

1-1 By: Metcalf (Senate Sponsor - Creighton) H.B. No. 5652
 1-2 (In the Senate - Received from the House May 8, 2025;
 1-3 May 9, 2025, read first time and referred to Committee on Local
 1-4 Government; May 16, 2025, reported favorably by the following
 1-5 vote: Yeas 6, Nays 0, one present not voting; May 16, 2025, sent to
 1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Bettencourt	X			
1-9 Middleton				X
1-10 Cook	X			
1-11 Gutierrez	X			
1-12 Nichols	X			
1-13 Paxton	X			
1-14 West	X			

1-16 A BILL TO BE ENTITLED
 1-17 AN ACT

1-18 relating to the creation of the Montgomery County Municipal Utility
 1-19 District No. 258; granting a limited power of eminent domain;
 1-20 providing authority to issue bonds; providing authority to impose
 1-21 assessments, fees, and taxes.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Subtitle F, Title 6, Special District Local Laws
 1-24 Code, is amended by adding Chapter 8003A to read as follows:

1-25 CHAPTER 8003A. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT
 1-26 NO. 258

1-27 SUBCHAPTER A. GENERAL PROVISIONS

1-28 Sec. 8003A.0101. DEFINITIONS. In this chapter:

1-29 (1) "Board" means the district's board of directors.
 1-30 (2) "Commission" means the Texas Commission on
 1-31 Environmental Quality.

1-32 (3) "Director" means a board member.
 1-33 (4) "District" means the Montgomery County Municipal
 1-34 Utility District No. 258.

1-35 Sec. 8003A.0102. NATURE OF DISTRICT. The district is a
 1-36 municipal utility district created under Section 59, Article XVI,
 1-37 Texas Constitution.

1-38 Sec. 8003A.0103. CONFIRMATION AND DIRECTOR ELECTION
 1-39 REQUIRED. The temporary directors shall hold an election to
 1-40 confirm the creation of the district and to elect five permanent
 1-41 directors as provided by Section 49.102, Water Code.

1-42 Sec. 8003A.0104. CONSENT OF MUNICIPALITY REQUIRED. The
 1-43 temporary directors may not hold an election under Section
 1-44 8003A.0103 until each municipality in whose corporate limits or
 1-45 extraterritorial jurisdiction the district is located has
 1-46 consented by ordinance or resolution to the creation of the
 1-47 district and to the inclusion of land in the district as required by
 1-48 applicable law.

1-49 Sec. 8003A.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. 8003A.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. 8003A.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 8003A.0202, directors
 2-14 serve staggered four-year terms.

