

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 6. WATER AND WASTEWATER
SUBTITLE F. MUNICIPAL UTILITY DISTRICTS
CHAPTER 8282. FALCON'S LAIR UTILITY AND RECLAMATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8282.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the city of Mesquite.
- (3) "District" means the Falcon's Lair Utility and Reclamation District.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.002. NATURE OF DISTRICT. The district is a conservation and reclamation district created under Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.003. 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 boundaries of the district will benefit from the works and projects accomplished by the district under the powers conferred by this chapter.

(c) The creation of the district is essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

SUBCHAPTER B. DISTRICT TERRITORY AND ANNEXATIONS
TO DISTRICT TERRITORY

Sec. 8282.051. DISTRICT TERRITORY. (a) The district is

composed of the territory described by Section 5(a), Chapter 935, Acts of the 69th Legislature, Regular Session, 1985, as that territory may have been modified under:

- (1) Subchapter [H](#), Chapter [54](#), Water Code;
- (2) Subchapter [J](#), Chapter [49](#), Water Code; or
- (3) other law.

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

- (1) the district's organization, existence, or validity;
- (2) the district's right or power to issue bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
- (3) the district's authority to impose a tax;
- (4) the validity of any contract, agreement, or obligation of the district; or
- (5) the legality of the operations or proceedings of the district or the board.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.052. CITY APPROVAL REQUIRED FOR ANNEXATION. The district must secure the approval of the city, in the form of an ordinance or resolution of the city council of the city, before final annexation of additional land to the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

SUBCHAPTER C. DISTRICT ADMINISTRATION

Sec. 8282.101. COMPOSITION OF BOARD; TERMS. (a) The board consists of five directors.

(b) Directors serve staggered four-year terms, with the terms of two or three directors expiring every other year.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.102. VACANCY. (a) Except as provided by Subsection (b), if a vacancy occurs in the office of director, the remaining directors shall appoint a person to fill the vacancy until the next election of directors for the district. If the vacant position is not regularly scheduled to be filled at that election, the person elected at that election to fill the vacancy serves only for the unexpired term.

(b) If the number of qualified directors by reason of vacancies is fewer than three, the city council of the city, on petition of the owners of a majority in value of the land in the district, as shown by the tax rolls of the city, shall appoint the necessary number of directors to fill all vacancies on the board.

(c) The city may not be found liable for an act relating to a district obligation or the operation of the district because of the city's appointment of a director as prescribed by Subsection (b).

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.103. OFFICERS AND ASSISTANTS. (a) The board shall reorganize and elect officers after each election and at any other time the board considers appropriate.

(b) The board may designate one or more assistant secretaries and an assistant treasurer. An assistant secretary or assistant treasurer is not required to be a director.

(c) The board secretary or one of the assistant secretaries:

(1) shall keep the minutes of the meetings of the board and all official records of the board; and

(2) may certify as to the accuracy or authenticity of any actions, proceedings, minutes, or records of the board or of the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.104. COMPENSATION. Unless the board by resolution increases the fee to an amount authorized by Section 49.060, Water Code, each director is entitled to receive

compensation in an amount not to exceed \$50 for each meeting of the board, as determined by the board.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.105. BOARD PROCEDURES. The board shall provide the method of execution of all contracts, the signing of checks, and the handling of any other matter approved by the board, as shown in the district's official minutes.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

SUBCHAPTER D. POWERS AND DUTIES

Sec. 8282.151. MUNICIPAL UTILITY DISTRICT POWERS. The district has the rights, powers, privileges, and functions conferred, contemplated, and described by Section [59](#), Article XVI, Texas Constitution, including the rights, powers, privileges, and functions conferred by the general law applicable to municipal utility districts operating under Chapter [54](#), Water Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.152. AUTHORITY TO CONSTRUCT OR ACQUIRE WORKS AND FACILITIES. Subject to compliance with applicable codes, ordinances, resolutions, and rules of the city, the district may plan, lay out, purchase, construct, acquire, own, operate, maintain, repair, or improve, inside or outside the boundaries of the district, any works, improvements, facilities, plants, equipment, and appliances, including any administrative buildings, properties, and facilities, any permits, franchises, licenses, or contract or property rights, and any levees, drains, waterways, lakes, reservoirs, channels, conduits, sewers, dams, storm water detention facilities, or other similar facilities and improvements, whether for municipal, industrial, agricultural, recreational, conservation, reclamation, or flood control purposes, that are necessary, helpful, or incidental to the

