority of the assessed value of the real property in the district
 2-38 may submit a petition to the commission requesting that the
 2-39 commission appoint as successor temporary directors the five
 2-40 persons named in the petition. The commission shall appoint as
 2-41 successor temporary directors the five persons named in the
 2-42 petition.

2-43 SUBCHAPTER C. POWERS AND DUTIES

2-44 Sec. 7931A.0301. GENERAL POWERS AND DUTIES. The district
 2-45 has the powers and duties necessary to accomplish the purposes for
 2-46 which the district is created.

2-47 Sec. 7931A.0302. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-48 DUTIES. The district has the powers and duties provided by the
 2-49 general law of this state, including Chapters 49 and 54, Water Code,
 2-50 applicable to municipal utility districts created under Section 59,
 2-51 Article XVI, Texas Constitution.

2-52 Sec. 7931A.0303. AUTHORITY FOR ROAD PROJECTS. Under
 2-53 Section 52, Article III, Texas Constitution, the district may
 2-54 design, acquire, construct, finance, issue bonds for, improve,
 2-55 operate, maintain, and convey to this state, a county, or a
 2-56 municipality for operation and maintenance macadamized, graveled,
 2-57 or paved roads, or improvements, including storm drainage, in aid
 2-58 of those roads.

2-59 Sec. 7931A.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-60 road project must meet all applicable construction standards,
 2-61 zoning and subdivision requirements, and regulations of each
 2-62 municipality in whose corporate limits or extraterritorial
 2-63 jurisdiction the road project is located.

2-64 (b) If a road project is not located in the corporate limits
 2-65 or extraterritorial jurisdiction of a municipality, the road
 2-66 project must meet all applicable construction standards,
 2-67 subdivision requirements, and regulations of each county in which
 2-68 the road project is located.

2-69 (c) If the state will maintain and operate the road, the

3-1 Texas Transportation Commission must approve the plans and
3-2 specifications of the road project.

3-3 Sec. 7931A.0305. COMPLIANCE WITH MUNICIPAL CONSENT
3-4 ORDINANCE OR RESOLUTION. The district shall comply with all
3-5 applicable requirements of any ordinance or resolution that is
3-6 adopted under Section 54.016 or 54.0165, Water Code, and that
3-7 consents to the creation of the district or to the inclusion of land
3-8 in the district.

3-9 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-10 Sec. 7931A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
3-11 The district may issue, without an election, bonds and other
3-12 obligations secured by:

- 3-13 (1) revenue other than ad valorem taxes; or
- 3-14 (2) contract payments described by Section
3-15 7931A.0403.

3-16 (b) The district must hold an election in the manner
3-17 provided by Chapters 49 and 54, Water Code, to obtain voter approval
3-18 before the district may impose an ad valorem tax or issue bonds
3-19 payable from ad valorem taxes.

3-20 (c) The district may not issue bonds payable from ad valorem
3-21 taxes to finance a road project unless the issuance is approved by a
3-22 vote of a two-thirds majority of the district voters voting at an
3-23 election held for that purpose.

3-24 Sec. 7931A.0402. OPERATION AND MAINTENANCE TAX. (a) If
3-25 authorized at an election held under Section 7931A.0401, the
3-26 district may impose an operation and maintenance tax on taxable
3-27 property in the district in accordance with Section 49.107, Water
3-28 Code.

3-29 (b) The board shall determine the tax rate. The rate may not
3-30 exceed the rate approved at the election.

3-31 Sec. 7931A.0403. CONTRACT TAXES. (a) In accordance with
3-32 Section 49.108, Water Code, the district may impose a tax other than
3-33 an operation and maintenance tax and use the revenue derived from
3-34 the tax to make payments under a contract after the provisions of
3-35 the contract have been approved by a majority of the district voters
3-36 voting at an election held for that purpose.

3-37 (b) A contract approved by the district voters may contain a
3-38 provision stating that the contract may be modified or amended by
3-39 the board without further voter approval.

3-40 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-41 Sec. 7931A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
3-42 OBLIGATIONS. The district may issue bonds or other obligations
3-43 payable wholly or partly from ad valorem taxes, impact fees,
3-44 revenue, contract payments, grants, or other district money, or any
3-45 combination of those sources, to pay for any authorized district
3-46 purpose.

3-47 Sec. 7931A.0502. TAXES FOR BONDS. At the time the district
3-48 issues bonds payable wholly or partly from ad valorem taxes, the
3-49 board shall provide for the annual imposition of a continuing
3-50 direct ad valorem tax, without limit as to rate or amount, while all
3-51 or part of the bonds are outstanding as required and in the manner
3-52 provided by Sections 54.601 and 54.602, Water Code.

