### SPECIAL DISTRICT LOCAL LAWS CODE

## TITLE 4. DEVELOPMENT AND IMPROVEMENT

# SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT CHAPTER 3845. TORNILLO MANAGEMENT DISTRICT

## SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3845.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Director" means a board member.
- (3) "District" means the Tornillo Management District.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.002. NATURE OF DISTRICT. The district is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
The district is created to serve a public purpose and benefit.

- (b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.
- (c) The district is created to accomplish the purposes of a municipal management district as provided by general law and Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.
- (d) The creation of the district is in the public interest and is essential to:
- (1) further the public purposes of developing and diversifying the economy of the state;
  - (2) eliminate unemployment and underemployment; and

- (3) develop or expand transportation and commerce.
- (e) The district will:
- (1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;
- (2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center; and
- (3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.
- (f) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.
- (g) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

  Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.
- Sec. 3845.004. 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 a tax; or
- (4) legality or operation.
  Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1,

eff. June 19, 2009.

## SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3845.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of seven voting directors. Four directors are elected as provided by Section 3845.052 and three directors are appointed as provided by Section 3845.053.

- (b) Elected directors serve staggered terms of four years.
- (c) Appointed directors serve three-year terms and may be appointed for subsequent terms.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.052. 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 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.053. APPOINTMENT OF DIRECTORS. (a) One director shall be appointed by a majority vote of the board of directors of the El Paso County Tornillo Water Improvement District.

- (b) One director shall be appointed by a majority vote of the Commissioners Court of El Paso County.
- (c) One director shall be appointed by the board from a list of persons submitted by the representative for House District 75.
- (d) Expired.

  Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.054. QUALIFICATIONS. (a) To be qualified to serve as an appointed director, a person must be at least 18 years old and a state resident.

(b) To be qualified to serve as an elected director, a person must meet the qualifications for an appointed director and be an owner of real property subject to taxation in the district or

a qualified voter of the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.055. INITIAL DIRECTORS. (a) On or after the effective date of the Act creating this chapter, 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 initial directors the four qualified persons named in the petition. The commission shall appoint as initial directors the four persons named in the petition.

(b) The initial directors appointed under Subsection (a) shall draw lots to determine which two shall serve until the first regularly scheduled election of directors under Section 3845.052 and which two shall serve until the second regularly scheduled election of directors.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

## SUBCHAPTER C. POWERS AND DUTIES

Sec. 3845.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.102. MUNICIPAL MANAGEMENT DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapter 375, Local Government Code, applicable to municipal management districts created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.103. EMINENT DOMAIN. The district may not exercise the power of eminent domain.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

- 3845.104. WATER AND WASTEWATER FACILITIES AND SERVICES. (a) The district may not provide wholesale or retail water or wastewater services to any land inside or outside the boundaries of the district or produce water for use on land owned or managed by the district unless authorized by a written resolution of the board of directors of the El Paso County Tornillo Water Improvement District. A written resolution authorizing the provision or production of water or the water or wastewater services must specify the area authorized to receive the water or wastewater services or for which the district is authorized to produce water. Notwithstanding any other law, the El Paso County Tornillo Water Improvement District is not required to provide retail water or wastewater services to an area in which the district is authorized to provide water services.
- (b) On written request by the El Paso County Tornillo Water Improvement District, the district shall convey and transfer to the El Paso County Tornillo Water Improvement District all water or wastewater facilities, equipment, and fixtures owned by the district, including water lines, wastewater lines, meters, wells, fire hydrants, storage tanks, lagoons, water and wastewater treatment facilities, and pump and lift stations.
- (c) Water or wastewater facilities, equipment, and fixtures transferred at the request of the El Paso County Tornillo Water Improvement District shall continue to be used to benefit land in the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.105. RAIL FACILITIES. The district may construct, acquire, improve, maintain, and operate rail facilities and improvements in aid of those facilities.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1,

Sec. 3845.106. DEVELOPMENT CORPORATION POWERS. The district may exercise the powers given to a corporation under Chapter 505, Local Government Code, including the power to own, operate, acquire, construct, lease, improve, and maintain the projects described by that chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 3845.151. 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 ad valorem tax or issue bonds payable from ad valorem taxes.
- (c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 3845.151, 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 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.153. CONTRACT TAXES. (a) In accordance with

Section 49.108, Water Code, the district may make payments under a contract from taxes other than operation and maintenance taxes 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.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.154. TAXES FOR WATER, WASTEWATER, AND DRAINAGE PURPOSES. Taxes the district imposes for water, wastewater, and drainage facility construction and maintenance purposes, if any, are for the particular benefit of the area inside the district, do not generally or directly benefit the area inside the El Paso County Tornillo Water Improvement District as a whole, and do not duplicate a tax imposed by the El Paso County Tornillo Water Improvement District.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.155. HOTEL OCCUPANCY TAX. (a) The district may impose a hotel occupancy tax in the manner provided by Section 351.002, Tax Code. A tax imposed under this section may not exceed the maximum rate provided by Section 351.003(a), Tax Code.

- (b) The district may use revenue from the hotel occupancy tax for any district purpose that is an authorized use of hotel occupancy tax revenue under Chapter 351, Tax Code.
- (c) If any territory of the district is annexed by a municipality or incorporates as a municipality, the district may not impose a hotel occupancy tax.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.156. SALES AND USE TAX. (a) The district may impose a sales and use tax if authorized by a majority of the voters

of the district voting at an election held for that purpose. Revenue from the sales and use tax may be used for any purpose for which ad valorem tax revenue of the district may be used.

- (b) The district may not adopt a sales and use tax at a rate greater than two percent, and the rate of the tax when combined with the rates of all other sales and use taxes imposed in the district may not exceed the total combined sales and use tax rate imposed in the city of El Paso.
- (c) Chapter 321, Tax Code, applies to the imposition, computation, administration, enforcement, and collection of the sales and use tax imposed by this section except to the extent it is inconsistent with this chapter.
- (d) If any territory of the district is annexed by a municipality or incorporates as a municipality, the district may not impose a sales and use tax.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.157. AUTHORITY TO TAX. The district may impose taxes only inside the district's boundaries.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

## SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 3845.201. 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, revenue from economic development agreements under Chapter 381, Local Government Code, or other district money, or any combination of those sources, to pay for an authorized district purpose.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.202. TAXES FOR BONDS. (a) At the time the

district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of an ad valorem tax, without limit as to rate or amount, as required by Section 54.601, Water Code.

(b) The board shall impose the tax annually while all or part of the bonds are outstanding. Sections 54.601 and 54.602, Water Code, govern the amount and rate of the tax.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.203. 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 may not exceed one-fourth of the assessed value of the real property in the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.

Sec. 3845.204. FINANCIAL RESPONSIBILITY OF EL PASO COUNTY TORNILLO WATER IMPROVEMENT DISTRICT. (a) This chapter may not be construed as creating an obligation of the El Paso County Tornillo Water Improvement District for a debt incurred by the district.

(b) Notwithstanding any other law, the El Paso County Tornillo Water Improvement District may not be held liable for a debt incurred by the district unless the debt is assumed by a resolution of the board of directors of the El Paso County Tornillo Water Improvement District.

Added by Acts 2009, 81st Leg., R.S., Ch. 1079 (H.B. 4759), Sec. 1, eff. June 19, 2009.