

PRELIMINARY DRAFT

TEXAS LEGISLATIVE COUNCIL
Special District Local
Laws Code
Chapter 9060
9/17/14

1 CHAPTER 9060. SAN LEON MUNICIPAL UTILITY DISTRICT OF GALVESTON
2 COUNTY, TEXAS
3 SUBCHAPTER A. GENERAL PROVISIONS
4 Sec. 9060.001. DEFINITIONS 2
5 Sec. 9060.002. NATURE OF DISTRICT 2
6 Sec. 9060.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE 3
7 Sec. 9060.004. APPLICABILITY OF CERTAIN STATUTES;
8 DISSOLUTION OF DISTRICT 4
9 SUBCHAPTER B. DISTRICT TERRITORY
10 Sec. 9060.051. DISTRICT TERRITORY 5
11 Sec. 9060.052. ADDITION OF LAND TO DISTRICT 6
12 SUBCHAPTER C. BOARD OF DIRECTORS
13 Sec. 9060.101. COMPOSITION OF BOARD 7
14 SUBCHAPTER D. POWERS AND DUTIES
15 Sec. 9060.151. WATER CONTROL AND IMPROVEMENT DISTRICT
16 POWERS 10
17 Sec. 9060.152. ACQUISITION OF IMPROVEMENTS 13
18 Sec. 9060.153. COST OF RELOCATING OR ALTERING PROPERTY 14
19 Sec. 9060.154. LIMIT ON EMINENT DOMAIN POWER 15
20 Sec. 9060.155. DURATION OF CONTRACT FOR WATER PURCHASE
21 OR SALE 15
22 Sec. 9060.156. INSTALLATION OF STREETLIGHTS 16
23 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS
24 Sec. 9060.201. TAX METHOD 17
25 CHAPTER 9060. SAN LEON MUNICIPAL UTILITY DISTRICT OF GALVESTON
26 COUNTY, TEXAS

1 SUBCHAPTER A. GENERAL PROVISIONS

2 Revised Law

3 Sec. 9060.001. DEFINITIONS. In this chapter:

4 (1) "Board" means the district's board of directors.

5 (2) "District" means the San Leon Municipal Utility
6 District of Galveston County, Texas. (Acts 59th Leg., R.S., Ch.
7 520, Sec. 1 (part); New.)

8 Source Law

9 Sec. 1. . . . [a . . . district] . . . to be
10 known as "San Leon Municipal Utility District of
11 Galveston County, Texas," hereinafter referred to as
12 the "District," and

13 Revisor's Note

14 The definition of "board" is added to the revised
15 law for drafting convenience and to eliminate
16 frequent, unnecessary repetition of the substance of
17 the definition.

18 Revised Law

19 Sec. 9060.002. NATURE OF DISTRICT. The district is:

20 (1) a conservation and reclamation district in
21 Galveston County under Section 59, Article XVI, Texas Constitution;
22 and

23 (2) a municipal corporation. (Acts 59th Leg., R.S.,
24 Ch. 520, Secs. 1 (part), 7 (part).)

25 Source Law

26 Sec. 1. Under and pursuant to the provisions of
27 Section 59, Article XVI, Constitution of the State of
28 Texas, a conservation and reclamation district is
29 hereby created and incorporated in Galveston County,
30 Texas,

31 Sec. 7. [The Legislature] . . . declares the
32 District to be a governmental agency, a body politic
33 and corporate, and a municipal corporation.

34 Revisor's Note

35 (1) Section 1, Chapter 520, Acts of the 59th
36 Legislature, Regular Session, 1965, refers to the
37 creation and incorporation of the district. The
38 revised law omits "created and incorporated" as

1 upon it by Section 59, Article XVI, Constitution of the
2 State of Texas, and declares that" the district
3 "created by this Act" is essential to accomplish the
4 purposes of that constitutional provision. The
5 revised law omits the quoted language as executed.

6 Revised Law

7 Sec. 9060.004. APPLICABILITY OF CERTAIN STATUTES;
8 DISSOLUTION OF DISTRICT. (a) Except as provided by Subsection (b),
9 Sections 51.781-51.791, Water Code, do not apply to the district.