exercise of any right, power, privilege, or function provided by this chapter.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.153. ROADS. (a) To the extent authorized by Section [52](#), Article III, Texas Constitution, the district may provide for the construction, maintenance, and operation of a macadamized, graveled, or paved road or turnpike, or a work, facility, or improvement in aid of a road or turnpike, inside or outside the district's boundaries.

(b) Subject to compliance with Sections [8282.252](#)(a) and (b), the district may issue, sell, and deliver bonds, notes, or other district obligations for a purpose described by Subsection (a) and may impose taxes to pay the bonds.

(c) Without the city's consent and approval, the district may not undertake to construct, maintain, operate, repair, reconstruct, cross, or intersect any city street or road.

(d) Sections [49.181](#), [49.182](#), and [54.5161](#), Water Code, do not apply to projects undertaken by the district under this section.
Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.154. IMPROVEMENT PROJECTS AND SERVICES. (a) The board may undertake an improvement project or service that confers a special benefit on all or a definable part of the district.

(b) The board may levy and collect special assessments on property in the area described by Subsection (a), based on the benefit conferred by the improvement project or service, to pay all or part of the cost of the project or service.

(c) An improvement project or service provided by the district may include the acquisition, construction, or financing of water, wastewater, or drainage facilities, streets, sidewalks, or roadways.

(d) Sections 375.113-375.124, Local Government Code, apply to the financing of an improvement project or service under this section.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.155. FIRE DEPARTMENT. (a) The district may establish, operate, and maintain a fire department to perform all firefighting activities in the district and may issue bonds and impose taxes to pay for the department and the activities, as authorized by Section 59(f), Article XVI, Texas Constitution, and Section 49.351, Water Code. For purposes of this chapter, a reference in Section 49.351, Water Code, to the Texas Commission on Environmental Quality or the executive director of the commission means the city council of the city.

(b) The city has the superior right to provide the degree of firefighting services the city considers to be in the city's best interests.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.156. DISTRICT CONTRACTS. (a) Except as provided by this section, a contract for the purchase or construction of materials, machinery, or other things used to constitute the district's works, improvements, facilities, plants, equipment, or appliances must be advertised, let, and awarded as provided by Section 49.273, Water Code.

(b) If the district determines, after a contract has been awarded, that additional work is needed or that the character or type of the work or facilities should be changed, the board may authorize change orders to the contract on terms the board approves, provided the change does not increase the total cost of the contract by more than 25 percent.

(c) The district must seek informal competitive bids or proposals from at least three bidders if:

(1) the estimated amount of a proposed construction contract is more than \$5,000 but less than \$25,000; or

(2) the duration of a proposed construction contract is more than two years.

(d) A contract must be written and awarded to the lowest and

best bidder.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.157. GENERAL CONTRACTING AUTHORITY. (a) The district may contract with the United States, this state or its agencies, the city, any other public agency or entity, or an individual, corporation, or other entity for the operation and maintenance or the construction of any facility or improvement authorized by this chapter.

(b) A contract that obligates the district to make payments in whole or in part from ad valorem taxes, other than maintenance taxes, is subject to approval at an election held under the same procedures required for the issuance of bonds payable from ad valorem taxes.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.158. WATER AND SEWER CONTRACTS. (a) The district and the city may enter into, execute, and perform contracts under Section [552.014](#), Local Government Code, as they consider to be appropriate and mutually advantageous.

