SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 6. WATER AND WASTEWATER

SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

CHAPTER 8268. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 117

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8268.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a member of the board.

(3) "District" means the Montgomery County Municipal Utility District No. 117. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.002. NATURE OF DISTRICT. The district is a municipal utility district in Montgomery County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) All land and other property included in the district will benefit from the improvements and services to be provided by the district.

(b) The district is created to accomplish:

(1) the purposes of a municipal utility district as provided by general law; and

(2) to the extent authorized by Section 52, Article III, Texas Constitution, the construction, acquisition, improvement, maintenance, or operation of arterial or main feeder roads or improvements in aid of those roads.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.005. INITIAL DISTRICT TERRITORY. (a) The

district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act creating 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;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

SUBCHAPTER A-1. TEMPORARY PROVISIONS

Sec. 8268.021. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) Arthur J. Sullivan, III;
- (2) Linda Grant Jones;
- (3) James H. Pouns;
- (4) Lee Lupher; and
- (5) Thomas Vann.

(b) Temporary directors serve until the earlier of:

(1) the date initial directors are elected underSection 8268.023; or

(2) September 1, 2013.

(c) If initial directors have not been elected under Section 8268.023 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 initial directors are elected underSection 8268.023; 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 Texas Commission on Environmental Quality 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 temporary directors the five persons named in the petition.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 408 (S.B. 324), Sec. 1, eff. June 14, 2013.

Sec. 8268.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. As soon as practicable after all the temporary directors have qualified under Section 49.055, Water Code, the temporary directors shall meet at a location in the district agreeable to a majority of the directors. At the meeting, the temporary directors shall elect officers from among the temporary directors and conduct any other district business. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.023. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. Not later than the second anniversary of the organizational meeting held under Section 8268.022, the temporary directors shall hold an election to confirm the creation of the district and to elect five initial directors as provided by Section 49.102, Water Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.024. INITIAL ELECTED DIRECTORS; TERMS. Unless the initial board otherwise agrees, the directors elected under Section 8268.023 shall draw lots to determine which two shall serve until the first regularly scheduled election of directors under Section 8268.052 and which three shall serve until the second

regularly scheduled election of directors.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8268.051. DIRECTORS; TERMS. (a) The district is governed by a board of five directors.

(b) Except for temporary or initial directors, directors serve staggered four-year terms.Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.052. ELECTION OF DIRECTORS. On the uniform election date in May of each even-numbered year, the appropriate number of directors shall be elected. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8268.101. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. (a) 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.

(b) The district has the powers and duties necessary to accomplish the purposes for which the district is created. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.102. ROAD PROJECTS. (a) To the extent authorized by Section 52, Article III, Texas Constitution, the district may acquire, construct, or finance a road that meets the criteria or requirements for a thoroughfare, arterial, or collector road of the county in which the road is located or the municipality in whose corporate limits or extraterritorial jurisdiction the road is

located or improvements in aid of that road.

(b) A road project must meet all applicable standards, regulations, and ordinances of the municipality or county in whose jurisdiction the district is located. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.103. RECREATIONAL FACILITIES; LIMIT ON EMINENT DOMAIN POWER. (a) In this section, "recreational facilities" and "develop and maintain" have the meanings assigned by Section 49.462, Water Code.

(b) The district may develop and maintain recreational facilities.

(c) The district may not, for the development or maintenance of a recreational facility, acquire by condemnation land, an easement, or other property inside or outside the district. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.104. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCES OR RESOLUTIONS. Subject to the limitations of Section 54.016, Water Code, the district shall comply with all applicable requirements of any ordinance or resolution adopted by the governing body of the municipality that consents to the creation of the district or to the inclusion of lands within the district. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8268.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by revenue or contract payments from any source other than ad valorem taxation.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an operation and maintenance tax or

issue bonds payable from ad valorem taxes. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8268.151, 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. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8268.201. 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, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.202. BONDS FOR ROAD PROJECTS. (a) The district may not issue bonds to finance projects authorized by Section 8268.102 unless the issuance is approved by a vote of a two-thirds majority of the voters of the district voting at an election called for that purpose.

(b) Bonds or other obligations issued or incurred to finance projects authorized by Section 8268.102 may not exceed one-fourth of the assessed value of the real property in the district. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.203. BONDS FOR RECREATIONAL FACILITIES. If authorized at an election under Section 8268.151, the district may issue bonds payable from ad valorem taxes to pay for the development

and maintenance of recreational facilities.

Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.

Sec. 8268.204. TAXES FOR BONDS. At the time bonds payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding; and

(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds as the interest becomes due;

(B) create a sinking fund for the payment of the principal of the bonds when due or the redemption price at any earlier required redemption date; and

(C) pay the expenses of imposing the taxes. Added by Acts 2007, 80th Leg., R.S., Ch. 1134 (H.B. 4083), Sec. 1, eff. June 15, 2007.