SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 6. WATER AND WASTEWATER

SUBTITLE F. MUNICIPAL UTILITY DISTRICTS

CHAPTER 8364. LONE STAR REGIONAL WATER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8364.001. DEFINITIONS. In this chapter:

- (1) "Authority" means the Lone Star Regional Water Authority.
 - (2) "Board" means the authority's board of directors.
- (3) "Commission" means the Texas Commission on Environmental Quality.
 - (4) "Director" means a board member.
- (5) "Member entity" means a municipality or other political subdivision that is a member under Section 8364.071.

 Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 831 (H.B. 4187), Sec. 2, eff. June 17, 2015.

Sec. 8364.002. NATURE OF AUTHORITY. The authority is a conservation and reclamation district created under Section 59, Article XVI, Texas Constitution.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Sec. 8364.003. CONFIRMATION ELECTION NOT REQUIRED. The authority is not required to hold an election to confirm the creation of the authority.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Sec. 8364.004. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

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

- (b) All land and other property included in the authority will benefit from the improvements and services to be provided by the authority under powers conferred by Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.
 - (c) The authority is created to accomplish:
- (1) the control, storage, conservation, preservation, distribution, and use of water for domestic, industrial, municipal, and all other useful purposes as provided by Section 59, Article XVI, Texas Constitution;
- (2) the reclamation and drainage of the district's overflowed lands and other lands needing drainage;
- $\hbox{(3)} \quad \hbox{the control, abatement, and change of any shortage} \\$ or harmful excess of water; and
- (4) the protection, preservation, and restoration of the purity and sanitary condition of water within the state.
- (d) The creation of the authority is in the public interest and is essential to:
- (1) further the public purposes of developing and diversifying the economy of the state;
 - (2) eliminate unemployment and underemployment;
 - (3) develop or expand commerce; and
 - (4) conserve the natural resources of this state.
 - (e) The authority will:
- (1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the authority, and of the public; and
- (2) provide needed funding for the authority to preserve, maintain, and enhance the economic health and vitality of the authority territory as a community and business center.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 12 (H.B. 701), Sec. 1, eff. May 10, 2013.

Sec. 8364.005. AUTHORITY TERRITORY. The authority is composed of the territory in the member entities.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Sec. 8364.006. CHANGE IN MEMBERSHIP OR TERRITORY; NOTIFICATION TO COMMISSION. The authority shall notify the commission of any changes in its membership or territory.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8364.051. GOVERNING BODY; TERMS. (a) The authority is governed by a board of appointed directors.

- (b) Directors serve staggered three-year terms, with terms expiring on September 1.
- (c) Except as provided by Subsection (e), each member entity shall appoint two directors.
- (d) A director serves at the pleasure of the governing body of the member entity that appointed the director. A member entity may remove the director and appoint a new director at any time by resolution or ordinance of the governing body of the member entity.
- (e) If at any time the number of member entities is more than five, the board may adopt a resolution providing that each member entity shall appoint one director. A resolution adopted under this subsection must be approved by an affirmative vote of not less than 75 percent of the directors then serving, with at least one director from each member entity present and voting in favor of the resolution. If the board passes a resolution under this subsection, the terms of the directors then serving shall expire on the first day of September following the date the resolution is adopted, and not later than the first day of October following the date the resolution is adopted, each member entity shall appoint one director.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 831 (H.B. 4187), Sec. 3, eff.

- Sec. 8364.052. EX OFFICIO DIRECTORS. (a) At any time, the board may by resolution:
- (1) appoint a nonvoting ex officio director to serve at the pleasure of the board; and
 - (2) remove an ex officio director.
 - (b) An ex officio director:
- (1) is entitled to all notices and information given to and accessible to a director; and
- (2) may attend and participate in any board meeting. Added by Acts 2013, 83rd Leg., R.S., Ch. 12 (H.B. 701), Sec. 2, eff. May 10, 2013.

SUBCHAPTER B-1. AUTHORITY MEMBERSHIP

Sec. 8364.071. INITIAL MEMBER ENTITIES. The initial member entities are:

- (1) Sonterra Municipal Utility District; and
- (2) CLL Municipal Utility District No. 1.

 Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.
- Sec. 8364.072. PETITION TO JOIN AUTHORITY. (a) A municipality, county, or other political subdivision may petition the board to add that municipality, county, or other political subdivision as a member entity.
- (b) Before a new member entity may be added to the authority, the petition must be approved by a joint resolution or ordinance of the governing body of each member entity.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 12 (H.B. 701), Sec. 3, eff. May 10, 2013.

Sec. 8364.073. PETITION TO LEAVE AUTHORITY. (a) A member

entity may petition the board to leave the authority.

- (b) If the authority determines that allowing the member entity to leave the authority will not impair any outstanding bonds or other obligations of the authority on the date the board receives the petition, the board may approve the petition.
- (c) If on the date the board receives the petition the authority has bonds or other obligations outstanding for which the member entity seeking to leave is wholly or partly responsible, the board may approve the petition only if:
- (1) the member entity agrees to pay its share of the bonds or other obligations; and
- (2) the authority determines that as a result of that payment the remaining bonds or other obligations of the authority will not be impaired.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8364.101. SERVICE TO MEMBER ENTITIES. The authority shall serve its member entities.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Sec. 8364.102. GENERAL POWERS AND DUTIES. The authority has only the powers and duties necessary to accomplish the purposes stated under Section 8364.004 for which the authority is created. Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Sec. 8364.103. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES; LIMITATIONS. (a) Except as provided by Subsection (b), the authority 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.

(b) The authority may not provide solid waste disposal or

road facilities or services.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 12 (H.B. 701), Sec. 4, eff. May 10, 2013.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8364.151. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) For any authorized authority purpose, the authority may issue bonds or other obligations payable wholly or partly from revenue of the authority's water system, sanitary sewer system, or drainage system, including revenue from contracts with member entities or customers, or any combination of those sources of revenue.

(b) To provide revenue under Subsection (a), a member entity may make payments under a contract with the authority from any of the member entity's sources of revenue, including ad valorem taxes, impact fees, grants, sales and use taxes, and any other source.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 12 (H.B. 701), Sec. 5, eff. May 10, 2013.

Sec. 8364.152. NO TAXING POWER. The authority may not impose a tax.

Added by Acts 2011, 82nd Leg., R.S., Ch. 525 (H.B. 2360), Sec. 1, eff. June 17, 2011.

Sec. 8364.153. FUNDING BY MEMBERS. Under a contract with the authority, a member entity may make payments from any of the member entity's sources of revenue, including ad valorem taxes, impact fees, grants, sales and use taxes, and any other source to provide money for the administrative and operating expenses of the authority.

Added by Acts 2013, 83rd Leg., R.S., Ch. 12 (H.B. 701), Sec. 6, eff. May 10, 2013.