10 (b) The district may be dissolved by the board in accordance
11 with Sections 51.781-51.791, Water Code. (Acts 59th Leg., R.S.,
12 Ch. 520, Secs. 2 (part), 4 (part); New.)

13 Source Law

14 Sec. 2. . . . provided further that none of the
15 provisions of Section 10, Chapter 280, Acts of the 41st
16 Legislature, Regular Session, 1929 (Article 7880-77b,
17 Vernon's Texas Civil Statutes), shall apply to this
18 District. . . .

19 Sec. 4. . . . Said District may be dissolved by
20 its Board of Directors in accordance with the
21 provisions of Section 77b, Chapter 25, General Laws,
22 Acts of the 39th Legislature, Regular Session, 1925
23 (Article 7880-77b, Vernon's Civil Statutes).

24 Revisor's Note

25 (1) Sections 2 and 4, Chapter 520, Acts of the
26 59th Legislature, Regular Session, 1965, refer to
27 Article 7880-77b, Vernon's Texas Civil Statutes, using
28 different citation styles. Section 2 refers to
29 "Section 10, Chapter 280, Acts of the 41st
30 Legislature, Regular Session, 1929 (Article 7880-77b,
31 Vernon's Texas Civil Statutes)," and Section 4 refers
32 to "Section 77b, Chapter 25, General Laws, Acts of the
33 39th Legislature, Regular Session, 1925 (Article
34 7880-77b, Vernon's Civil Statutes)." Article 7880-77b
35 was codified by Chapter 58, Acts of the 62nd
36 Legislature, Regular Session, 1971, as Sections
37 51.781-51.792, Water Code. Section 51.792, Water
38 Code, was repealed by Section 85(6), Chapter 1248,

1 Acts of the 71st Legislature, Regular Session, 1989.
2 The revised law is drafted accordingly.

3 (2) Section 2, Chapter 520, Acts of the 59th
4 Legislature, Regular Session, 1965, revised as
5 Subsection (a) of this section, provides that none of
6 the provisions of Article 7880-77b, Vernon's Texas
7 Civil Statutes, now codified as Sections
8 51.781-51.791, Water Code, apply to the district. For
9 the reader's convenience, the revised law adds
10 "[e]xcept as provided by Subsection (b)," which is the
11 revised law subsection that gives the district's board
12 discretion to dissolve the district in accordance with
13 Sections 51.781-51.791, Water Code (formerly Article
14 7880-77b, Vernon's Texas Civil Statutes).

15 SUBCHAPTER B. DISTRICT TERRITORY

16 Revised Law

17 Sec. 9060.051. DISTRICT TERRITORY. The district is
18 composed of the territory described by Section 1, Chapter 520, Acts
19 of the 59th Legislature, Regular Session, 1965, as that territory
20 may have been modified under:

- 21 (1) Subchapter O, Chapter 51, Water Code;
22 (2) Subchapter J, Chapter 49, Water Code;
23 (3) Section 9060.052 or its predecessor statute,
24 former Section 4, Chapter 520, Acts of the 59th Legislature,
25 Regular Session, 1965; or
26 (4) other law. (New.)

27 Revisor's Note

28 The revision of the law governing the district
29 does not revise the statutory language describing the
30 territory of the district to avoid the lengthy
31 recitation of the description and because that
32 description may not be accurate on the effective date
33 of the revision or at the time of a later reading. For
34 the reader's convenience, the revised law includes

1 references to the statutory description of the
2 district's territory and to statutory authority to
3 change the district's territory under Subchapter O,
4 Chapter 51, Water Code, applicable to water control
5 and improvement districts, Subchapter J, Chapter 49,
6 Water Code, applicable to the district under Sections
7 49.001 and 49.002 of that chapter, and Section
8 9060.052 of this chapter or its predecessor statute,
9 Section 4, Chapter 520, Acts of the 59th Legislature,
10 Regular Session, 1965. The revised law also includes a
11 reference to the general authority of the legislature
12 to enact other laws to change the district's territory.