(b) A contract under this section may provide for the district's acquisition for the benefit of the city and the district's conveyance to the city of, and the city's acceptance and ownership of and payment for, all or any designated portion of any of the works, facilities, improvements, equipment, appliances, properties, and contract rights as provided by Section [552.014](#), Local Government Code, that:

(1) the district is authorized under this chapter to purchase, acquire, construct, own, or improve; and

(2) the city, under its home-rule charter or under general law, would have been or may be authorized to purchase, acquire, construct, own, or improve in its own name or behalf.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.159. EMINENT DOMAIN. (a) The district may exercise the power of eminent domain in the manner, with the privileges, rights, and immunities, and subject to the conditions and limitations provided by Sections 49.222 and 49.223, Water Code, to acquire land, an easement, a right-of-way, or other property or improvement that is or may be needed to carry out the district's powers, purposes, and functions.

(b) Without the city's advance written consent and approval, the district may not begin eminent domain proceedings for a purpose described by Subsection (a).

(c) Without approval by city ordinance or resolution, the district may not exercise the power of eminent domain to acquire any land, easement, right-of-way, or other property or improvement owned by the city or any city agency or instrumentality.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.160. PROVISION OF WATER AND SEWER SERVICES BY CITY. (a) Notwithstanding Section 8282.157(a), to the extent that the city considers practical, the city may provide water supply and sewer services to residential retail customers in the district and may provide water supply and wastewater treatment services to the district, under a mutually agreeable contract or otherwise.

(b) The district is responsible for an off-site extension that is required to provide water supply and sewer service.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.161. REGULATORY AUTHORITY. (a) With respect to district property, the district has the regulatory and police power provided by Chapters 49 and 54, Water Code, except as limited by this section.

(b) Except with respect to any rules relating to the operation, use, or occupancy of the lakes, reservoirs, levees, channels, drains, dams, and contiguous or adjacent facilities constructed or to be constructed and owned or controlled by the district, the board may not adopt a rule that includes a penal

provision to be enforced by a district peace officer unless the city has approved the adoption of the rule. The proposed rule must be presented to the city for the city's review and approval at least 30 days before the rule's effective date.

(c) The district may not adopt a penal rule that conflicts or is inconsistent with any ordinance of general applicability in the city.

(d) The district may not adopt or enforce a rule relating to the city's streets or roads.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.162. POLICE PROTECTION. Except for providing for the security of lakes, reservoirs, levees, channels, drains, dams, and contiguous and adjacent facilities, excluding parks and streets owned or controlled by the district, the district may not provide peace officers or have responsibility for police protection in the city's corporate limits. That function is a responsibility of the city.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.163. DISTRICT ELECTIONS. (a) The board shall order each election the district is required to hold.

(b) Notice of a district election must be published once a week for two consecutive weeks in a newspaper with general circulation in the city, with the first publication occurring at least 14 days before the date of the election.

(c) A district election held for any purpose may be held separately or at the same time as an election for another purpose including a director or maintenance tax election that may be held on the same day as a bond election or another election. An election held at the same time as an election for another purpose may be called by the board in a single election order, and the results may be canvassed in a single order.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.164. APPLICABILITY OF CITY ORDINANCES, CODES, RESOLUTIONS, AND RULES. Except as expressly provided, this chapter does not exempt the district from the terms of any applicable ordinances, codes, resolutions, or rules of the city.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

Sec. 8282.201. GENERAL FINANCIAL POWERS. The board may:

- (1) spend and borrow money;
- (2) issue bond anticipation notes and tax anticipation notes;
- (3) impose maintenance taxes; and
- (4) carry out all acts and exercise all powers provided by Subchapter E, Chapter 49, Water Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.202. TAX METHOD. (a) The district shall use the ad valorem plan of taxation.

(b) Subchapter G, Chapter 54, Water Code, applies to all matters relating to the imposition of district taxes.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.203. TAX COLLECTOR. (a) The board shall appoint a person as tax collector for the district and may appoint deputies considered necessary.

(b) Each person appointed under this section shall qualify by executing a bond in the amount of \$10,000 payable to the district, approved by the board, and conditioned on the faithful performance of the person's duties.

(c) The board shall set the compensation for the tax collector and any deputy tax collector.

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

1.04, eff. April 1, 2011.

