

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 4. DEVELOPMENT AND IMPROVEMENT
SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT
CHAPTER 3854. CHAMBERS COUNTY IMPROVEMENT DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3854.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a board member.

(3) "District" means the Chambers County Improvement District No. 1.

(4) "Extraterritorial jurisdiction" has the meaning assigned by Section 42.021, Local Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.002. NATURE OF DISTRICT. A special district known as the "Chambers County Improvement District No. 1" is a political subdivision of this state.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and to accomplish the other purposes of this chapter. The legislature intends that by creating the district the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to:

(1) diversify the economy of the state;

(2) promote, develop, expand, encourage, and maintain employment, commerce, economic development, and the public welfare;

(3) promote the control, treatment, storage, and

distribution of water;

(4) protect, preserve, and restore the sanitary conditions of water;

(5) promote the transportation of agricultural, industrial, and commercial products;

(6) promote the health, safety, and general welfare of:

(A) property owners, residents, employers, and employees in the district; and

(B) the public;

(7) promote the improvement of rivers, bays, creeks, streams, and canals to permit or to aid navigation and commerce; and

(8) promote the construction, maintenance, and operation of streets, roads, highways, turnpikes, and railroads in the greater Cedar Crossing area of Chambers County.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use 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 will provide needed funding in the greater Cedar Crossing area to preserve, maintain, and enhance the economic health and vitality of the area as a community and a business and industrial center.

(d) 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. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.005. EFFECT OF DISTRICT CREATION ON MUNICIPAL POWERS. (a) The creation of the district does not:

(1) affect the power of a municipality in whose extraterritorial jurisdiction the district or a part of the district lies to designate all or part of the district as an industrial district;

(2) limit a power under Chapter 42, Local Government Code, of a municipality described by Subdivision (1); or

(3) affect the power of a municipality to provide municipal services to any area in the municipality or the municipality's extraterritorial jurisdiction that is in the district.

(b) A municipality described by Subsection (a)(3) has the same power to extend or provide municipal services after the creation of the district as the municipality had before the district's creation.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.006. TORT CLAIMS. (a) The district is a governmental unit for the purposes of Chapter 101, Civil Practice and Remedies Code.

(b) The operations of the district are essential governmental functions for all purposes and not proprietary functions.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.007. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformance with the legislative findings and purposes stated in this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATION

Sec. 3854.051. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section 3, Chapter 566, Acts of the 73rd Legislature, Regular Session, 1993, as that territory

may have been modified under:

- (1) Subchapter [J](#), Chapter [49](#), Water Code; or
- (2) other law.

(b) The boundaries and field notes of the district form a closure. A mistake made in the field notes or in copying the field notes in the legislative process does not affect:

- (1) the district's organization, existence, or validity;
- (2) the district's right to issue any type of bond or to issue or enter into another type of obligation for a purpose for which the district is created;
- (3) the district's right to levy or collect an assessment or tax; or
- (4) the legality or operation of the district or the district's governing body.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.052. ANNEXATION OR EXCLUSION OF TERRITORY BY DISTRICT; MUNICIPAL CONSENT. (a) The district may annex land to and exclude land from the district as provided by Subchapter [J](#), Chapter [49](#), Water Code.

(b) The district may not annex land in a municipality's extraterritorial jurisdiction unless the municipality consents to the annexation.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.053. ANNEXATION OF DISTRICT TERRITORY BY MUNICIPALITY. (a) Notwithstanding Chapter [43](#), Local Government Code, a municipality in whose extraterritorial jurisdiction the district is located may annex all or part of the district. Annexation does not result in a total or partial dissolution of the district or an assumption by the annexing municipality of any of the district's obligations or indebtedness.

(b) A municipal annexation of all or part of the district has no effect on the validity of the district, and the district

shall continue to exist and exercise the powers granted by this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

SUBCHAPTER C. BOARD OF DIRECTORS

Sec. 3854.101. GOVERNING BODY; TERMS. (a) The district is governed by a board of seven directors.