13 Revised Law

14 Sec. 9060.052. ADDITION OF LAND TO DISTRICT. The district
15 may not add land to the district unless:

16 (1) an owner of land adjacent or contiguous to the
17 district requests in writing that the district add land;

18 (2) the owner of the land to be added consents to the
19 addition; and

20 (3) the land is adjacent or contiguous to the district
21 when added. (Acts 59th Leg., R.S., Ch. 520, Sec. 4 (part).)

22 Source Law

23 Sec. 4. . . . Land may be added to the District
24 only by written request of an adjacent, or contiguous,
25 landowner or landowners; and no land may be added
26 without the consent of the owner thereof. No land may
27 be added which is not adjacent or contiguous to the
28 District when added. . . .

29 Revisor's Note
30 (End of Subchapter)

31 Section 4, Chapter 520, Acts of the 59th
32 Legislature, Regular Session, 1965, provides that the
33 district may exclude land in the manner provided by
34 Chapter 3A, Title 128, Revised Civil Statutes of
35 Texas, 1925. The revised law omits that provision as
36 unnecessary. The relevant provisions of that statute
37 were codified by Chapter 58, Acts of the 62nd

1 Legislature, Regular Session, 1971, as Subchapter O,
2 Chapter 51, Water Code. Chapter 715, Acts of the 74th
3 Legislature, Regular Session, 1995, repealed some of
4 the relevant provisions of Subchapter O, Chapter 51,
5 Water Code, and enacted Subchapter J, Chapter 49,
6 Water Code, to govern the addition of land to or the
7 exclusion of land from a water control and improvement
8 district and certain other districts. Subchapter J,
9 Chapter 49, Water Code, applies to the district
10 without an express reference to Subchapter J by this
11 chapter. The remaining relevant provisions of
12 Subchapter O, Chapter 51, Water Code, apply to the
13 district under Section 2, Chapter 520, Acts of the 59th
14 Legislature, Regular Session, 1965, revised in this
15 chapter as Section 9060.151, without an express
16 reference to those provisions. The omitted law reads:

17 Sec. 4. Land may be excluded from
18 said District in the manner now provided by
19 Chapter 3A, Title 128, Revised Civil
20 Statutes of Texas, 1925, as amended. . . .

21 SUBCHAPTER C. BOARD OF DIRECTORS

22 Revised Law

23 Sec. 9060.101. COMPOSITION OF BOARD. The board is composed
24 of five elected directors. (Acts 59th Leg., R.S., Ch. 520, Sec. 3
25 (part).)

26 Source Law

27 Sec. 3. The management and control of the
28 District is hereby vested in a Board of five directors
29 elections for directors shall be held,

30 Revisor's Note

31 Section 3, Chapter 520, Acts of the 59th
32 Legislature, Regular Session, 1965, provides that the
33 "management and control of the District is hereby
34 vested" in the board. The revised law omits the quoted
35 language because it duplicates in substance Sections
36 49.051 and 49.057, Water Code. Throughout this

1 chapter, the revised law omits law that is superseded
2 by Chapter 49, Water Code, or that duplicates law
3 contained in that chapter. Chapter 49, Water Code,
4 applies to the district under Sections 49.001 and
5 49.002 of that code.

6 Revisor's Note
7 (End of Subchapter)

8 (1) Section 3, Chapter 520, Acts of the 59th
9 Legislature, Regular Session, 1965, refers to the
10 powers, authority, and duties conferred and imposed on
11 the board under Chapter 3A, Title 128, Revised Civil
12 Statutes of Texas, 1925. The revised law omits the
13 reference to Chapter 3A, Title 128, Revised Statutes,
14 because the relevant parts of that chapter were
15 codified in 1971 as Chapter 51, Water Code. In 1995,
16 the legislature enacted Chapter 715, Acts of the 74th
17 Legislature, Regular Session, which repealed many
18 provisions of Chapter 51 and enacted similar
19 provisions in Chapter 49, Water Code. Chapters 51 and
20 49, Water Code, including provisions relating to the
21 board's powers, authority, and duties, apply to the
22 district on their own terms. The omitted law reads:

23 Sec. 3. . . . [a Board] . . . which
24 shall have all of the powers and authority
25 and duties conferred and imposed upon
26 boards of directors of water control and
27 improvement districts organized under the
28 provisions of Chapter 3A of Title 128,
29 Revised Civil Statutes of Texas, 1925,
30 together with all amendments thereof and
31 additions thereto. . . .

