

By: Creighton

S.B. No. 996

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Trinity Lakes Municipal Utility District of Montgomery County; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7971 to read as follows:

CHAPTER 7971. TRINITY LAKES MUNICIPAL UTILITY DISTRICT OF
MONTGOMERY COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7971.001. DEFINITIONS. In this chapter:

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

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

(3) "Director" means a board member.

(4) "District" means the Trinity Lakes Municipal
Utility District of Montgomery County.

Sec. 7971.002. NATURE OF DISTRICT. The district is a
municipal utility district created under Section 59, Article XVI,
Texas Constitution.

Sec. 7971.003. CONFIRMATION AND DIRECTORS' ELECTION
REQUIRED. The temporary directors shall hold an election to
confirm the creation of the district and to elect five permanent

directors as provided by Section 49.102, Water Code.

Sec. 7971.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7971.003 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7971.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

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

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

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

Sec. 7971.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

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

(1) organization, existence, or validity;

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

1 (3) right to impose a tax; or

2 (4) legality or operation.

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 7971.051. GOVERNING BODY; TERMS. (a) The district is
5 governed by a board of five elected directors.

6 (b) Except as provided by Section 7971.052, directors serve
7 staggered four-year terms.

8 Sec. 7971.052. TEMPORARY DIRECTORS. (a) On or after
9 September 1, 2017, the owner or owners of a majority of the assessed
10 value of the real property in the district may submit a petition to
11 the commission requesting that the commission appoint as temporary
12 directors the five persons named in the petition. The commission
13 shall appoint as temporary directors the five persons named in the
14 petition.

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

16 (1) the date permanent directors are elected under
17 Section 7971.003; or

18 (2) September 1, 2021.

19 (c) If permanent directors have not been elected under
20 Section 7971.003 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 7971.003; 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. 7971.101. GENERAL POWERS AND DUTIES. The district has
10 the powers and duties necessary to accomplish the purposes for
11 which the district is created.

12 Sec. 7971.102. 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. 7971.103. 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. 7971.104. ROAD STANDARDS AND REQUIREMENTS. (a) A road
24 project must meet all applicable construction standards, zoning and
25 subdivision requirements, and regulations of each municipality in
26 whose corporate limits or extraterritorial jurisdiction the road
27 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. 7971.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
10 OR RESOLUTION. The district shall comply with all applicable
11 requirements of any ordinance or resolution that is adopted under
12 Section 54.016 or 54.0165, Water Code, and that consents to the
13 creation of the district or to the inclusion of land in the
14 district.

15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

16 Sec. 7971.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
17 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 7971.153.

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

election held for that purpose.

Sec. 7971.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7971.151, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

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

Sec. 7971.153. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

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

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7971.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7971.202. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all

or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7971.203. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2. The Trinity Lakes Municipal Utility District of Montgomery County initially includes all the territory contained in the following area:

BEING 93.40 acres (4,068,654 square feet) of land, all of the Remainder of a called 48.935 acres, conveyed to David Randall and Sandy Randall, by deed recorded under County Clerk's File Number (C.F.) 2006-032388 Official Public Records of Montgomery County, Texas (O.P.R. M.C.T.) and all of a called 41.296 acres, conveyed to HB American Group, Inc., by deed recorded under C.F. 2016019830 O.P.R. M.C.T. and part of FM 2432, 100' Public right-of-way (R.O.W.) lying adjacent to said Remainder and 41.296 acres, said 93.40 acre tract lying in the G.W. Lonis Survey, Abstract 313, Ranson Tillons Survey, Abstract 580, Henry Alston Survey, Abstract 59, William Hobdy Survey, Abstract 285, John Wilkerson Survey, Abstract 630 and the Jacob Eberly Survey, Abstract 196 and being more particularly described by metes and bounds as follows:

BEGINNING at a found 1/2 inch iron pipe with Texas State Plane Coordinates, Texas Central NAD 83, Northing 10146503.586, Easting 3840038.421, in the north right-of-way (R.O.W.) of FM 2432, 100' Public R.O.W., marking the common corner of Lots 45 and 46, Block 4,