3-53 Sec. 7931A.0503. BONDS FOR ROAD PROJECTS. At the time of
3-54 issuance, the total principal amount of bonds or other obligations
3-55 issued or incurred to finance road projects and payable from ad
3-56 valorem taxes may not exceed one-fourth of the assessed value of the
3-57 real property in the district.

3-58 SECTION 2. The Montgomery County Municipal Utility District
3-59 No. 207 initially includes all the territory contained in the
3-60 following area:

3-61 Being 287.74 acres of land located in the Ransom House
3-62 Survey, Abstract No. 245, the Joseph House Survey, Abstract
3-63 No. 250, and the Theodore Slade Survey, Abstract No. 500,
3-64 Montgomery County, Texas; said 287.74 acres being all of a called
3-65 141.2-acre tract of land conveyed to ABE Limited in Clerk's File
3-66 (C.F.) No. 2001067097 of the Official Public Records of Real
3-67 Property of Montgomery County (O.P.R.R.P.M.C.), all of a called
3-68 60.00-acre tract of land conveyed to 12735 Whittington, Ltd. in
3-69 C.F. No. 2001067095 of the O.P.R.R.P.M.C., and the remainder (86.54

4-1 acres) of a called 90.00-acre tract of land conveyed to CET Limited
 4-2 in C.F. No. 2001067093 of the O.P.R.R.P.M.C.; said 287.74-acre
 4-3 tract being more particularly described by metes and bounds as
 4-4 follows (all bearings are referenced to the west line of said called
 4-5 141.2-acre tract, called N32°46'10"W 1,732.87'):

4-6 Commencing at the intersection of the west right-of-way line
 4-7 of Farm to Market Road (F.M.) 1314 (100' wide) as recorded in Volume
 4-8 214, Page 188 of the Montgomery County Deed Records (M.C.D.R.) with
 4-9 the north right-of-way line of Crighton Road (60' wide) as recorded
 4-10 in Volume 211, Page 511 and Volume 214, Page 188 of the (M.C.D.R.),
 4-11 same being the southeast corner of said 90.00-acre tract and the
 4-12 southeast corner of a called 3.46-acre tract of land conveyed to
 4-13 City of Conroe in C.F. No. 2008107765 of the O.P.R.R.P.M.C.;

4-14 Thence, with said west right-of-way line of F.M. 1314 and the
 4-15 east line of said 90.00-acre and 3.46-acre tracts, 31.81 feet along
 4-16 the arc of a curve to the right, said curve having a central angle of
 4-17 00 degrees 37 minutes 31 seconds, a radius of 2,914.79 feet and a
 4-18 chord that bears North 37 degrees 10 minutes 07 seconds West, a
 4-19 distance of 31.81 feet to the northeast corner of said 3.46-acre
 4-20 tract and Point of Beginning of the herein described tract;

4-21 1. Thence, with the north line of said 3.46-acre tract,
 4-22 South 72 degrees 42 minutes 37 seconds West, a distance of 1,218.58
 4-23 feet;

4-24 2. Thence, continuing with said north line, South 72 degrees
 4-25 23 minutes 45 seconds West, a distance of 1,899.94 feet to the
 4-26 northwest corner of said 3.46-acre tract, same being on the west
 4-27 line of aforesaid 90.00-acre tract and east line of a called
 4-28 117.9-acre tract of land conveyed to CET Limited in C.F.
 4-29 No. 2000080890 of the O.P.R.R.P.M.C.;

4-30 3. Thence, with said common line, North 32 degrees 46
 4-31 minutes 10 seconds West, at a distance of 1,268.21 feet passing the
 4-32 northwest corner of said 90.00-acre tract and southwest corner of
 4-33 aforesaid 60.00-acre tract, at a distance of 1,970.32 feet passing
 4-34 the northeast corner of said 117.9-acre tract and southeast corner
 4-35 of a called 156.0-acre tract of land conveyed to ABE Limited in C.F.
 4-36 No. 2000080888 of the O.P.R.R.P.M.C., at a distance of 2,153.90
 4-37 feet passing the northwest corner of said 60.00-acre tract and
 4-38 southwest corner of aforesaid 141.2-acre tract, at a distance of
 4-39 2,484.53 passing the north line of aforesaid Joseph House Survey
 4-40 and the south line of aforesaid Ransom House Survey, continuing in
 4-41 all a total distance of 3,886.77 feet to the northwest corner of
 4-42 said 141.2-acre tract and northeast corner of said 156.0-acre
 4-43 tract, same being on the south right-of-way line of Loop 336
 4-44 (varying width) as recorded in C.F. No. 8715615 of the
 4-45 O.P.R.R.P.M.C.;

4-46 Thence, with said south right-of-way line of Loop 336, the
 4-47 following four (4) courses:

4-48 4. 1,393.69 feet along the arc of a curve to the left, said
 4-49 curve having a central angle of 27 degrees 04 minutes 07 seconds, a
 4-50 radius of 2,950.00 feet and a chord that bears North 59 degrees 41
 4-51 minutes 26 seconds East, a distance of 1,380.77 feet;

