

## Chapter 936

H.B. No. 4682

1 AN ACT  
2 relating to the creation of the Montgomery County Municipal Utility  
3 District No. 166; granting a limited power of eminent domain;  
4 providing authority to issue bonds; providing authority to impose  
5 assessments, fees, and taxes.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Subtitle F, Title 6, Special District Local Laws  
8 Code, is amended by adding Chapter 8067 to read as follows:

9 CHAPTER 8067. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 166

10 SUBCHAPTER A. GENERAL PROVISIONS

11 Sec. 8067.0101. DEFINITIONS. In this chapter:

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

13 (2) "Commission" means the Texas Commission on  
14 Environmental Quality.

15 (3) "Director" means a board member.

16 (4) "District" means the Montgomery County Municipal  
17 Utility District No. 166.

18 Sec. 8067.0102. NATURE OF DISTRICT. The district is a  
19 municipal utility district created under Section 59, Article XVI,  
20 Texas Constitution.

21 Sec. 8067.0103. CONFIRMATION AND DIRECTOR ELECTION  
22 REQUIRED. The temporary directors shall hold an election to  
23 confirm the creation of the district and to elect five permanent  
24 directors as provided by Section 49.102, Water Code.

1       Sec. 8067.0104. CONSENT OF MUNICIPALITY REQUIRED. The  
2 temporary directors may not hold an election under Section  
3 8067.0103 until each municipality in whose corporate limits or  
4 extraterritorial jurisdiction the district is located has  
5 consented by ordinance or resolution to the creation of the  
6 district and to the inclusion of land in the district.

7       Sec. 8067.0105. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

8 (a) The district is created to serve a public purpose and benefit.

9       (b) The district is created to accomplish the purposes of:

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

12           (2) Section 52, Article III, Texas Constitution, that  
13 relate to the construction, acquisition, improvement, operation,  
14 or maintenance of macadamized, graveled, or paved roads, or  
15 improvements, including storm drainage, in aid of those roads.

16       Sec. 8067.0106. INITIAL DISTRICT TERRITORY. (a) The  
17 district is initially composed of the territory described by  
18 Section 2 of the Act enacting this chapter.

19       (b) The boundaries and field notes contained in Section 2 of  
20 the Act enacting this chapter form a closure. A mistake made in the  
21 field notes or in copying the field notes in the legislative process  
22 does not affect the district's:

23           (1) organization, existence, or validity;

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

27           (3) right to impose a tax; or

1           (4) legality or operation.

2                   SUBCHAPTER B. BOARD OF DIRECTORS

3           Sec. 8067.0201. GOVERNING BODY; TERMS. (a) The district is  
4 governed by a board of five elected directors.

5           (b) Except as provided by Section 8067.0202, directors  
6 serve staggered four-year terms.

7           Sec. 8067.0202. TEMPORARY DIRECTORS. (a) The temporary  
8 board consists of:

9                   (1) Emily Lassetter;

10                  (2) Stephanie Trevino;

11                  (3) Mike Scott;

12                  (4) Allen DeJonge; and

13                  (5) Marcus Campbell.

14           (b) Temporary directors serve until the earlier of:

15                  (1) the date permanent directors are elected under  
16 Section 8067.0103; or

17                  (2) the fourth anniversary of the effective date of  
18 the Act enacting this chapter.

19           (c) If permanent directors have not been elected under  
20 Section 8067.0103 and the terms of the temporary directors have  
21 expired, successor temporary directors shall be appointed or  
22 reappointed as provided by Subsection (d) to serve terms that  
23 expire on the earlier of:

24                  (1) the date permanent directors are elected under  
25 Section 8067.0103; or

26                  (2) the fourth anniversary of the date of the  
27 appointment or reappointment.

1       (d) If Subsection (c) applies, the owner or owners of a  
2 majority of the assessed value of the real property in the district  
3 may submit a petition to the commission requesting that the  
4 commission appoint as successor temporary directors the five  
5 persons named in the petition. The commission shall appoint as  
6 successor temporary directors the five persons named in the  
7 petition.