32 (2) Section 3, Chapter 520, Acts of the 59th
33 Legislature, Regular Session, 1965, provides for the
34 appointment of the initial board of directors of the
35 district, the initial meeting and organization of the
36 board, and the election of subsequent directors. The
37 revised law omits the provisions pertaining to the
38 appointment of initial directors and the initial board

1 meeting and organization as executed. The provisions
2 of Section 3 that require the election of subsequent
3 directors to be held as provided by general laws
4 relating to water control and improvement districts
5 are omitted because those provisions duplicate
6 Subchapter D, Chapter 49, Water Code, and parts of
7 Subchapter C, Chapter 51, Water Code, which govern
8 director elections and apply to the district on their
9 own terms. The omitted law reads:

10 Sec. 3. . . . The members of the
11 first Board of Directors shall be
12 F. E. Dunn, H. O. Janner, David
13 S. Baldwin, A. J. Babin, and Curtis
14 Williford. Said members shall become
15 directors immediately after this Act
16 becomes effective, and said first Board of
17 Directors shall meet and organize as soon as
18 practicable after the effective date of
19 this Act, and shall file their official
20 bonds. If any of the aforementioned members
21 of said first Board of Directors shall die,
22 become incapacitated, or otherwise not
23 qualify to assume their duties under this
24 Act, the remaining members of said Board of
25 Directors shall appoint his or their
26 successors. With the exception of said
27 first Board of Directors, the Board of
28 Directors shall be selected as provided by
29 the general laws for water control and
30 improvement districts. The first election
31 of directors of such District shall be held
32 on the second Tuesday in January, 1967, and
33 in accordance with Section 37, Chapter 25,
34 General Laws, Acts of the 39th Legislature,
35 Regular Session, 1925, as amended (Article
36 7880-37, Vernon's Texas Civil Statutes).
37 Thereafter, directors of the District shall
38 be chosen, and [elections for directors
39 shall be held,] in accordance with the
40 provisions of the general laws relating to
41 water control and improvement districts.

42 (3) Section 6(a), Chapter 520, Acts of the 59th
43 Legislature, Regular Session, 1965, provides
44 procedures for holding an election to confirm the
45 district's creation. The revised law omits the
46 provision as executed because the creation of the
47 district has been confirmed. The omitted law reads:

48 (a) . . . As soon as practicable
49 after the effective date of this Act, the
50 District's Board of Directors shall order an
51 election to be held within said District for

1 the purpose of confirming the creation of
2 said District. Said election shall be
3 called and held, and notice thereof given,
4 in the manner provided by the general laws
5 relating to confirmation elections for
6 water control and improvement districts,
7 but it shall not be necessary to elect the
8 Board of Directors named in this Act. If a
9 majority of the qualified resident voters
10 of said District voting at such election
11 vote in favor of the confirmation of the
12 District, then said District shall be
13 finally confirmed and ratified and be a
14 fully created and established water control
15 and improvement district, and such result
16 shall be declared and recorded in the deed
17 records of Galveston County, Texas, in the
18 manner provided by the general laws
19 relating to water control and improvement
20 districts.

21 SUBCHAPTER D. POWERS AND DUTIES

22 Revised Law

23 Sec. 9060.151. WATER CONTROL AND IMPROVEMENT DISTRICT
24 POWERS. The district has the rights, powers, privileges, and
25 duties provided by general law applicable to a water control and
26 improvement district created under Section 59, Article XVI, Texas
27 Constitution, including Chapters 49 and 51, Water Code. (Acts 59th
28 Leg., R.S., Ch. 520, Sec. 2 (part).)