4-52 5. Thence, continuing with said south right-of-way line,
 4-53 North 46 degrees 09 minutes 22 seconds East, a distance of 371.99
 4-54 feet;

4-55 6. 717.54 feet along the arc of a curve to the right, said
 4-56 curve having a central angle of 16 degrees 04 minutes 08 seconds, a
 4-57 radius of 2,558.50 feet and a chord that bears North 54 degrees 11
 4-58 minutes 26 seconds East, a distance of 715.19 feet;

4-59 7. North 62 degrees 13 minutes 30 seconds East, a distance
 4-60 of 399.39 feet to the most westerly end of a 100-foot cutback
 4-61 located at the intersection of the said south right-of-way line and
 4-62 the west right-of-way line of a portion of aforesaid F.M. 1314 (150
 4-63 feet wide per widening) as recorded in C.F. No. 8715615 of the
 4-64 O.P.R.R.P.M.C.;

4-65 Thence, with said west right-of-way line of F.M. 1314, the
 4-66 following three (3) courses:

4-67 8. South 72 degrees 46 minutes 30 seconds East, a distance
 4-68 of 141.42 feet;

4-69 9. South 27 degrees 46 minutes 30 seconds East, a distance

5-1 of 50.00 feet;

5-2 10. South 30 degrees 18 minutes 35 seconds East, a distance
5-3 of 565.28 feet to the southerly corner of aforesaid widening tract
5-4 and being in the former west right-of-way line of said F.M. 1314
5-5 (100 feet wide);

5-6 11. Thence, continuing with said west right-of-way line,
5-7 688.62 feet along the arc of a curve to the left, said curve having a
5-8 central angle of 06 degrees 49 minutes 36 seconds, a radius of
5-9 5,779.58 feet and a chord that bears South 31 degrees 11 minutes 18
5-10 seconds East, a distance of 688.21 feet;

5-11 12. Thence, continuing with said west right-of-way line,
5-12 South 34 degrees 36 minutes 06 seconds East, at a distance of 628.35
5-13 feet passing the south line of aforesaid Ransom House Survey and
5-14 north line of aforesaid Theodore Slade Survey, at a distance of
5-15 1,147.45 feet passing the southeast corner of aforesaid 141.2-acre
5-16 tract and northeast corner of aforesaid 60.00-acre tract, at a
5-17 distance of 2,041.48 feet passing the southeast corner of said
5-18 60.00-acre tract and northeast corner of aforesaid 90.00-acre
5-19 tract, continuing in all a total distance of 3,200.86 feet;

5-20 13. Thence, continuing with said west right-of-way line,
5-21 114.49 feet along the arc of a curve to the left, said curve having a
5-22 central angle of 02 degrees 15 minutes 02 seconds, a radius of
5-23 2,914.79 feet and a chord that bears South 35 degrees 43 minutes 51
5-24 seconds East, a distance of 114.48 feet to the Point of Beginning
5-25 and containing 287.74 acres of land.

5-26 SECTION 3. (a) The legal notice of the intention to
5-27 introduce this Act, setting forth the general substance of this
5-28 Act, has been published as provided by law, and the notice and a
5-29 copy of this Act have been furnished to all persons, agencies,
5-30 officials, or entities to which they are required to be furnished
5-31 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-32 Government Code.

5-33 (b) The governor, one of the required recipients, has
5-34 submitted the notice and Act to the Texas Commission on
5-35 Environmental Quality.

5-36 (c) The Texas Commission on Environmental Quality has filed
5-37 its recommendations relating to this Act with the governor, the
5-38 lieutenant governor, and the speaker of the house of
5-39 representatives within the required time.

5-40 (d) All requirements of the constitution and laws of this
5-41 state and the rules and procedures of the legislature with respect
5-42 to the notice, introduction, and passage of this Act are fulfilled
5-43 and accomplished.

5-44 SECTION 4. (a) If this Act does not receive a two-thirds
5-45 vote of all the members elected to each house, Subchapter C, Chapter
5-46 7931A, Special District Local Laws Code, as added by Section 1 of
5-47 this Act, is amended by adding Section 7931A.0306 to read as
5-48 follows:

5-49 Sec. 7931A.0306. NO EMINENT DOMAIN POWER. The district may
5-50 not exercise the power of eminent domain.

5-51 (b) This section is not intended to be an expression of a
5-52 legislative interpretation of the requirements of Section 17(c),
5-53 Article I, Texas Constitution.

5-54 SECTION 5. This Act takes effect immediately if it receives
5-55 a vote of two-thirds of all the members elected to each house, as
5-56 provided by Section 39, Article III, Texas Constitution. If this
5-57 Act does not receive the vote necessary for immediate effect, this
5-58 Act takes effect September 1, 2021.

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