8                   SUBCHAPTER C. POWERS AND DUTIES

9       Sec. 8067.0301. GENERAL POWERS AND DUTIES. The district  
10 has the powers and duties necessary to accomplish the purposes for  
11 which the district is created.

12       Sec. 8067.0302. MUNICIPAL UTILITY DISTRICT POWERS AND  
13 DUTIES. The district has the powers and duties provided by the  
14 general law of this state, including Chapters 49 and 54, Water Code,  
15 applicable to municipal utility districts created under Section 59,  
16 Article XVI, Texas Constitution.

17       Sec. 8067.0303. AUTHORITY FOR ROAD PROJECTS. Under Section  
18 52, Article III, Texas Constitution, the district may design,  
19 acquire, construct, finance, issue bonds for, improve, operate,  
20 maintain, and convey to this state, a county, or a municipality for  
21 operation and maintenance macadamized, graveled, or paved roads, or  
22 improvements, including storm drainage, in aid of those roads.

23       Sec. 8067.0304. ROAD STANDARDS AND REQUIREMENTS. (a) A  
24 road project must meet all applicable construction standards,  
25 zoning and subdivision requirements, and regulations of each  
26 municipality in whose corporate limits or extraterritorial  
27 jurisdiction the road project is located.

1        (b) If a road project is not located in the corporate limits  
2 or extraterritorial jurisdiction of a municipality, the road  
3 project must meet all applicable construction standards,  
4 subdivision requirements, and regulations of each county in which  
5 the road project is located.

6        (c) If the state will maintain and operate the road, the  
7 Texas Transportation Commission must approve the plans and  
8 specifications of the road project.

9        Sec. 8067.0305. COMPLIANCE WITH MUNICIPAL CONSENT  
10 ORDINANCE OR RESOLUTION. The district shall comply with all  
11 applicable requirements of any ordinance or resolution that is  
12 adopted under Section 54.016 or 54.0165, Water Code, and that  
13 consents to the creation of the district or to the inclusion of land  
14 in the district.

15                    SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16        Sec. 8067.0401. ELECTIONS REGARDING TAXES OR BONDS. (a)  
17 The district may issue, without an election, bonds and other  
18 obligations secured by:

19                    (1) revenue other than ad valorem taxes; or

20                    (2) contract payments described by Section 8067.0403.

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

25        (c) The district may not issue bonds payable from ad valorem  
26 taxes to finance a road project unless the issuance is approved by a  
27 vote of a two-thirds majority of the district voters voting at an

1 election held for that purpose.

2 Sec. 8067.0402. OPERATION AND MAINTENANCE TAX. (a) If  
3 authorized at an election held under Section 8067.0401, the  
4 district may impose an operation and maintenance tax on taxable  
5 property in the district in accordance with Section 49.107, Water  
6 Code.

7 (b) The board shall determine the tax rate. The rate may not  
8 exceed the rate approved at the election.

9 Sec. 8067.0403. CONTRACT TAXES. (a) In accordance with  
10 Section 49.108, Water Code, the district may impose a tax other than  
11 an operation and maintenance tax and use the revenue derived from  
12 the tax to make payments under a contract after the provisions of  
13 the contract have been approved by a majority of the district voters  
14 voting at an election held for that purpose.

15 (b) A contract approved by the district voters may contain a  
16 provision stating that the contract may be modified or amended by  
17 the board without further voter approval.

18 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

19 Sec. 8067.0501. AUTHORITY TO ISSUE BONDS AND OTHER  
20 OBLIGATIONS. The district may issue bonds or other obligations  
21 payable wholly or partly from ad valorem taxes, impact fees,  
22 revenue, contract payments, grants, or other district money, or any  
23 combination of those sources, to pay for any authorized district  
24 purpose.