Sec. 8282.204. USE OF MAINTENANCE TAX. (a) The board may use and pledge the proceeds received from all or any designated portion of the district's maintenance taxes for any lawful purpose, other than the payment of the principal of or interest on bonds. Bonds must be paid from taxes imposed separately to the extent that those bonds are required to be paid from taxes.

(b) The district may not use maintenance taxes for the purpose of maintaining, repairing, operating, or improving any of the works, facilities, and improvements described by Section [8282.153](#) until the district has complied with Sections [8282.252](#)(a) and (b).

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.205. DEPOSIT AND SECURITY OF DISTRICT MONEY. (a) The district's treasurer shall have district money deposited and invested in the district's depository bank or other banks or savings associations selected by the district's authorized investment officers.

(b) To the extent that deposited or invested money is not insured by the Federal Deposit Insurance Corporation, the money must be secured in the manner provided by law for the security of county funds.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. [2619](#)), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.206. INVESTMENT OF DISTRICT MONEY. At the direction of the board or any other authorized district representative or investment officer, district money may be invested in direct or indirect obligations of the United States, the state, or any political subdivision of the state, or may be placed in certificates of deposit of state or national banks or savings and loan associations in this state, if that money is secured in the manner provided for the security of county funds.

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

1.04, eff. April 1, 2011.

SUBCHAPTER F. BONDS

Sec. 8282.251. AUTHORITY TO ISSUE BONDS. The board may issue bonds as provided by general law, including Sections 54.501-54.515 and 54.518-54.521, Water Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.252. AUTHORITY TO ISSUE BONDS FOR ROADS AND TURNPIKES. (a) The district may not issue bonds for a purpose described by Section 8282.153 unless the bonds are approved by a vote of a two-thirds majority of the voters voting in the district or the territory to be affected by the bonds.

(b) Bonds, notes, or other district obligations issued or incurred for a purpose described by Section 8282.153 may not exceed one-fourth of the assessed valuation of the real property of the district or the territory to be affected by the bonds.

(c) Sections 49.181, 49.182, and 54.5161, Water Code, do not apply to bonds issued by the district as provided by this section. Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Sec. 8282.253. AUTHORITY TO ISSUE BONDS FOR IMPROVEMENT PROJECTS OR SERVICES. (a) To pay all or part of the costs of an improvement project or service under Section 8282.154, the board may issue bonds in one or more series payable from and secured by ad valorem taxes, assessments, impact fees, revenues, payments pursuant to an agreement made under Section 311.010(b), Tax Code, dedicating revenue from a tax increment fund, grants, gifts, contracts, or leases or any combination of those sources of money.

(b) Bonds issued under this section may be liens on all or part of the revenue derived from improvements authorized under Section 8282.154, including installment payments of special assessments or from any other source pledged to their payment.

(c) Sections 375.202-375.206, Local Government Code, apply

to bonds issued under this section.

(d) Sections 49.181 and 49.182, Water Code, do not apply to:

(1) bonds issued by the district and payable from:

(A) assessments imposed by the district under Section 8282.154 that are paid in full on the first conveyance of land after imposition of the assessment; or

(B) payments pursuant to an agreement made under Section 311.010(b), Tax Code, dedicating revenue from a tax increment fund; or

(2) a project that is financed by an issuance of bonds described by Subdivision (1).

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.020(a), eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 91 (S.B. 1303), Sec. 22.020(b), eff. September 1, 2011.

Sec. 8282.254. OBLIGATIONS. (a) In this section, "obligation" means a bond, note, lease-purchase agreement, or installment sale obligation of the district.

(b) The principal amount of the district's obligations that are payable from assessments imposed by the district may be in an amount that does not exceed the aggregate appraised value of the property in the district, as established by an independent appraisal by a member of the Appraisal Institute.

(c) The appraised value of the property in the district established for ad valorem tax purposes does not limit the principal amount of the obligations that may be issued by the district under Subsection (b).

(d) The city is not required to pay the principal of and interest on an obligation issued by the district.

Added by Acts 2009, 81st Leg., R.S., Ch. 1139 (H.B. 2619), Sec. 1.04, eff. April 1, 2011.