

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 6. WATER AND WASTEWATER

SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

For contingent expiration of this chapter, see Sec. 8125.003.

CHAPTER 8125. THE LAKES FRESH WATER SUPPLY

DISTRICT OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8125.001. 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 Lakes Fresh Water Supply District of Denton County.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.002. NATURE OF DISTRICT. The district is a fresh water supply district in Denton County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution. The district is created to serve a public use and benefit.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.003. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation election held under Section 8125.023 before September 1, 2007:

(1) the district is dissolved September 1, 2007, except that:

(A) any debts incurred shall be paid;

(B) any assets that remain after the payment of debts shall be transferred to Denton County; and

(C) the organization of the district shall be maintained until all debts are paid and remaining assets are transferred; and

(2) this chapter expires September 1, 2010.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.004. 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:

(1) the organization, existence, or validity of the district;

(2) the right of the district to impose taxes; or

(3) the legality or operation of the board.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8125.051. DIRECTORS; TERMS. (a) The district is governed by a board of five directors.

(b) Directors serve staggered four-year terms.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.052. QUALIFICATIONS. Directors must meet only the qualifications for directors provided by Chapters 49 and 54, Water Code.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.053. 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 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8125.101. MUNICIPAL UTILITY DISTRICT AND FRESH WATER SUPPLY DISTRICT POWERS AND DUTIES. (a) Except as provided by Subsections (b) and (c), the district has the powers and duties provided by the general law of this state, including Chapters 49, 53, and 54, Water Code, applicable to municipal utility districts and fresh water supply districts created under Section 59, Article XVI, Texas Constitution.

(b) Sections 53.029(b), 53.030-53.034, and 53.040-53.043, Water Code, do not apply to the district.

(c) If a provision of Chapter 53, Water Code, is in conflict or inconsistent with this chapter or Chapter 54, Water Code, this chapter and Chapter 54, Water Code, prevail.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.102. ROAD PROJECTS. (a) The district may construct, acquire, improve, maintain, or operate macadamized, graveled, or paved roads or turnpikes, or improvements in aid of those roads or turnpikes, inside or outside the district.

(b) A project authorized by this section must meet only the construction standards adopted by the North Central Texas Council of Governments, or its successor agency.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.103. ROAD CONTRACTS. The district may contract for a road project in the same manner as provided by Subchapter I, Chapter 49, Water Code.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

Sec. 8125.104. WATER CONTROL AND STORAGE PROJECTS. (a) The district may construct, acquire, improve, enlarge, extend, repair, or maintain dams, levees, walls, dikes, embankments, canals,

reservoirs, lakes, or other improvements as necessary to control, store, or preserve water in the district for any useful purpose.

(b) The district may overflow and inundate district lands and other district property in the district.

(c) A project authorized by this section is subject to all applicable permitting and regulatory requirements.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. [3490](#)), Sec. 1, eff. June 18, 2005.

Sec. 8125.105. CERTIFICATE OF CONVENIENCE AND NECESSITY.

(a) The district may pay out of bond proceeds or other available district money all expenses, including legal, engineering, and other fees, related to obtaining a new certificate of convenience and necessity under Chapter [13](#), Water Code, authorizing the district to provide retail water or sewer service inside or outside the district.

(b) The district may pay out of bond proceeds or other available district money all expenses, including the purchase price, related to acquiring certificate of convenience and necessity rights from another retail public utility to allow the district to provide retail water or sewer service in the district.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. [3490](#)), Sec. 1, eff. June 18, 2005.

Sec. 8125.106. CONTRACT WITH POLITICAL SUBDIVISION FOR

WATER OR SEWER SERVICES. (a) The district may enter into a contract to allow a political subdivision to provide retail water or sewer service in the district. The contract may contain terms the board considers desirable, fair, and advantageous to the district.

(b) The contract may provide that the district will construct or acquire and convey or lease to the political subdivision a water supply or treatment system, a water distribution system, or a sanitary sewage collection or treatment system, as necessary to provide water or sewer service in the district.

(c) The district may use bond proceeds or other available

district money to pay for its obligations and for services and facilities provided under the contract.

(d) If the contract requires the district to make payments from taxes other than operation and maintenance taxes, the contract is subject to Section [49.108](#), Water Code.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. [3490](#)), Sec. 1, eff. June 18, 2005.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8125.151. OPERATION AND MAINTENANCE TAX. (a) The district may impose a tax for any district operation and maintenance purpose in the manner provided by Section [49.107](#), Water Code.

(b) Section [49.107](#)(f), Water Code, does not apply to reimbursements for projects constructed or acquired under Section [8125.102](#).

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. [3490](#)), Sec. 1, eff. June 18, 2005.

Sec. 8125.152. TAX TO REPAY BONDS. The district may impose a tax to pay the principal of and interest on bonds issued under Section [8125.201](#).

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. [3490](#)), Sec. 1, eff. June 18, 2005.

Sec. 8125.153. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND ASSESSMENTS. The district may not impose an impact fee or assessment on the property, including the equipment, rights-of-way, facilities, or improvements, of:

(1) an electric utility or a power generation company as defined by Section [31.002](#), Utilities Code;

(2) a gas utility as defined by Section [101.003](#) or [121.001](#), Utilities Code;

(3) a telecommunications provider as defined by Section [51.002](#), Utilities Code;

(4) a cable operator as defined by 47 U.S.C. Section

522; or

(5) a person who provides to the public advanced telecommunications services.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.

SUBCHAPTER E. BONDS

Sec. 8125.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS; TAX. (a) The district may issue bonds or other obligations as provided by Chapters 49, 53, and 54, Water Code, and to finance:

(1) the construction, maintenance, or operation of projects under Section 8125.102 or 8125.104; or

(2) the district's contractual obligations under Section 8125.106.

(b) The district may not issue bonds or other obligations secured in whole or in part by ad valorem taxation to finance projects authorized by Section 8125.102 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.

(c) Bonds or other obligations issued or incurred to finance projects authorized by Section 8125.102 may not exceed one-fourth of the assessed value of the real property in the district.

(d) Sections 49.181 and 49.182, Water Code, do not apply to a project undertaken by the district under Section 8125.102 or to bonds issued by the district to finance the project.

Added by Acts 2005, 79th Leg., Ch. 1167 (H.B. 3490), Sec. 1, eff. June 18, 2005.