2-15 Sec. 8003A.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 8003A.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 8003A.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 8003A.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. 8003A.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. 8003A.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. 8003A.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. 8003A.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. 8003A.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 Sec. 8003A.0306. DIVISION OF DISTRICT. This chapter
 3-10 applies to any new district created by the division of the district
 3-11 under Section 49.316, Water Code, and a new district has all the
 3-12 powers and duties of the district.
 3-13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
 3-14 Sec. 8003A.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)
 3-15 The district may issue, without an election, bonds and other
 3-16 obligations secured by:
 3-17 (1) revenue other than ad valorem taxes; or
 3-18 (2) contract payments described by Section
 3-19 8003A.0403.
 3-20 (b) The district must hold an election in the manner
 3-21 provided by Chapters 49 and 54, Water Code, to obtain voter approval
 3-22 before the district may impose an ad valorem tax or issue bonds
 3-23 payable from ad valorem taxes.
 3-24 (c) The district may not issue bonds payable from ad valorem
 3-25 taxes to finance a road project unless the issuance is approved by a
 3-26 vote of a two-thirds majority of the district voters voting at an
 3-27 election held for that purpose.
 3-28 Sec. 8003A.0402. OPERATION AND MAINTENANCE TAX. (a) If
 3-29 authorized at an election held under Section 8003A.0401, the
 3-30 district may impose an operation and maintenance tax on taxable
 3-31 property in the district in accordance with Section 49.107, Water
 3-32 Code.
 3-33 (b) The board shall determine the tax rate. The rate may not
 3-34 exceed the rate approved at the election.
 3-35 Sec. 8003A.0403. CONTRACT TAXES. (a) In accordance with
 3-36 Section 49.108, Water Code, the district may impose a tax other than
 3-37 an operation and maintenance tax and use the revenue derived from
 3-38 the tax to make payments under a contract after the provisions of
 3-39 the contract have been approved by a majority of the district voters
 3-40 voting at an election held for that purpose.
 3-41 (b) A contract approved by the district voters may contain a
 3-42 provision stating that the contract may be modified or amended by
 3-43 the board without further voter approval.
 3-44 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS
 3-45 Sec. 8003A.0501. AUTHORITY TO ISSUE BONDS AND OTHER
 3-46 OBLIGATIONS. The district may issue bonds or other obligations
 3-47 payable wholly or partly from ad valorem taxes, impact fees,
 3-48 revenue, contract payments, grants, or other district money, or any
 3-49 combination of those sources, to pay for any authorized district
 3-50 purpose.
 3-51 Sec. 8003A.0502. TAXES FOR BONDS. At the time the district
 3-52 issues bonds payable wholly or partly from ad valorem taxes, the
 3-53 board shall provide for the annual imposition of a continuing
 3-54 direct ad valorem tax, without limit as to rate or amount, while all
 3-55 or part of the bonds are outstanding as required and in the manner
 3-56 provided by Sections 54.601 and 54.602, Water Code.
 3-57 Sec. 8003A.0503. BONDS FOR ROAD PROJECTS. At the time of
 3-58 issuance, the total principal amount of bonds or other obligations
 3-59 issued or incurred to finance road projects and payable from ad
 3-60 valorem taxes may not exceed one-fourth of the assessed value of the
 3-61 real property in the district.
 3-62 SECTION 2. The Montgomery County Municipal Utility District
 3-63 No. 258 initially includes all the territory contained in the
 3-64 following area:
 3-65 PART 1:
 3-66 BEING 415.36 acres of land in the Samuel Lindley Survey,
 3-67 Abstract Number 23, and the William Hulon Survey, Abstract Number
 3-68 262 in Montgomery County, Texas, being a portion of the called
 3-69 811.345 acre tract described under "Schedule 1", a portion of the

4-1 called 71.884 acre tract described under "Schedule 2", and all of
 4-2 the called 11.071 acre tract described under "Schedule 3" in the
 4-3 deed from William McComb Dunwoody to Esperanza Ranch LLC, recorded
 4-4 under Document Number 2024075466 of the Official Public Records of
 4-5 Montgomery County, Texas, said 415.36-acre tract being more
 4-6 particularly described by metes and bounds as follows with bearings
 4-7 based on the Texas Coordinate System of 1983, Central Zone:

4-8 BEGINNING at an axle found for the north corner of a called
 4-9 2.872-acre tract described in the deed from Cynthia Ann Uhlenhop,
 4-10 et al. to Willis Conservation Partners LLC recorded under Document
 4-11 No. 2021144058 of the Official Public Records of Montgomery County,
 4-12 Texas, in the southerly line of said called 71.884-acre tract;

4-13 THENCE North 77° 55' 08" West - 216.88 feet to a 5/8-inch iron
 4-14 rod with cap stamped "IDS" set for the southwest corner of the said
 4-15 called 71.884-acre tract, and an angle corner of the herein
 4-16 described tract;

4-17 THENCE North 77° 36' 25" West - 516.26 feet to an axle found
 4-18 for the northwest corner of said called 2.872-acre tract and an
 4-19 angle corner of the herein described tract, in the easterly line of
 4-20 said called 11.071-acre tract;

4-21 THENCE South 12° 54' 25" West - 50.78 feet to an iron bar found
 4-22 for the southeast corner of said called 11.071-acre tract, the
 4-23 northeast corner of a called 0.866-acre tract described in the deed
 4-24 from Justin Hasara to Chinook LP recorded under Document Number
 4-25 2016116601 of the Official Public Records of Montgomery County,
 4-26 Texas and an angle corner of the herein described tract;

4-27 THENCE North 77° 10' 00" West - 208.84 feet to a 1/2-inch iron
 4-28 rod with an unreadable cap found for the northwest corner of the
 4-29 said called 0.866-acre tract, the southeast corner of the
 4-30 11.071-acre tract and an angle corner of the herein described
 4-31 tract, in the easterly right of way line of State Highway 75 (120'
 4-32 R.O.W.);

