

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 6. WATER AND WASTEWATER
SUBTITLE F. MUNICIPAL UTILITY DISTRICTS
CHAPTER 8302. MONTGOMERY COUNTY UTILITY DISTRICT NO. 3

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8302.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Director" means a member of the board.
- (3) "District" means the Montgomery County Utility District No. 3.

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

Sec. 8302.002. NATURE OF DISTRICT. The district is a conservation and reclamation district in Montgomery County created under 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. 8302.003. 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 Section [59](#), Article XVI, Texas Constitution.

(c) The creation of the district is essential to accomplish the purposes of 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. 8302.004. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section 4, Chapter 634, Acts of the 62nd Legislature, Regular Session, 1971, 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 to issue any type of bond for a purpose for which the district is created or to pay the principal of and interest on the bond;

(3) the district's right to impose a tax; or

(4) the legality or operation of the district or its governing body.

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

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8302.051. COMPOSITION OF BOARD. The board of directors is composed of five elected directors.

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

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8302.101. MUNICIPAL UTILITY DISTRICT POWERS. The district has the rights, powers, privileges, and functions conferred by general law applicable to a municipal utility district, including Chapters 49 and 54, Water Code.

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

Sec. 8302.102. STRATEGIC PARTNERSHIP; CONTINUATION OF DISTRICT AFTER ANNEXATION BY MUNICIPALITY. (a) The district may continue to exist as a limited district after full-purpose annexation by a municipality if the district and the annexing municipality state the terms of the limited district's existence in

a strategic partnership agreement.

(b) A strategic partnership agreement between the district and an annexing municipality may:

(1) authorize the conversion of the district to a limited district upon full-purpose annexation and may permit the limited district to continue to exist and provide services for a fixed term or an indefinite term, on conditions that are mutually agreeable to the district and the annexing municipality;

(2) contain a pledge of user fee revenues, tax proceeds from taxes levied within constitutional limits, miscellaneous revenues, and other funds under the control of a party, to cover that party's pecuniary obligations under the agreement;

(3) continue in effect for a fixed term or an indefinite term, as may be agreed upon by the district and the annexing municipality; and

(4) contain other provisions relating to annexation or services, including enforcement provisions, as may be agreed upon by the district and the annexing municipality.

(c) An agreement described in this section shall be valid, binding, and enforceable in accordance with its terms. To achieve this purpose:

(1) this section controls over any other laws, rules, regulations, charter provisions, or ordinances, including any contrary provision of Section [43.0751](#), Local Government Code; and

(2) if the district and an annexing municipality enter into such an agreement, sovereign immunity is waived for each party for the purpose of adjudicating claims based on the agreement, including claims for money damages, declaratory judgment, and other remedies, subject to the terms and conditions of this section.

(d) The total amount of money awarded in an adjudication described by Subsection (c)(2) is limited to direct damages, excluding consequential damages, exemplary damages, or damages for unabsorbed office overhead, plus reasonable and necessary attorney's fees that are equitable and just, plus interest as allowed by law, including interest as calculated under Chapter [2251](#), Government Code. This section does not waive a defense or a

limitation on damages available to a party to such an agreement other than a bar against suit based on sovereign immunity.

(e) An agreement described in this section is not a joint enterprise for liability purposes. This section does not waive sovereign immunity to suit for a cause of action for a negligent or intentional tort or for a cause of action brought by any person or entity that is not a party to an agreement described in this section.

(f) In this section:

(1) "Sovereign immunity" includes immunities commonly referred to as "sovereign immunity" or "governmental immunity" and encompasses both immunity from suit and immunity from liability.

(2) "Adjudicating" or "adjudication" means the bringing of a civil suit and prosecution to final judgment in a county or state court and includes the bringing of an authorized arbitration proceeding and prosecution to final resolution in accordance with any mandatory procedures established in an agreement described in this section.

(g) This section provides authority for the district and an annexing municipality to enter into a strategic partnership agreement, and such authority is in addition to, and separate from, any authority provided by Section [43.0751](#), Local Government Code, and any other laws, rules, regulations, charter provisions, and ordinances.

Added by Acts 2013, 83rd Leg., R.S., Ch. 629 (S.B. [1913](#)), Sec. 1, eff. September 1, 2013.