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1 Texas National, Section 5, recorded under Cabinet B, Sheet 117 Map
2 Records of Montgomery County, Texas (M.R. M.C.T.), also being the
3 southeast corner of said Remainder and the herein described tract;
4 THENCE along a curve to the right and said north R.O.W., having a
5 radius of 2,898.08 feet, a delta angle of $13^{\circ} 16' 47''$, and whose long
6 chord bears South $60^{\circ} 59' 41''$ West a distance of 670.20 feet to a point
7 of curvature of the herein described tract;
8 THENCE along a curve to the right and said north R.O.W., having a
9 radius of 3,808.23 feet, a delta angle of $03^{\circ} 10' 00''$, and whose long
10 chord bears South $52^{\circ} 49' 16''$ West a distance of 210.45 feet to a
11 concrete monument, marking a point of tangency of the herein
12 described tract;
13 THENCE South $50^{\circ} 40' 39''$ West, along said north R.O.W., a distance of
14 133.24 feet to a point for corner, marking the east corner of the
15 herein described tract;
16 THENCE South $40^{\circ} 10' 22''$ West, over and across said R.O.W., a distance
17 of 100.00 feet to a found $1/2$ inch iron rod, marking the most
18 northerly corner of a cut-back, from which a TX-DOT Disk bears South
19 $46^{\circ} 51' 32''$ East, a distance of 8.68 feet;
20 THENCE South $03^{\circ} 17' 08''$ East, along said cut-back, a distance of
21 12.46 feet to a set $5/8$ inch iron rod with cap "Landpoint 10194172"
22 in the northwest R.O.W. of Seven Coves Road, public R.O.W. varies,
23 marking the most southerly corner of said cut-back;
24 THENCE South $40^{\circ} 31' 14''$ West, along said northwest R.O.W., a distance
25 of 593.57 feet (called 596.05') to a TX-DOT Disk, marking the
26 southeast corner of a called 15.5382 acres, conveyed to Wes
27 Schubert and Spouse Stephanie Schubert, by deed recorded C.F.

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1 2012085128 O.P.R. M.C.T., from which a TX-DOT Disk, bears North
2 69°55'16" East, a distance of 0.56 feet;
3 THENCE North 03°28'49" West, along the east line of said 15.5382
4 acres, a distance of 28.81 feet (called 29.99') to a found 5/8 inch
5 iron rod, marking the northeast corner of said 15.5382 acres, also
6 being an internal corner of the herein described tract, from which a
7 found 1/2 inch iron rod with cap, bears South 10°17'27" East, a
8 distance of 0.82 feet;
9 THENCE South 86°35'29" West, along the north line of said 15.5382
10 acres, a distance of 2167.33 feet (called 2,166.51') to a found 1/2
11 inch iron rod in the east R.O.W. of Farrell Road, 60' Public R.O.W.,
12 marking the northwest R.O.W. of said 15.5382 acres, also being the
13 southwest corner of the herein described tract;
14 THENCE North 02°41'49" West, along said east R.O.W., a distance of
15 728.95 feet (called 731.20') to a found 1/2 inch iron rod with cap,
16 marking the southwest corner of a called 6.368 acres, conveyed to
17 Ehlers Management, Inc., by deed recorded under C.F. 2014005771
18 O.P.R. M.C.T., also being the northwest corner of the herein
19 described tract;
20 THENCE North 86°24'55" East, passing at a distance of 1019.11 feet
21 along the south line of said 6.368 acres, a called 5.00 acres,
22 conveyed to Gary D. Kiddy and Diana K. Kiddy, by deed recorded under
23 C.F. 9895647 O.P.R. M.C.T. and a called 4.463 acres, conveyed to Don
24 Robinson and wife, Eileen Robinson, by deed recorded under C.F.
25 99013144 O.P.R. M.C.T. to a found 5/8 inch iron rod, marking the
26 common corner of said 4.463 acres and a called 3.168 acres, conveyed
27 to Allen P. Mott Jr. and Marla J. Mott, by deed recorded under C.F.

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1 2016002862 O.P.R. M.C.T. and continuing for a total distance of
2 1065.58 feet (called 1,071.09') to a found 1/2 inch iron rod,
3 marking an angle point of the herein described tract;
4 THENCE North 86°07'33" East, along the south line of said 3.168
5 acres, a distance of 247.75 feet to a found 1/2 inch iron rod,
6 marking the common corner of said 3.168 acres and a called 1.6722
7 acres, conveyed to Arlene Elizabeth Buchanan Drawdy, by deed
8 recorded under C.F. 9536359 O.P.R. M.C.T., marking an angle point
9 of the herein described tract;
10 THENCE North 85°36'58" East, along the south line of said 1.6722
11 acres passing at a distance of 186.38 feet a found 5/8 inch iron
12 rod, being the common corner of said 1.6722 acres and 2.1691 acres
13 and continuing for a total distance of 204.50 feet to a set 5/8 inch
14 iron rod with cap "Landpoint 10194172", marking an angle point of
15 the herein described tract;
16 THENCE North 88°29'58" East, along the said south line of 2.1691
17 acres, a distance of 299.26 feet to a found 2 inch iron pipe,
18 marking the southeast corner of said 2.1691 acres, also being an
19 internal corner of the herein described tract;
20 THENCE North 03°15'20" West, along the east line of said 2.1691
21 acres, a distance of 230.63 feet (called 229.79') to a found 1/2
22 inch iron rod in said south R.O.W., marking the north corner of said
23 41.296 acres;
24 THENCE along a curve to the left and said north R.O.W., having a
25 radius of 2,819.17 feet, a delta angle of 09° 12' 35", and whose long
26 chord bears North 71°21'11" West a distance of 452.66 feet to a
27 concrete monument in the north line of said 1.6722 acres, also being