4-33 THENCE, with the easterly right-of-way line of said State
 4-34 Highway 75, the following courses, and distances:

4-35 North 05° 08' 47" East - 347.38 feet to a concrete monument
 4-36 found for an angle corner of the herein described tract;

4-37 North 15° 56' 47" East - 2,910.67 feet to a 5/8-inch iron rod
 4-38 with cap stamped "IDS" set for the beginning of a curve to the left;

4-39 in a northerly direction, with said curve to the left, having
 4-40 a radius of 1616.70 feet, a central angle of 04° 20' 56", a chord
 4-41 bearing and distance of North 13° 39' 18" East - 122.68 feet, and an
 4-42 arc distance of 122.71 feet, to a 5/8-inch iron rod with cap stamped
 4-43 "IDS" set for angle corner of a called 34.290 acre tract described
 4-44 in the deed from Charles R. Dooley, et ux. to Tom Cutis Ansley, et
 4-45 ux. recorded under Document No. 2010077331 of the Official Public
 4-46 Records of Montgomery County, Texas, and being the most westerly
 4-47 northwest corner of the herein described tract and end of said
 4-48 curve;

4-49 THENCE, with the lines of said 34.290-acre tract, the
 4-50 following courses, and distances:

4-51 North 56° 22' 40" East - 143.00 feet to a 5/8-inch iron rod
 4-52 with cap stamped "IDS" set for an angle corner of the herein
 4-53 described tract;

4-54 South 28° 46' 41" East - 1041.10 feet to an axle found laid
 4-55 over at the southeast corner of the said 34.290-acre tract and an
 4-56 angle corner of the herein described tract;

4-57 North 62° 10' 15" East - 757.18 feet to a 5/8-inch iron rod
 4-58 with cap stamped "IDS" set for an angle corner of the herein
 4-59 described tract;

4-60 North 60° 36' 45" East - 435.97 feet to a bent axle found for
 4-61 the southeast corner of the called 34.290-acre tract and an angle
 4-62 corner of the herein described tract;

4-63 North 17° 55' 46" West - 641.75 feet to an axle found for an
 4-64 angle corner of the herein described tract;

4-65 THENCE North 17° 10' 32" West, at 370.87 feet pass a 1/2-inch
 4-66 iron rod found for the most easterly northeast corner of said called
 4-67 34.290-acre tract and the southeast corner of a called 2.913 acre
 4-68 tract described in the deed from Jane Zimmer to Amber Renee Fischer,
 4-69 Et al. recorded under Document Number 2017027478 of the official

5-1 Public Records of Montgomery County, Texas, a total distance of
 5-2 715.73 feet to bent axle found for the northeast corner of said
 5-3 called 2.913 acre tract and the most northerly northwest corner of
 5-4 the herein described tract, in the southerly line of a called
 5-5 162.577-acre tract described in the deed from Hanson Aggregates LLC
 5-6 to Lehigh Hanson Materials South LLC recorded under Document Number
 5-7 2021173941 of the Official Public Records of Montgomery County,
 5-8 Texas;

5-9 THENCE, with the southern lines of said called 162.577-acre
 5-10 tract, the following courses, and distances;

5-11 North 78° 00' 07" East - 834.82 feet to a crosstie fence post
 5-12 found for an angle corner of the herein described tract;

5-13 North 66° 20' 31" East - 527.05 feet to a crosstie fence post
 5-14 found for an angle corner of the herein described tract;

5-15 North 57° 56' 19" East - 452.74 feet to a crosstie fence post
 5-16 found for an angle corner of the herein described tract;

5-17 North 40° 00' 02" East - 494.87 feet to a crosstie fence post
 5-18 found for an angle corner of the herein described tract;

5-19 North 45° 26' 06" East - 388.64 feet to a crosstie fence post
 5-20 found for an angle corner of the herein described tract;

5-21 THENCE North 54° 51' 45" East - 363.15 feet to a 5/8-inch iron
 5-22 rod with cap stamped "IDS" set for the northeast corner of the
 5-23 herein described tract, in the westerly right-of-way line of the
 5-24 International & Great Northern Railroad right-of-way (150'-wide at
 5-25 this section) as recorded under Volume 5, Page 108 of the Deed
 5-26 Records of Montgomery County, Texas, from which an axle bears North
 5-27 54° 51' 45" East - 25.17 feet ;

5-28 THENCE South 32° 15' 17" East - 3,620.70 feet, with the
 5-29 westerly right-of-way line of said railroad, to a 5/8-inch iron rod
 5-30 with cap stamped "IDS";

5-31 THENCE South 63° 15' 50" West - 6,378.60 feet to the POINT OF
 5-32 BEGINNING of the herein described tract and containing 415.36 acres
 5-33 of land.

