

CHAPTER 945

H.B. No. 2391

An Act relating to the creation, boundaries, purposes, powers, duties, functions, authority, and financing of the Denton County Reclamation, Road, and Utility District.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. CREATION OF DISTRICT. Denton County Reclamation, Road, and Utility District is created under Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution as a conservation, reclamation, and road district to operate as a governmental agency, a body politic and corporate, and a political subdivision of this state.

SECTION 2. BOUNDARIES. The district shall include approximately 1196.86 acres of land in Denton County as described in the boundary description filed of record in the Real Property Records of Denton County, Texas, Volume 1574, page 994, and in the Plat Records of Denton County, Cabinet D, Slots 390 and 391.

SECTION 3. LEGISLATIVE FINDINGS. (a) The legislature finds that the purposes of Article XVI, Section 59, and Article III, Section 52, of the Texas Constitution will be accomplished by the creation of the district and that all land and other property included within the district's boundaries will be benefitted by the works and projects to be accomplished by the district, and that the district is created to serve a public use and benefit.

(b) *The legislature further finds that the boundaries of the district form a closure and that if there is any mistake in the recorded description of the boundary description, the mistake does not affect the organization, existence, and validity of the district in the exercise of any powers, functions, purposes, or authority provided by this Act.*

(c) *The legislature further finds that the requirements of Article XVI, Sections 59(d) and (e), of the Texas Constitution have been met and that the legislature has the authority to enact this Act.*

SECTION 4. APPLICABLE LAW; SUPERVISION. (a) *The district may exercise all of the rights, powers, privileges, authority, and functions conferred by the general law applicable to:*

- (1) *levee improvement districts including Chapter 57, Water Code;*
- (2) *municipal utility districts including Chapter 54, Water Code; and*
- (3) *road utility districts including Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).*

(b) *If a provision of the general law is in conflict or inconsistent with this Act, this Act prevails.*

(c) *The rights, powers, privileges, authority, and functions granted to the district by this Act and under Chapters 54 and 57, Water Code, are subject to the continuing right of supervision of the state to be exercised by the Texas Department of Water Resources.*

(d) *The rights, powers, privileges, authority, and functions granted to the district under Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes), are subject to the district's submitting its preliminary and final plans, and any changes and additions to those plans, to the State Highway and Public Transportation Commission and to any governmental entity to which the district proposes to convey district facilities and receiving an approval statement from that governmental entity before beginning construction of facilities or making changes or additions to facilities.*

SECTION 5. CONFIRMATION ELECTION, ETC. (a) *The board of directors shall call and hold a confirmation election to determine if the district shall be established. The election shall be held in the time and manner provided in Chapter 54, Water Code, and may be called and held at the same time as a bond election for the district.*

(b) *It is not necessary for the board of directors to call or hold an exclusion hearing or a hearing on the adoption of a plan of taxation. The ad valorem plan of taxation shall be used by the district.*

SECTION 6. GENERAL POWERS AND DUTIES. (a) *The district may purchase, acquire, construct, own, operate, maintain, repair, rebuild, add to, and make improvements to any works, facilities, plants, equipment, and appliances necessary, helpful, or incident to any purposes of the district as specified by this Act or general law.*

(b) *In accomplishing its purposes, the district may issue bonds and notes, enter into contracts, and incur obligations.*

(c) *If the district makes necessary the relocating, raising, rerouting, changing the grade of, or altering the construction of any highway, railroad, electric transmission line, pipeline, or telephone or telegraph properties or facilities in the exercise of powers granted under this chapter, the district shall pay all of the actual cost of the relocating, raising, rerouting, changing in grade, or altering of construction and shall pay all of the actual cost of providing comparable replacement of facilities without enhancement, less the net salvage value of the facilities.*

SECTION 7. TAXES. (a) *Bonds, contracts, or obligations secured in whole or in part by ad valorem taxes may not be issued until authorized at an election called and held for those purposes.*

(b) *The tax election shall be held as provided by the Texas Election Code and Chapter 54, Water Code. If there is a conflict between the Texas Election Code and Chapter 54, Water Code, Chapter 54, Water Code, prevails.*

(c) *The district may not levy a maintenance tax until that tax has been approved at an election called and held for that purpose.*

(d) *A tax election may be held at the same time as a bond election and be conducted in the same manner.*

SECTION 8. ANNEXATION. *The district may annex additional land to the district as provided by Chapter 54, Water Code.*

SECTION 9. PERSONNEL. *The district may employ personnel, including a general manager and a tax collector, in the manner provided by Chapter 54, Water Code.*

SECTION 10. REFUNDING BONDS. *Refunding bonds may be issued by the district as provided by general law, including Chapter 503, Acts of the 54th Legislature, Regular Session,*

1955 (Article 717k, Vernon's Texas Civil Statutes), and Chapter 784, Acts of the 61st Legislature, Regular Session, 1969 (Article 717k-3, Vernon's Texas Civil Statutes).

SECTION 11. BONDS AS INVESTMENTS AND SECURITY. Bonds of the district are authorized investments and security for deposits of public funds in the manner and to the extent provided by Section 54.515, Water Code.

SECTION 12. BOND ANTICIPATION NOTES. *The district may issue bond anticipation notes for any authorized purposes in the manner and subject to the requirements of Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes).*

SECTION 13. BOARD OF DIRECTORS. (a) *The district is governed by a board of directors composed of three persons who are at least 18 years old and who either own taxable property in the district or are residents of the district.*

(b) *The initial directors shall be appointed by the Commissioners Court of Denton County.*

(c) *The initial directors shall serve until the first elected directors have qualified for office. The first election of directors is on the first Saturday in April 1986.*

(d) *Except for the initial directors, each director shall be elected for a two-year term.*

(e) *An election shall be held on the first Saturday in April in each even-numbered year to elect directors of the district.*

(f) *A vacancy on the board shall be filled by appointment of the remaining members of the board for the unexpired term.*

(g) *Each director shall take the constitutional oath of office required of state officers and shall execute a \$5,000 bond to secure the faithful performance of his duties as director.*

(h) *The board shall elect a president, vice-president, and a secretary-treasurer, each of whom shall exercise the powers specifically given to him by orders of the board.*

(i) *No official action of the board is valid without the affirmative vote of at least two directors.*

(j) *The board may hold regular and special meetings as it considers necessary, and notice of the regular meetings shall be published in a newspaper of general circulation in the district.*

SECTION 14. BONDS. Bonds or notes issued by the district must conform to the constitutional requirements relating to election approval and to limitations as to the amount of bonds. Bonds issued under Chapter 13, Acts of the 68th Legislature, 2nd Called Session, 1984 (Article 6674r-1, Vernon's Texas Civil Statutes), shall conform to the requirements of that Act and other bonds shall conform to the requirements of Chapter 54, Water Code.

SECTION 15. EMERGENCY. *The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.*

Passed by the House on May 2, 1985, by the following vote: Yeas 138, Nays 0, 1 present, not voting; and, pursuant to the provisions of Article XVI, Section 59(d) of the Constitution of Texas, a copy of H.B. No. 2391 was transmitted to the Governor on March 27, 1985, and the recommendation of the Texas Water Commission was filed with the Speaker of the House on April 18, 1985; passed by the Senate on May 21, 1985, by the following vote: Yeas 31, Nays 0.

Approved: June 15, 1985

Effective: Immediately