

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 6. WATER AND WASTEWATER
SUBTITLE F. MUNICIPAL UTILITY DISTRICTS
CHAPTER 8363. BEARPEN CREEK MUNICIPAL UTILITY DISTRICT
OF HUNT COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8363.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means a municipality in whose corporate limits or extraterritorial jurisdiction the district is located.
- (3) "Commission" means the Texas Commission on Environmental Quality.
- (4) "Director" means a board member.
- (5) "District" means the Bearpen Creek Municipal Utility District of Hunt County.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. [2363](#)), Sec. 1, eff. June 17, 2011.

Sec. 8363.002. NATURE OF DISTRICT. The district is a municipal utility district created under Section [59](#), Article XVI, Texas Constitution.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. [2363](#)), Sec. 1, eff. June 17, 2011.

Sec. 8363.003. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section [49.102](#), Water Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. [2363](#)), Sec. 1, eff. June 17, 2011.

Sec. 8363.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section [8363.003](#) until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has

consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

(a) The district is created to serve a public purpose and benefit.

(b) The district is created to accomplish the purposes of:

(1) a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2) Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting 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 the district's:

(1) organization, existence, or validity;

(2) right to issue any type of bond for the purposes for which the district is created or to pay the principal of and interest on a bond;

(3) right to impose a tax; or

(4) legality or operation.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8363.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8363.052, directors serve staggered four-year terms.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.052. TEMPORARY DIRECTORS. (a) The temporary board consists of:

- (1) Jessica Shae Ewy;
- (2) Jason Michael Farmer;
- (3) Charles Richard Johns;
- (4) Warren Jacob Loftis; and
- (5) Martin Jacob Newman.

(b) Temporary directors serve until the earlier of:

- (1) the date permanent directors are elected under Section 8363.003; or
- (2) the fourth anniversary of the effective date of the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 8363.003 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

- (1) the date permanent directors are elected under Section 8363.003; or
- (2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8363.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.102. 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 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.103. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.104. ROAD STANDARDS AND REQUIREMENTS. (a) 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 road project is located.

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

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and

specifications of the road project.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.106. ACQUISITION OF PERMIT RIGHTS. (a) Using any available district money, including bond proceeds, the district may pay all expenses related to the acquisition of a certificate of public convenience and necessity from another retail public utility and any other permit rights necessary to provide the city authority to provide retail water or sewer service in the district. The acquisition, by purchase or otherwise, may be made by the district on behalf of and for transfer to the city or by the city directly.

(b) In relation to a retail public utility that provides water or sewer service to all or part of the area of the district under a certificate of public convenience and necessity, the district may exercise the powers given to a municipality provided by Section 13.255, Water Code, as if the district were a municipality that had annexed the area of the district. The Public Utility Commission of Texas shall grant single certification as to the city as provided by Section 13.255(c), Water Code, in the event that the district applies for the certification on the city's behalf in the manner provided by Section 13.255(b), Water Code.

(c) The city may contract with the district to carry out the purposes of this section without further authorization.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 170 (H.B. 1600), Sec. 2.91,

eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 171 (S.B. 567), Sec. 91, eff. September 1, 2013.

Sec. 8363.107. LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the district to acquire a site or easement for:

- (1) a road project authorized by Section 8363.103; or
- (2) a recreational facility as defined by Section 49.462, Water Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8363.151. ELECTIONS REGARDING TAXES OR BONDS.

(a) The district may issue, without an election, bonds and other obligations secured by:

- (1) revenue other than ad valorem taxes; or
- (2) contract payments described by Section 8363.153.

(b) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.

(c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 8363.151, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

(b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.153. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8363.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) Except as provided by Subsection (b), the district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

(b) The district may not issue bonds until the governing body of the city approves a bond issuance plan authorizing and setting forth the limitations on the issuance of the bonds.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.202. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Sec. 8363.203. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. [2363](#)), Sec. 1, eff. June 17, 2011.

SUBCHAPTER F. DISSOLUTION OF DISTRICT

Sec. 8363.251. DISSOLUTION BY CITY ORDINANCE. (a) The city may dissolve the district by ordinance after provision is made for all debts incurred by the district if one or more of the following does not occur:

(1) on or before the 90th day after the effective date of the Act enacting this chapter, the city receives one or more petitions requesting annexation of all territory in the district remaining in the extraterritorial jurisdiction of the city;

(2) on or before the last day of the ninth month after the effective date of the Act enacting this chapter, the city adopts one or more ordinances annexing all territory in the district remaining in the city's extraterritorial jurisdiction;

(3) on or before the last day of the third year after the effective date of the Act enacting this chapter, the Public Utility Commission of Texas issues an order approving the sale and transfer of a certificate of public convenience and necessity authorizing the city to provide retail water service to territory in the district; or

(4) by the end of the fifth year after the effective date of the Act enacting this chapter, the district has completed construction of internal streets and water and sanitary sewer facilities sufficient to serve at least 100 residential lots in the district.

(b) If the city dissolves the district under Subsection (a):

(1) any district assets that remain after the payment of debts shall be transferred to the city; and

(2) the organization of the district shall be maintained until all the debts are paid or assumed and remaining assets are transferred.

(c) This section does not limit the authority of the city to dissolve the district under Chapter 43, Local Government Code, or other general law.

Added by Acts 2011, 82nd Leg., R.S., Ch. 805 (H.B. 2363), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 170 (H.B. 1600), Sec. 2.92, eff. September 1, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 171 (S.B. 567), Sec. 92, eff. September 1, 2013.