

SPECIAL DISTRICT LOCAL LAWS CODE
TITLE 6. WATER AND WASTEWATER
SUBTITLE F. MUNICIPAL UTILITY DISTRICTS
CHAPTER 8380. LAZY W DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8380.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "Commission" means the Texas Commission on Environmental Quality.
- (3) "Director" means a board member.
- (4) "District" means the Lazy W District No. 1.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.002. 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.003. 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.004. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section [8380.003](#) 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.005. 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, or improvement of macadamized, graveled, or paved roads described by Section 54.234, Water Code, or improvements, including storm drainage, in aid of those roads.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. 3864), Sec. 1, eff. June 17, 2011.

Sec. 8380.006. 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. 866 (H.B. 3864), Sec. 1, eff. June 17, 2011.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8380.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 8380.052, directors serve staggered four-year terms.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. 3864), Sec. 1,

eff. June 17, 2011.

Sec. 8380.052. TEMPORARY DIRECTORS. (a) On or after the effective date of the Act enacting this chapter, 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 temporary directors the five persons named in the petition. The commission shall appoint as temporary directors the five persons named in the petition.

(b) Temporary directors serve until the earlier of:

(1) the date permanent directors are elected under Section 8380.003; 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 8380.003 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 8380.003; 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. 866 (H.B. 3864), Sec. 1, eff. June 17, 2011.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8380.101. 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. 866 (H.B. 3864), Sec. 1, eff. June 17, 2011.

Sec. 8380.102. 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. 866 (H.B. 3864), Sec. 1, eff. June 17, 2011.

Sec. 8380.103. AUTHORITY FOR ROAD PROJECTS. (a) Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads described by Section 54.234, Water Code, or improvements, including storm drainage, in aid of those roads.

(b) The district may exercise the powers provided by this section without submitting a petition to or obtaining approval from the commission as required by Section 54.234, Water Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. 3864), Sec. 1, eff. June 17, 2011.

Sec. 8380.104. APPROVAL OF ROAD PROJECT. (a) The district may not undertake a road project authorized by Section 8380.103 unless:

(1) each municipality or county that will operate and maintain the road has approved the plans and specifications of the road project, if a municipality or county will operate and maintain the road; or

(2) the Texas Transportation Commission has approved the plans and specifications of the road project, if the state will operate and maintain the road.

(b) Except as provided by Subsection (a), the district is not required to obtain approval from the Texas Transportation

Commission to design, acquire, construct, finance, issue bonds for, improve, or convey a road project.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.105. 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.106. LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.107. PARKS, RECREATIONAL FACILITIES, PRESERVATION OF FISH AND WILDLIFE. (a) The district may develop and manage parks, recreational facilities, and natural science laboratories and may promote the preservation of fish and other wildlife in the district.

(b) The district may negotiate contracts with any person, including a county, municipality, municipal corporation, firm, corporation, nonprofit organization, or state or federal agency, to operate or maintain the park, recreational facility, or natural science laboratory.

(c) The preservation of fish and other wildlife shall be in accordance with the rules of the Parks and Wildlife Commission.

(d) The board may charge and collect reasonable entrance, gate, or use fees to manage and operate a park or recreational facility developed wholly or partly by the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.108. GENERAL POWERS REGARDING CONTRACTS. The district may:

(1) contract with any person to accomplish any district purpose, including a contract for:

(A) the payment, repayment, or reimbursement of costs incurred by that person on behalf of the district, including all or part of the costs of a project and interest on the reimbursed cost; or

(B) the use, occupancy, lease, rental, operation, maintenance, or management of all or part of a proposed or existing project;

(2) apply for, and contract with any person to receive, administer, and perform a duty or obligation of the district under, a federal, state, local, or private gift, grant, loan, conveyance, transfer, bequest, or other financial assistance arrangement relating to the investigation, planning, analysis, study, design, acquisition, construction, improvement, completion, implementation, or operation by the district or others of a proposed or existing project; and

(3) accept a grant or donation from any person to accomplish a district purpose.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.109. RULES; ENFORCEMENT. (a) The district may adopt and enforce rules:

(1) to administer and operate the district;

(2) to govern the use, availability, protection, security, and maintenance of the district's property and facilities; and

(3) to provide for public safety and security.

(b) The district may bring an action in court for an injunction or other appropriate remedy to enforce a rule of the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8380.151. 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 [8380.153](#).

(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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.152. OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section [8380.151](#), 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.153. 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.154. ASSESSMENTS. (a) The board may undertake projects and services that confer a special benefit on all or a definable part of the district. The board may impose special assessments on property in that area, based on the benefit conferred by the project or service, to pay all or part of the cost of the project or service. The district may finance with special assessments any project or service authorized by this chapter or any other applicable law.

(b) Projects or services may be financed with special assessments under this chapter only after the board holds a public hearing on the advisability of the project or service and the proposed assessments.

(c) The board shall publish notice of the hearing in a newspaper or newspapers with general circulation in Henderson County. The publication must be made not later than the 30th day before the date of the hearing.

(d) Notice provided under this section must include:

- (1) the time and place of the hearing;
- (2) the general nature of the proposed project or service;
- (3) the estimated cost of the project or service, including interest during construction and associated financing costs; and
- (4) the proposed method of assessment.

(e) Written notice containing the information required by Subsection (d) shall be mailed by certified mail, return receipt requested, not later than the 30th day before the date of the hearing. The notice shall be mailed to each person residing in the district.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.155. FEES AND CHARGES. The district may establish fees, user fees, rates, and charges that are sufficient:

- (1) to accomplish the purposes of this chapter;
- (2) for the operation and maintenance of the district;
- (3) to pay the principal of and interest on notes, bonds, and other obligations issued in connection with the exercise of the district's general powers and duties; and
- (4) to satisfy all rate covenants relating to the issuance of notes, bonds, and other obligations.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.156. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of signatures and the procedure required for a disbursement or transfer of the district's money.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 8380.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. 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.

Added by Acts 2011, 82nd Leg., R.S., Ch. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.202. 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.

Sec. 8380.203. 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. 866 (H.B. [3864](#)), Sec. 1, eff. June 17, 2011.