29 Source Law

30 Sec. 2. The District shall have and exercise,
31 and is hereby vested with, all of the rights, powers,
32 privileges, and duties conferred and imposed by the
33 General Laws of the State now in force or hereafter
34 enacted, applicable to water control and improvement
35 districts created under authority of Section 59,
36 Article XVI, Constitution of the State of Texas, but
37 Without in any way limiting the generality of
38 the foregoing, it is expressly provided the District
39 shall have and exercise, and is hereby vested with, all
40 of the rights, powers, privileges, and duties
41 conferred and imposed by Chapter 3A, Title 128,
42 Revised Civil Statutes of Texas, 1925, together with
43 all amendments thereof and additions thereto,

44 Revisor's Note

45 (1) Section 2, Chapter 520, Acts of the 59th
46 Legislature, Regular Session, 1965, states that the
47 district "shall have and exercise, and is hereby
48 vested with," certain rights, powers, privileges, and
49 duties. The revised law substitutes "has" for the
50 quoted language because, in context, the terms are

1 synonymous and "has" is more commonly used.

2 (2) Section 2, Chapter 520, Acts of the 59th
3 Legislature, Regular Session, 1965, states that the
4 district has the rights, powers, privileges, and
5 duties "conferred and imposed" by general law. The
6 revised law substitutes "provided" for the quoted
7 language because regardless of whether a right, power,
8 privilege, or duty is "conferred" by general law or
9 "imposed" by general law, it is not necessary to
10 characterize in the revised law the nature of the
11 granting of that authority. In context, "provided" is
12 synonymous with "conferred and imposed" and "provided"
13 is more commonly used.

14 (3) Section 2, Chapter 520, Acts of the 59th
15 Legislature, Regular Session, 1965, refers to the
16 general laws of this state "now in force or hereafter
17 enacted." The revised law omits the quoted language
18 because it duplicates in substance accepted general
19 principles of statutory construction. The "[g]eneral
20 [l]aws of the [s]tate" means those laws "in force" at
21 the time the provision was adopted. It is unnecessary
22 to state that an entity may be granted additional
23 powers by later enacted laws because those laws apply
24 on their own terms.

25 (4) Section 2, Chapter 520, Acts of the 59th
26 Legislature, Regular Session, 1965, provides that the
27 act prevails over general law in case of a conflict or
28 other inconsistency and that all general laws
29 applicable to water control and improvement districts
30 not in conflict or inconsistent with the provisions of
31 the act are incorporated by reference. The revised law
32 omits the portion of the provision relating to the act
33 prevailing over general law because it duplicates in
34 substance Section 311.026(b), Government Code (Code

1 Construction Act). The revised law omits the portion
2 of the provision relating to incorporation of general
3 laws because Section 2 of Chapter 520 (revised as this
4 section) already provides that those laws apply to the
5 district, and it is unnecessary to repeat that
6 authority. The omitted law reads:

7 Sec. 2. [The District shall have and
8 exercise, and is hereby vested with, all of
9 the rights, powers, privileges, and duties
10 conferred and imposed by the General Laws of
11 the State now in force or hereafter enacted,
12 applicable to water control and improvement
13 districts created under authority of
14 Section 59, Article XVI, Constitution of
15 the State of Texas, but] to the extent that
16 the provisions of such General Laws may be
17 in conflict or inconsistent with the
18 provisions of this Act, the provisions of
19 this Act shall prevail. All such General
20 Laws are hereby incorporated by reference
21 with the same effect as if incorporated in
22 full in this Act. . . .

23 (5) Section 2, Chapter 520, Acts of the 59th
24 Legislature, Regular Session, 1965, provides that
25 "[w]ithout in any way limiting the generality of the
26 foregoing" powers and duties provided by general law
27 applicable to water control and improvement districts,
28 the district has certain rights, powers, privileges,
29 and duties provided by specified law. The revised law
30 omits the quoted language because an accepted
31 principle of statutory construction requires a statute
32 to be given cumulative effect with other statutes
33 unless it provides otherwise or unless the statutes
34 are in conflict. The general principle applies to this
35 revision.

36 (6) Section 2, Chapter 520, Acts of the 59th
37 Legislature, Regular Session, 1965, refers to "Chapter
38 3A, Title 128, Revised Civil Statutes of Texas, 1925,
39 together with all amendments thereof and additions
40 thereto." The revised law substitutes a reference to
41 Chapters 49 and 51, Water Code, for the quoted language

1 for the reasons stated in Revisor's Note (1) at the end
2 of Subchapter C. In addition, the revised law omits
3 the reference to "all amendments thereof and additions
4 thereto" because under Section 311.027, Government
5 Code (Code Construction Act), a reference to a statute
6 applies to all reenactments, revisions, or amendments
7 of that statute unless expressly provided otherwise.