(b) Directors serve staggered four-year terms.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.102. APPLICABLE LAW. The board is governed by Subchapter D, Chapter 375, Local Government Code, to the extent that the subchapter does not conflict with this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.103. DIRECTOR DISTRICTS. (a) Each position on the board represents a separate area of the district known as a director district.

(b) All land in the district must be in a director district.

(c) Director districts may not overlap.

(d) The board may establish new boundaries for a director district if it is necessary to provide a reasonable balance in the board representation between acreage, value, improvements, and interests of the property owners in the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.104. APPOINTMENT OF DIRECTORS. The Commissioners Court of Chambers County shall appoint a director to represent a director district in the manner provided by Section 375.064, Local Government Code, from a list of candidates recommended by the board in the manner provided by that section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec.

1.02, eff. April 1, 2011.

Sec. 3854.105. QUALIFICATIONS. (a) Each director shall qualify for office as required by Subchapter D, Chapter 375, Local Government Code.

(b) Each director shall meet the qualifications provided by Section 375.063, Local Government Code, for the area in the director district that the director represents.

(c) A person may not be appointed as a director or continue to serve as a director unless the person satisfies the requirements provided by Section 375.063, Local Government Code, for the area in the director district that the person is appointed to represent.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.106. VOTING; ACTIONS. (a) Directors may vote on any matter authorized by Subchapter D, Chapter 375, Local Government Code.

(b) The board may take action only if the action is approved in the manner prescribed by Subchapter D, Chapter 375, Local Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.107. VACANCY. The remaining directors shall fill a vacancy in the office of director for the remainder of the unexpired term.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

SUBCHAPTER D. POWERS AND DUTIES

Sec. 3854.151. GENERAL POWERS. The district has:

(1) all the rights, powers, and privileges conferred by the general law of this state applicable to districts created under:

(A) Chapter 375, Local Government Code;

(B) Chapter [172](#), Transportation Code, or Chapter [623](#), Acts of the 67th Legislature, Regular Session, 1981 (former Article 6550c, Vernon's Texas Civil Statutes);

(C) Chapter [441](#), Transportation Code; and

(D) Chapter [54](#), Water Code;

(2) the rights, powers, and privileges granted to districts by:

(A) Subchapters [E](#) and [M](#), Chapter [60](#), Water Code; and

(B) Section [61.116](#), Water Code; and

(3) all the powers granted to municipal management districts under Sections [375.092](#) and [375.111](#), Local Government Code, to provide any services or for any project the district is authorized to acquire, construct, or improve under this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. [1303](#)), Sec. 22.018, eff. September 1, 2011.

Sec. 3854.152. ELECTIONS. Except as provided by Section [3854.202](#), the district shall hold elections as provided by Subchapter [L](#), Chapter [375](#), Local Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. [4577](#)), Sec. 1, eff. June 4, 2021.

Sec. 3854.153. AUTHORITY TO ACQUIRE INTEREST IN LAND. The district may acquire any interest in land in accordance with Chapter [54](#), Water Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.154. EXPENSES AND LIABILITY FOR CERTAIN ACTIONS AFFECTING PROPERTY. If the district, in exercising a power

conferred by this chapter, requires a relocation, adjustment, raising, lowering, rerouting, or changing the grade of or altering the construction of any street, alley, highway, overpass, underpass, road, railroad track, bridge, facility, or property, electric line, conduit, facility, or property, telephone or telegraph line, conduit, facility, or property, gas transmission or distribution pipe, pipeline, main, facility, or property, water, sanitary sewer or storm sewer pipe, pipeline, main, facility, or property, cable television line, cable, conduit, facility, or property, or other pipeline or facility or property relating to the pipeline, that relocation, adjustment, raising, lowering, rerouting, changing of grade, or altering of construction must be accomplished at the sole cost and expense of the district, and damages that are suffered by owners of the property or facilities shall be borne by the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.155. SECURITY SERVICES. To protect the public interest, the district may contract with a private entity or a municipality, county, or other political subdivision for services for the security and protection of residents and property in the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.156. COMPETITIVE BIDDING. The district shall contract for services, improvements, or the purchase of materials, machinery, equipment, supplies, or other property of more than \$25,000 as provided by Section [375.221](#), Local Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.157. DISTRICT NAME CHANGE. The board by resolution may change the name of the district. The name must describe the district's location and principal powers.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec.