5-34 PART 2:

5-35 BEING 1.270 acres of land in the William Hulon Survey,
 5-36 Abstract Number 262, in Montgomery County, Texas, being all of the
 5-37 called 1.2764-acre tract described under "Schedule 3", in the deed
 5-38 from William McComb Dunwoody to Esperanza Ranch LLC, recorded under
 5-39 Document Number 2024075466 of the Official Public Records of
 5-40 Montgomery County, Texas, said 1.270-acre tract being more
 5-41 particularly described by metes and bounds as follows with bearings
 5-42 based on the Texas Coordinate System of 1983, Central Zone:

5-43 BEGINNING at a square bolt found for the southwest corner of a
 5-44 called 2.213-acre tract described in the deed to 5921 Columbus Club
 5-45 recorded under Volume 1154, Page 464 of the Deed Recorded of
 5-46 Montgomery County, Texas, and being the northwest corner of the
 5-47 herein described tract, in the easterly right-of-way line of
 5-48 Interstate Highway 45 (R.O.W. Varies);

5-49 THENCE South 74° 30' 45" East - 177.32 feet, with the
 5-50 southerly line of said 2.213-acre tract, to a 5/8-inch iron rod with
 5-51 cap stamped "IDS" set for the northeast corner of the herein
 5-52 described tract, in the westerly right-of-way line of State Highway
 5-53 75 (120' R.O.W.);

5-54 THENCE South 15° 56' 47" West - 465.11 feet, with the westerly
 5-55 right-of-way line of said State Highway 75, to a 5/8-inch iron rod
 5-56 with cap stamped "IDS" set for the southeast corner of the herein
 5-57 described tract;

5-58 THENCE North 74° 17' 44" West - 45.49 feet to a 5/8-inch iron
 5-59 rod with cap stamped "IDS" set for the southwest corner of the
 5-60 herein described tract, in the easterly right-of-way line of said
 5-61 Interstate Highway 45;

5-62 THENCE North 06° 57' 44" West - 119.24 feet, with the easterly
 5-63 right-of-way line of said Interstate Highway 45, to a concrete
 5-64 monument found for an angle corner of the herein described tract;

5-65 THENCE North 02° 22' 59" East - 364.20 feet, continuing with
 5-66 the easterly right-of-way line of said Interstate Highway 45, to
 5-67 the POINT OF BEGINNING of the herein described tract and containing
 5-68 1.270 acres of land.

5-69 SECTION 3. (a) The legal notice of the intention to

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

6-7 (b) The governor, one of the required recipients, has
6-8 submitted the notice and Act to the Texas Commission on
6-9 Environmental Quality.

6-10 (c) The Texas Commission on Environmental Quality has filed
6-11 its recommendations relating to this Act with the governor, the
6-12 lieutenant governor, and the speaker of the house of
6-13 representatives within the required time.

6-14 (d) All requirements of the constitution and laws of this
6-15 state and the rules and procedures of the legislature with respect
6-16 to the notice, introduction, and passage of this Act are fulfilled
6-17 and accomplished.

6-18 SECTION 4. (a) If this Act does not receive a two-thirds
6-19 vote of all the members elected to each house, Subchapter C, Chapter
6-20 8003A, Special District Local Laws Code, as added by Section 1 of
6-21 this Act, is amended by adding Section 8003A.0307 to read as
6-22 follows:

6-23 Sec. 8003A.0307. 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 immediately if it receives
6-29 a vote of two-thirds of all the members elected to each house, as
6-30 provided by Section 39, Article III, Texas Constitution. If this
6-31 Act does not receive the vote necessary for immediate effect, this
6-32 Act takes effect September 1, 2025.

6-33

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