8 (7) Section 2, Chapter 520, Acts of the 59th
9 Legislature, Regular Session, 1965, refers to certain
10 powers granted by Chapter 3A, Title 128, Revised Civil
11 Statutes of Texas, and by Article 7880-90a, Vernon's
12 Texas Civil Statutes. The revised law omits those
13 references because the provisions, under which the
14 powers were granted, were included in the 1971
15 codification of Chapter 51, Water Code, and now are
16 contained in Chapter 51, Water Code, or have been
17 replaced by provisions of Chapter 49, Water Code, both
18 of which apply to the district on their own terms. The
19 omitted law reads:

20 Sec. 2. . . . [the District shall
21 have . . . all of the rights, powers,
22 privileges, and duties conferred and
23 imposed by Chapter 3A, Title 128, Revised
24 Civil Statutes of Texas, 1925,] . . .
25 including all powers and authority relating
26 to sanitary sewer systems and the issuance
27 of bonds therefor as authorized by and
28 provided in said Chapter, including the
29 power and authority to issue tax bonds,
30 revenue bonds or tax-revenue bonds as
31 authorized by and provided in Section 90a,
32 Chapter 25, General Laws, Acts of the 39th
33 Legislature, Regular Session, 1925, as
34 added and amended (Article 7880-90a,
35 Vernon's Texas Civil Statutes); and . . .

36 Revised Law

37 Sec. 9060.152. ACQUISITION OF IMPROVEMENTS. The district
38 may make, construct, or otherwise acquire improvements inside or
39 outside the district that are necessary or convenient to carry out a
40 power granted to the district under this chapter or a general law
41 described by Section 9060.151. (Acts 59th Leg., R.S., Ch. 520, Sec.

1 2 (part).)

2 Source Law

3 Sec. 2. . . . Said District shall have the power
4 to make, construct, or otherwise acquire improvements
5 either within or without the boundaries thereof
6 necessary or convenient to carry out the powers and
7 authority granted by this Act and said General Laws;
8

9 Revisor's Note

10 (1) Section 2, Chapter 520, Acts of the 59th
11 Legislature, Regular Session, 1965, provides that the
12 district "shall have the power" to take certain
13 actions regarding improvements. The revised law
14 substitutes "may" for the quoted language because that
15 term is more concise and is the substantive equivalent
16 of the quoted language.

17 (2) Section 2, Chapter 520, Acts of the 59th
18 Legislature, Regular Session, 1965, refers to the
19 district's "powers and authority." The revised law
20 omits the reference to "authority" because, in
21 context, it is included in the meaning of "powers."

22 Revised Law

23 Sec. 9060.153. COST OF RELOCATING OR ALTERING PROPERTY.

24 (a) In this section, "sole expense" means the actual cost of
25 relocating, raising, lowering, rerouting, changing the grade of, or
26 altering the construction of a facility described by Subsection (b)
27 in providing comparable replacement without enhancement of the
28 facility, after deducting from that cost the net salvage value
29 derived from the old facility.

30 (b) If the district's exercise of the power of eminent
31 domain, power of relocation, or any other power granted by this
32 chapter makes necessary relocating, raising, rerouting, changing
33 the grade of, or altering the construction of a highway, railroad,
34 electric transmission line, telephone or telegraph property or
35 facility, or pipeline, the necessary action shall be accomplished
36 at the sole expense of the district. (Acts 59th Leg., R.S., Ch.

1 520, Sec. 2 (part).)

2 Source Law

3 Sec. 2. . . . If the District in the exercise of
4 the power of eminent domain or power of relocation, or
5 any other power granted hereunder, makes necessary the
6 relocation, raising, re-routing, or changing the grade
7 of, or altering the construction of, any highway,
8 railroad, electric transmission line, telephone or
9 telegraph properties and facilities, or pipeline, all
10 such necessary relocation, raising, re-routing,
11 changing of grade, or alteration of construction shall
12 be accomplished at the sole expense of the District.
13 The term "sole expense" shall mean the actual cost of
14 such relocation, raising, lowering, re-routing, or
15 change in grade or alteration of construction in
16 providing comparable replacement without enhancement
17 of such facilities after deducting therefrom the net
18 salvage value derived from the old facility.