25 Sec. 8067.0502. TAXES FOR BONDS. At the time the district  
26 issues bonds payable wholly or partly from ad valorem taxes, the  
27 board shall provide for the annual imposition of a continuing

1 direct ad valorem tax, without limit as to rate or amount, while all  
2 or part of the bonds are outstanding as required and in the manner  
3 provided by Sections 54.601 and 54.602, Water Code.

4 Sec. 8067.0503. BONDS FOR ROAD PROJECTS. At the time of  
5 issuance, the total principal amount of bonds or other obligations  
6 issued or incurred to finance road projects and payable from ad  
7 valorem taxes may not exceed one-fourth of the assessed value of the  
8 real property in the district.

9 SECTION 2. The Montgomery County Municipal Utility District  
10 No. 166 initially includes all the territory contained in the  
11 following area:

12 BEING a 200.31 acre tract of land in the T Chatham Survey  
13 Abstract 137 being all of a called 152.0 acre tract of land as  
14 recorded in Montgomery County Clerk's File No. 2017-01236 (Save and  
15 Except the Right of Way of FM 2854 as recorded in Volume 1110, Page  
16 816 of the Deed Records of Montgomery County) and all of a called  
17 52.4 acre tract of land as recorded in Montgomery County Clerk's  
18 File No. 2017-012360, said 200.31 acre tract being more  
19 particularly described as follows:

20 BEGINNING at a 1/2" iron rod found for the southeast corner of  
21 Lot 13 Block 1 Hilltop Ranch, Section 1, a subdivision recorded in  
22 the Cabinet O, Sheet 138 of the Map Records of Montgomery County,  
23 Texas, also being the southwesterly corner of the said 52.4 acre  
24 tract and being southwesterly corner of herein described tract;

25 THENCE N 02 deg. 05' 33" W along an easterly line of Hilltop  
26 Ranch, a distance of 1645.09 feet to a 1/2" iron rod for an interior  
27 angle point of Hilltop Ranch and being the northwesterly corner of

1 herein described tract;

2           THENCE N 86 deg. 27' 49" E along a southerly line of Hilltop  
3 Ranch, a distance of 1300.68 feet to a 1/2" iron rod found for an  
4 easterly southeast corner of Hilltop Ranch, also in the westerly  
5 line of Roman Hills Section 1 as recorded in Volume 10, Sheet 58 of  
6 the Map Record of Montgomery County, Texas and being the  
7 northeasterly corner of herein described tract;

8           THENCE S 02 deg. 42' 57" E along the westerly line of Roman  
9 Hills Section 1, a distance of 3381.75 feet to a 1/2" iron rod found  
10 in the northerly line of a called 857.061 acre tract as recorded in  
11 Montgomery County Clerk's File No. 2013-004324, and being the  
12 southeasterly corner of herein described tract;

13           THENCE S 89 deg. 21' 05" W along the northerly line of said  
14 857.061 acre tract, a distance of 1064.74 feet to a 3" iron pipe  
15 found for the northeasterly corner of the Winston Heir's 1.00 acre  
16 tract, also being the northwesterly corner of the said 857.061 acre  
17 tract and being a angle point of the herein described tract;

18           THENCE S 87 deg. 24' 19" W along the northerly line of the  
19 Winston tract, a distance of 1949.94 feet to a 1/2" iron rod found  
20 in the easterly Right of Way of FM 2854, also being the  
21 northwesterly corner of a called 37.89 acre tract of land as  
22 recorded in Montgomery County Clerk's File No. 9534597, and being  
23 the southwesterly corner of the herein described tract;

24           THENCE along the easterly Right of Way of FM 2854, N 52 deg.  
25 18' 39" W a distance of 865.84 feet to a concrete monument found for  
26 an angle point;

27           THENCE along the easterly Right of Way of FM 2854, along a



1 curve to the right with a radius of 2804.79 feet, a chord that bears  
2 N 44 deg. 18' 53" W a distance of 794.75 feet to a concrete monument  
3 found for an angle point;