1 a point tangency of the herein described tract;
2 THENCE North 75°39'54" West, along said south R.O.W., a distance of
3 346.79 feet to a point for corner in the north line of said 3.168
4 acres, marking an external corner of the herein described tract;
5 THENCE North 03°42'57" West, over and across said FM 2432, passing
6 at a distance of 105.18 feet a found 3/8 inch iron rod, marking the
7 common corner of said Remainder and a called 6.000 acres, conveyed
8 to Kent D. Conaster and wife, Tamara M. Conaster, by deed recorded
9 under C.F. 9738800 O.P.R. M.C.T., continuing for a total distance
10 of 836.69 feet to a found 3/8 inch iron rod, marking the northeast
11 corner of said 6.000 acres, also being an internal corner of said
12 Remainder and the herein described tract;
13 THENCE South 88°16'11" W, along the north line of said 6.000 acres
14 and a called 3.003 acres, conveyed to Nathan Palmer and Kimberly
15 Palmer, by deed recorded under C.F. 2006-095132 O.P.R. M.C.T.,
16 passing at a distance of 386.80 feet a found 1/2 inch iron rod,
17 marking the common corner of said 6.000 acres and said 3.003 acres
18 and continuing for a total distance of 421.35 feet to a found 1/2
19 inch iron pipe and a found 5/8 inch iron rod, marking an angle point
20 of said 3.003 acres, the common corner of Lot 18 and 19, Block 1,
21 Texas National, Section 1, recorded under Cabinet A, Sheet 189 M.R.
22 M.C.T. , also being the most northerly southwest corner of said
23 Remainder and the herein described tract;
24 THENCE North 02°44'12" West, along east line of said Lot 18 and 19,
25 Block 1 and Lots 29 thru 43, the Amending Plat of Texas National
26 Country Club Homes, by deed recorded under Cabinet A, Sheet 190 M.R.
27 M.C.T, a distance of 1129.53 feet to a set 5/8 inch iron rod with cap

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1 "Landpoint 10194172", marking the southwest corner of a called
2 0.797 acres, conveyed to The C.L. McIlvain Family Trust, by deed
3 recorded under C.F. 2008-088344 O.P.R. M.C.T., also being the
4 northwest corner of the herein described tract;
5 THENCE North 87°02'59" East, along the south line of said 0.797
6 acres, a distance of 235.39 feet to a point for corner, marking the
7 southeast corner of said 0.797 acres, also being an internal corner
8 of the herein described tract, from which a found 1/2 inch iron rod
9 with cap, bears South 55°38' 33" West a distance of 0.49 feet;
10 THENCE North 02°44'12" West, along the east line of said 0.797
11 acres, a distance of 147.47 feet to a found 1/2 inch iron, marking
12 the common corner of Lots 3 and 4, Block 4, Texas National, Section
13 2, recorded under Cabinet B, Sheet 35 M.R. M.C.T., also being an
14 external corner of the herein described tract;
15 THENCE North 87°02'59" East, along Lot 4 thru 15, said Block 4, Texas
16 National, Section 2, passing at a distance of 75.00 feet a found 1/2
17 inch iron, marking the common corner of said Lots 4 and 5, passing
18 at a distance of 525.10 feet a found 1/2 inch iron, marking the
19 common corner of said Lots 10 and 11, passing at a distance of
20 600.10 feet a found 1/2 inch iron, marking the common corner of said
21 Lots 11 and 12, passing at a distance of 675.00 feet a found 1/2 inch
22 iron, marking the common corner of said Lots 12 and 13, passing at a
23 distance of 755.00 feet a found 1/2 inch iron, marking the common
24 corner of said Lots 13 and 14 and continuing for a total a distance
25 of 918.50 feet to a found 1/2 inch iron pipe in the west line of Lot
26 17, said Block 4, Texas National, Section 2, marking the southeast
27 corner of said Lot 15, also being the northeast corner of said

1 Remainder and the herein described tract;
2 THENCE South 03°30'52" East, along the west line of Lots 17 thru 28,
3 Block 4, Texas National, Section 2 and Lots 29 thru 45, said Block
4 4, Texas National, Section 5, a distance of 2279.72 feet to a found
5 1/2 inch iron pipe, being said southeast corner of said Remainder
6 and the POINT OF BEGINNING and containing a computed 93.40 acres
7 (4,068,654 square feet) of land.

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

15 (b) The governor, one of the required recipients, has
16 submitted the notice and Act to the Texas Commission on
17 Environmental Quality.

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

22 (d) All requirements of the constitution and laws of this
23 state and the rules and procedures of the legislature with respect
24 to the notice, introduction, and passage of this Act are fulfilled
25 and accomplished.

26 SECTION 4. (a) If this Act does not receive a two-thirds
27 vote of all the members elected to each house, Subchapter C, Chapter

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1 7971, Special District Local Laws Code, as added by Section 1 of
2 this Act, is amended by adding Section 7971.106 to read as follows:

3 Sec. 7971.106. NO EMINENT DOMAIN POWER. The district may
4 not exercise the power of eminent domain.

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

8 SECTION 5. This Act takes effect September 1, 2017.