19 Revised Law

20 Sec. 9060.154. LIMIT ON EMINENT DOMAIN POWER. The district
21 may not exercise the power of eminent domain outside the district.
22 (Acts 59th Leg., R.S., Ch. 520, Sec. 2 (part).)

23 Source Law

24 Sec. 2. . . . provided, however, that the
25 exercise of the power of eminent domain shall not
26 extend beyond the boundaries of the District. . . .

27 Revised Law

28 Sec. 9060.155. DURATION OF CONTRACT FOR WATER PURCHASE OR
29 SALE. A district contract for the purchase or sale of water may not
30 exceed 40 years. (Acts 59th Leg., R.S., Ch. 520, Sec. 2 (part).)

31 Source Law

32 Sec. 2. . . . The powers of its Board of
33 Directors shall include, but not be limited to, the
34 right to enter into contracts on behalf of said
35 District for the purchase and sale, or either, of water
36 for such periods of time, not exceeding 40 years, and
37 on such terms and conditions as its Board of Directors
38 may deem desirable. . . .

39 Revisor's Note

40 Section 2, Chapter 520, Acts of the 59th
41 Legislature, Regular Session, 1965, provides that the
42 board has "the right to enter into contracts on behalf
43 of said District for the purchase and sale, or either,
44 of water . . . on such terms and conditions as its
45 Board of Directors may deem desirable." The revised

1 law omits the quoted language because it duplicates in
2 substance a portion of Section 49.213(c), Water Code.

3 Revised Law

4 Sec. 9060.156. INSTALLATION OF STREETLIGHTS. (a) On
5 approval by a majority of the voters of the district voting at an
6 election held for that purpose, the district may:

7 (1) install, operate, and maintain street lighting in
8 a public utility easement or public right-of-way inside the
9 district; and

10 (2) assess the cost of the installation, operation,
11 and maintenance of the street lighting as an additional charge in
12 the monthly billings of the district's customers.

13 (b) The district may not use money from taxes or bonds
14 supported by taxes for a purpose described by this section.

15 (c) This section does not authorize the district to install,
16 operate, or maintain street lighting on a right-of-way that is part
17 of the designated state highway system. (Acts 59th Leg., R.S., Ch.
18 520, Sec. 2A.)

19 Source Law

20 Sec. 2A. (a) If the actions are approved by a
21 majority of the voters of the District voting at an
22 election called and held for that purpose, the
23 District may:

24 (1) install, operate, and maintain street
25 lighting within a public utility easement or public
26 right-of-way inside the District's boundaries; and

27 (2) assess the cost of installing,
28 operating, and maintaining the street lighting as an
29 additional charge in the monthly billings of the
30 District's customers.

31 (b) The District may not use money from taxes or
32 bonds supported by taxes for a purpose described by
33 this section.

34 (c) This section does not authorize the District
35 to install, operate, or maintain street lighting on
36 right-of-way that is part of the designated state
37 highway system.

38 Revisor's Note

39 Section 2A, Chapter 520, Acts of the 59th
40 Legislature, Regular Session, 1965, refers to an
41 election "called and held." The revised law omits the
42 reference to "calling" an election because, in this

1 context, "calling" an election is included in the
2 meaning of "holding" an election. Under Chapter 3,
3 Election Code, all elections must be ordered (called)
4 before they may be held.

5 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

6 Revised Law

7 Sec. 9060.201. TAX METHOD. (a) The district shall use the
8 ad valorem basis or plan of taxation.

9 (b) The board is not required to hold a hearing on the
10 adoption of a plan of taxation. (Acts 59th Leg., R.S., Ch. 520,
11 Sec. 6(b).)

12 Source Law

13 (b) The ad valorem basis or plan of taxation
14 shall be used by said District, and it shall not be
15 necessary for the Board of Directors to hold a hearing
16 on the adoption of a plan of taxation.