4       THENCE N 35 deg. 48' 17" W along the easterly Right of Way of  
5 FM 2854, a distance of 640.23 feet to a 5/8" iron rod found for the  
6 southerly southwest corner of Hilltop Ranch, and being the  
7 northwesterly corner herein described tract;

8       THENCE N 87 deg. 34' 27" E along the southerly line of Hilltop  
9 Ranch, a distance of 3232.07 feet to the POINT OF BEGINNING and  
10 containing 200.31 acres of land, more or less.

11       SECTION 3. (a) The legal notice of the intention to  
12 introduce this Act, setting forth the general substance of this  
13 Act, has been published as provided by law, and the notice and a  
14 copy of this Act have been furnished to all persons, agencies,  
15 officials, or entities to which they are required to be furnished  
16 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
17 Government Code.

18       (b) The governor, one of the required recipients, has  
19 submitted the notice and Act to the Texas Commission on  
20 Environmental Quality.

21       (c) The Texas Commission on Environmental Quality has filed  
22 its recommendations relating to this Act with the governor, the  
23 lieutenant governor, and the speaker of the house of  
24 representatives within the required time.

25       (d) All requirements of the constitution and laws of this  
26 state and the rules and procedures of the legislature with respect  
27 to the notice, introduction, and passage of this Act are fulfilled

1 and accomplished.

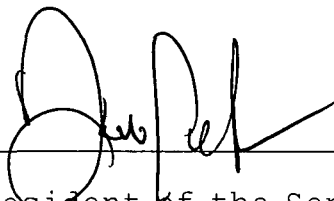
2 SECTION 4. (a) If this Act does not receive a two-thirds  
3 vote of all the members elected to each house, Subchapter C, Chapter  
4 8067, Special District Local Laws Code, as added by Section 1 of  
5 this Act, is amended by adding Section 8067.0306 to read as follows:


6 Sec. 8067.0306. NO EMINENT DOMAIN POWER. The district may  
7 not exercise the power of eminent domain.

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

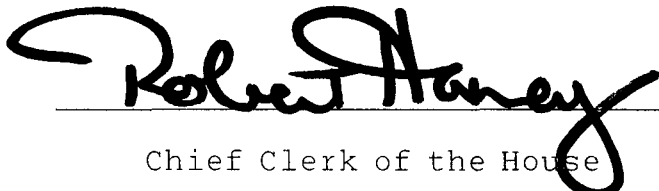
11 SECTION 5. This Act takes effect immediately if it receives  
12 a vote of two-thirds of all the members elected to each house, as  
13 provided by Section 39, Article III, Texas Constitution. If this  
14 Act does not receive the vote necessary for immediate effect, this  
15 Act takes effect September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

H.B. No. 4682

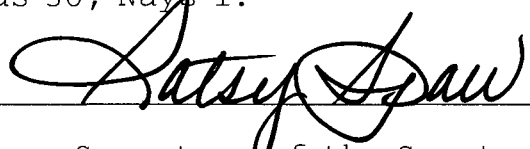
  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker of the House

I certify that H.B. No. 4682 was passed by the House on May 3, 2019, by the following vote: Yeas 122, Nays 18, 2 present, not voting.

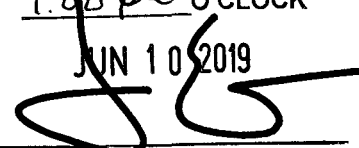
  
\_\_\_\_\_  
Chief Clerk of the House

I certify that H.B. No. 4682 was passed by the Senate on May 22, 2019, by the following vote: Yeas 30, Nays 1.

  
\_\_\_\_\_  
Secretary of the Senate

APPROVED: 6-9-2019  
Date

  
\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
7:40 pm O'CLOCK  
JUN 10 2019  
  
\_\_\_\_\_  
Secretary of State