

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 6. WATER AND WASTEWATER

SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

For contingent expiration of this chapter, see Section 8162.004.

CHAPTER 8162. FAIRFIELDS MUNICIPAL UTILITY DISTRICT OF KAUFMAN
COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8162.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Director" means a board member.
- (3) "District" means the Fairfields Municipal Utility District of Kaufman County.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.002. NATURE OF DISTRICT. The district is a municipal utility district in Kaufman County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.003. FINDING OF PUBLIC USE AND BENEFIT. The district is created to serve a public use and benefit.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.004. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation election held under Section 8162.023 before September 1, 2009:

- (1) the district is dissolved September 1, 2009, except that the district shall:
 - (A) pay any debts incurred;
 - (B) transfer to Kaufman County any assets that remain after the payment of debts; and

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

(2) this chapter expires September 1, 2012.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.005. 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:

(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 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8162.051. DIRECTORS; TERMS. (a) The district is governed by a board of five directors.

(b) Directors serve staggered four-year terms.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8162.101. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. 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.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.102. ROAD PROJECTS. (a) The district may construct, acquire, improve, maintain, or operate macadamized, graveled, or paved roads or improvements in aid of those roads.

(b) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the district is located. If the district is not located in the corporate limits or extraterritorial jurisdiction of a municipality, a road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each county in which the district is located.

(c) The district may not undertake a road project unless each municipality in whose corporate limits or extraterritorial jurisdiction the district is located consents by resolution. If the district is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the district may not undertake a road project unless each county in which the district is located consents by resolution.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.103. ROAD CONTRACTS. The district may contract for a road project in the manner provided by Subchapter I, Chapter 49, Water Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8162.151. OPERATION AND MAINTENANCE TAX. The district may impose a tax for any district operation and maintenance purpose in the manner provided by Section 49.107, Water Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.152. TAX TO REPAY BONDS. The district may impose

a tax to pay the principal of and interest on bonds issued under Section 8162.201.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.153. 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 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

SUBCHAPTER E. BONDS

Sec. 8162.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may issue bonds or other obligations as provided by Chapters 49 and 54, Water Code, and to finance the construction, maintenance, or operation of projects under Section 8162.102.

(b) The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, grants, or other district money.

(c) The district may not issue bonds or other obligations secured wholly or partly by ad valorem taxation to finance projects authorized by Section 8162.102 unless the issuance is approved by a vote of a two-thirds majority of district voters voting at an election called for that purpose.

(d) Bonds or other obligations issued or incurred to finance projects authorized by Section [8162.102](#) 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. 497 (S.B. [323](#)), Sec. 1, eff. June 16, 2007.

SUBCHAPTER F. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

Sec. 8162.251. DIVISION OF DISTRICT; REQUIREMENTS. (a) At any time before the district issues indebtedness secured by taxes or net revenue, the district may be divided into two or more new districts.

(b) A new district created by division of the district must be at least 100 acres.

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act creating this chapter.

(d) The board may consider a proposal to divide the district on:

- (1) a petition of a landowner in the district; or
- (2) a motion by the board.

(e) If the board decides to divide the district, the board shall:

(1) set the terms of the division, including names for the new districts and a plan for the payment or performance of any outstanding district obligations; and

(2) prepare a metes and bounds description for each proposed district.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. [323](#)), Sec. 1, eff. June 16, 2007.

Sec. 8162.252. ELECTION FOR DIVISION OF DISTRICT. (a) After the board has complied with Section [8162.251](#)(e), the board shall hold an election in the district to determine whether the district should be divided as proposed.

(b) The board shall give notice of the election not later

than the 35th day before the date of the election. The notice must state:

- (1) the date and location of the election; and
- (2) the proposition to be voted on.

(c) If a majority of the votes cast are in favor of the division:

- (1) the district is divided; and
- (2) not later than the 30th day after the date of the election, the district shall provide written notice of the division to:

(A) the Texas Commission on Environmental Quality;

(B) the attorney general;

(C) the commissioners court of each county in which a new district is located; and

(D) any municipality having extraterritorial jurisdiction over territory in each new district.

(d) If a majority of the votes cast are not in favor of the division, the district may not be divided.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. [323](#)), Sec. 1, eff. June 16, 2007.

Sec. 8162.253. ELECTION OF DIRECTORS OF NEW DISTRICTS. (a) Not later than the 90th day after the date of an election in favor of the division of the district, the board shall:

(1) appoint itself as the board of one of the new districts; and

(2) appoint five directors for each of the other new districts.

(b) Directors appointed under Subsection (a)(1) serve the staggered terms to which they were elected in the original district. Directors appointed under Subsection (a)(2) serve until the election for directors under Subsection (c).

(c) On the uniform election date in May of the first even-numbered year after the year in which the directors are appointed, the appointed board shall hold an election to elect five directors in each district for which directors were appointed under

Subsection (a)(2). The directors shall draw lots to determine which two shall serve until the next regularly scheduled election of directors and which three shall serve until the second regularly scheduled election of directors.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.254. CONTINUING POWERS AND OBLIGATIONS OF NEW DISTRICTS. (a) Each new district may incur and pay debts and has all powers of the original district created by this chapter.

(b) If the district is divided as provided by this subchapter, the current obligations and any bond authorizations of the district are not impaired. Debts shall be paid by revenue or by taxes or assessments imposed on real property in the district as if the district had not been divided or by contributions from each new district as stated in the terms set by the board under Section 8162.251(e).

(c) Any other district obligation is divided pro rata among the new districts on an acreage basis or on other terms that are satisfactory to the new districts.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.

Sec. 8162.255. CONTRACT AUTHORITY OF NEW DISTRICTS. The new districts may contract with each other for:

(1) water and wastewater services; or

(2) any other matter the boards of the new districts consider appropriate.

Added by Acts 2007, 80th Leg., R.S., Ch. 497 (S.B. 323), Sec. 1, eff. June 16, 2007.