17 Revisor's Note
18 (End of Subchapter)

19 (1) Section 5, Chapter 520, Acts of the 59th
20 Legislature, Regular Session, 1965, lists the entities
21 for which district bonds are legal investments and
22 provides that district bonds may secure deposits of
23 public funds of the state or political subdivisions.
24 The revised law omits the provision relating to the
25 eligibility of district bonds to be considered as
26 investments for various entities because it duplicates
27 Section 49.186(a), Water Code. While Section 5 lists
28 "guardians" and Section 49.186(a), Water Code, does
29 not, Section 49.186(a) includes "fiduciaries," and a
30 guardian is a fiduciary. The revised law omits the
31 provision relating to deposits of state funds as
32 impliedly repealed by Section 404.0221, Government
33 Code (enacted in 1995), which lists eligible
34 collateral for deposits of state funds by the
35 comptroller. As to deposits of other funds, the
36 provision is impliedly repealed by Chapter 2257,

1 Government Code (enacted as Chapter 627, Acts of the
2 71st Legislature, Regular Session, 1989), which
3 governs eligible collateral for deposits of funds of
4 other public agencies, including political
5 subdivisions, and permits those deposits to be secured
6 by obligations issued by conservation and reclamation
7 districts. The omitted law reads:

8 Sec. 5. The bonds of the District
9 shall be and are hereby declared to be legal
10 and authorized investments for banks,
11 savings banks, trust companies, building
12 and loan associations, savings and loan
13 associations, insurance companies,
14 fiduciaries, trustees, guardians, and for
15 the sinking funds of cities, towns,
16 villages, counties, school districts, or
17 other political corporations or
18 subdivisions of the State. Such bonds shall
19 be eligible to secure the deposit of any and
20 all public funds of the State, and any and
21 all public funds of cities, towns,
22 villages, counties, school districts, or
23 other political corporations or
24 subdivisions of the State; and such bonds
25 shall be lawful and sufficient security for
26 said deposits to the extent of their value,
27 when accompanied by all unmatured coupons
28 appurtenant thereto. . . .

29 (2) Section 5, Chapter 520, Acts of the 59th
30 Legislature, Regular Session, 1965, provides that
31 district bonds may be in denominations of \$1,000 or
32 multiples of \$1,000. The revised law omits that
33 provision as impliedly repealed by Section 3, Chapter
34 845, Acts of the 67th Legislature, Regular Session,
35 1981 (Article 717k-6, Vernon's Texas Civil Statutes),
36 which was revised as Section 1201.021, Government
37 Code, by Section 1, Chapter 227, Acts of the 76th
38 Legislature, Regular Session, 1999. Section 1201.021,
39 Government Code, allows a public security to be issued
40 in any denomination and applies to a district bond by
41 application of Section 1201.002, Government Code. The
42 omitted law reads:

43 Sec. 5. . . . Said bonds may be in
44 the denomination of \$1,000 or in multiples
45 thereof, and

1 (3) Section 5, Chapter 520, Acts of the 59th
2 Legislature, Regular Session, 1965, provides that bond
3 proceeds may be invested in obligations of the United
4 States or placed on time deposit. The revised law
5 omits that provision as superseded by Chapter 2256,
6 Government Code (enacted as Chapter 889, Acts of the
7 70th Legislature, Regular Session, 1987), which
8 governs the investments of certain public entities.
9 The omitted law reads:

10 Sec. 5. . . . until such time as the
11 bond proceeds are needed to carry out the
12 bond purpose, such proceeds may be invested
13 in direct obligations of the United States
14 of America or may be placed on time deposit,
15 either or both.

16 Revisor's Note
17 (End of Chapter)

18 Section 8, Chapter 520, Acts of the 59th
19 Legislature, Regular Session, 1965, provides that
20 proof of publication of the constitutionally required
21 notice has been made. The revised law omits that
22 provision as executed. The omitted law reads:

23 Sec. 8. Proof of publication of the
24 constitutional notice required in the
25 enactment hereof under the provisions of
26 Section 59(d), Article XVI, Constitution of
27 the State of Texas, has been made in the
28 manner provided therein and a copy of said
29 notice and the bill as originally
30 introduced have been delivered to the
31 Governor of the State of Texas as required
32 in such constitutional provision, and such
33 notice and delivery are hereby found and
34 declared to be proper and sufficient to
35 satisfy such requirements.