1.02, eff. April 1, 2011.

Sec. 3854.158. OWNING OR OPERATING AIRPORT PROHIBITED. The district may not own or operate an airport.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

SUBCHAPTER E. FINANCIAL PROVISIONS

Sec. 3854.201. DISBURSEMENTS OR TRANSFERS OF MONEY. The board by resolution shall establish the number of director signatures or the procedure required for all disbursements or transfers of the district's money.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.202. TAX AND BOND ELECTIONS. (a) Except as provided by Subsection (c), the district shall hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval for the district to impose a maintenance tax or issue bonds payable from ad valorem taxes or assessments.

(b) The board may submit multiple purposes in a single proposition at an election.

(c) Section 375.243, Local Government Code, does not apply to the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. 4577), Sec. 2, eff. June 4, 2021.

Sec. 3854.203. MAINTENANCE AND OPERATION TAX. (a) If authorized at an election held in accordance with Section 3854.202, the district may impose an annual ad valorem tax on taxable property in the district for:

(1) the maintenance, operation, and upkeep of the

district and the improvements constructed or acquired by the district; and

(2) the provision of services to industrial and commercial businesses and residents and property owners.

(b) The board shall determine the tax rate.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.204. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board may levy and collect an assessment under Subchapter F, Chapter 375, Local Government Code, for any authorized purpose only if the assessment does not conflict with this chapter.

(b) An assessment or reassessment by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

(1) are a first and prior lien against the property assessed;

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

(c) The lien is effective from the date of the board's resolution levying the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.205. FINANCING IMPROVEMENT PROJECTS OR SERVICES.

(a) The district may finance the cost of any authorized improvement project or service in the manner provided by any law that applies to the district.

(b) A petition under Section 375.114 or 375.243, Local Government Code, is not required for the board to levy a tax,

assessment, or impact fee to finance improvement projects and services under this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. 4577), Sec. 3, eff. June 4, 2021.

Sec. 3854.206. IMPACT FEES. Except as provided by Section 3854.207, the district may impose an impact fee for an authorized purpose as provided by Subchapter G, Chapter 375, Local Government Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.207. CERTAIN RESIDENTIAL PROPERTY EXEMPT. The district may not impose an impact fee or assessment on a single-family residential property or a residential duplex, triplex, fourplex, or condominium.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.208. BONDS AND OTHER OBLIGATIONS. (a) The district may issue bonds or other obligations secured by and payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, grants, or other money of the district, or any combination of those sources of money, to pay for any authorized purpose of the district.

(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument evidencing a proportionate interest in payments to be made by the district, or other type of obligation.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Sec. 3854.209. APPROVAL OF BONDS. (a) No approval is

required for bonds issued by the district other than:

(1) the approval of the attorney general as provided by Section 375.205, Local Government Code; and

(2) the approval of the Texas Commission on Environmental Quality if the bonds are issued for a purpose that Section 375.208, Local Government Code, requires to be approved by the commission.

(b) Repealed by Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. 4577), Sec. 4, eff. June 4, 2021.

(c) Repealed by Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. 4577), Sec. 4, eff. June 4, 2021.

(d) Repealed by Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. 4577), Sec. 4, eff. June 4, 2021.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 214 (H.B. 4577), Sec. 4, eff. June 4, 2021.

SUBCHAPTER F. DISSOLUTION

Sec. 3854.251. DISSOLUTION OF DISTRICT. The district may be dissolved as provided by Section 375.261 or 375.262, Local Government Code. If the district is dissolved, the district shall remain in existence solely for the purpose of discharging its bonds or other obligations according to their terms.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.02, eff. April 1, 2011.