

By: Denny

H.B. No. 3490

A BILL TO BE ENTITLED

AN ACT

relating to the creation of The Lakes Fresh Water Supply District of Denton County; providing authority to impose a tax and issue bonds; granting the power of eminent domain.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 8125 to read as follows:

CHAPTER 8125. THE LAKES FRESH WATER SUPPLY

DISTRICT OF DENTON COUNTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8125.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a member of the board.

(3) "District" means The Lakes Fresh Water Supply District of Denton County.

Sec. 8125.002. NATURE OF DISTRICT. The district is a fresh water supply district in Denton County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution. The district is created to serve a public use and benefit.

Sec. 8125.003. CONFIRMATION ELECTION REQUIRED. If the creation of the district is not confirmed at a confirmation election held under Section 8125.023 before September 1, 2007:

1 (1) the district is dissolved September 1, 2007,
2 except that:

3 (A) any debts incurred shall be paid;

4 (B) any assets that remain after the payment of
5 debts shall be transferred to Denton County; and

6 (C) the organization of the district shall be
7 maintained until all debts are paid and remaining assets are
8 transferred; and

9 (2) this chapter expires September 1, 2010.

10 Sec. 8125.004. INITIAL DISTRICT TERRITORY. (a) The
11 district is initially composed of the territory described by
12 Section 2 of the Act creating this chapter.

13 (b) The boundaries and field notes contained in Section 2 of
14 the Act creating this chapter form a closure. A mistake made in the
15 field notes or in copying the field notes in the legislative process
16 does not affect:

17 (1) the organization, existence, or validity of the
18 district;

19 (2) the right of the district to impose taxes; or

20 (3) the legality or operation of the board.

21 Sec. 8125.005. APPLICABILITY OF OTHER LAW; CONFLICTS OF
22 LAW. (a) Except as otherwise provided by this chapter, all
23 applicable laws including the following laws apply to the district:

24 (1) Chapters 49, 53, and 54, Water Code; and

25 (2) Chapter 257, Transportation Code, and other
26 general laws applicable to road districts created under Section 52,
27 Article III, Texas Constitution, to the extent those provisions can

1 apply to the district.

2 (b) Sections 53.029(b), 53.030-53.034, and 53.040-53.043,
3 Water Code, do not apply to the district.

4 (c) If a provision of Chapter 53, Water Code, is in conflict
5 or inconsistent with this chapter or Chapter 54, Water Code, this
6 chapter and Chapter 54, Water Code, prevail.

7 Sec. 8125.006. PROHIBITION AGAINST IMPAIRMENT OF DISTRICT.

8 A county in which the district is located or a municipality in whose
9 extraterritorial jurisdiction the district is located may not adopt
10 an ordinance or resolution or take any other action that:

11 (1) impairs the ability of the district to exercise
12 its powers under this chapter or other law; or

13 (2) limits the ability of the district to finance,
14 construct, or operate its water, wastewater, drainage, or road
15 systems.

16 [Sections 8125.007-8125.020 reserved for expansion]

17 SUBCHAPTER A1. TEMPORARY PROVISIONS

18 Sec. 8125.021. TEMPORARY DIRECTORS. (a) The temporary
19 board consists of:

- 20 (1) Andrea Adcock;
21 (2) Chad Breaux;
22 (3) Brian Bryce, Jr.;
23 (4) Traci Pichon; and
24 (5) Crystal Taylor.

25 (b) If a temporary director fails to qualify for office, the
26 temporary directors who have qualified shall appoint a person to
27 fill the vacancy. If at any time there are fewer than three

1 qualified temporary directors, the Texas Commission on
2 Environmental Quality shall appoint the necessary number of persons
3 to fill all vacancies on the board.

4 (c) Temporary directors serve until the earlier of:

5 (1) the date directors are elected under Section
6 8125.023; or

7 (2) the date this chapter expires under Section
8 8125.003.

9 Sec. 8125.022. ORGANIZATIONAL MEETING OF TEMPORARY
10 DIRECTORS. As soon as practicable after all the temporary
11 directors have qualified under Section 49.055, Water Code, the
12 temporary directors shall convene the organizational meeting of the
13 district at a location in the district agreeable to a majority of
14 the directors. If a location cannot be agreed upon, the
15 organizational meeting shall be at the Denton County Courthouse.

16 Sec. 8125.023. CONFIRMATION AND INITIAL DIRECTORS'
17 ELECTION. The temporary directors shall hold an election to
18 confirm the creation of the district and to elect five directors as
19 provided by Section 49.102, Water Code.

20 Sec. 8125.024. INITIAL ELECTED DIRECTORS; TERMS. The
21 directors elected under Section 8125.023 shall draw lots to
22 determine which two shall serve until the first regularly scheduled
23 election of directors under Section 8125.053 and which three shall
24 serve until the second regularly scheduled election of directors.

25 Sec. 8125.025. EXPIRATION OF SUBCHAPTER. This subchapter
26 expires September 1, 2010.

27 [Sections 8125.026-8125.050 reserved for expansion]

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 8125.051. DIRECTORS; TERMS. (a) The district is
3 governed by a board of five directors.

4 (b) Directors serve staggered four-year terms.

5 Sec. 8125.052. QUALIFICATIONS. Directors must meet only
6 the qualifications for directors provided by Chapters 49 and 54,
7 Water Code.

8 Sec. 8125.053. ELECTION OF DIRECTORS. On the uniform
9 election date in May of each even-numbered year, the appropriate
10 number of directors shall be elected.

11 [Sections 8125.054-8125.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 8125.101. ROAD PROJECTS. (a) The district may
14 construct, acquire, improve, maintain, or operate macadamized,
15 graveled, paved, or concreted streets, roads, or turnpikes, or
16 improvements in aid of those streets, roads, or turnpikes,
17 including bridges, inside or outside the district.

18 (b) The improvements may include drainage or landscaping
19 improvements, lights, signs, signals, sidewalks, or hiking or
20 biking trails that are incidental to the roads or turnpikes and
21 their construction, maintenance, or operation.

22 (c) A project authorized by this section must meet only the
23 construction standards adopted by the North Central Texas Council
24 of Governments, or its successor agency.

25 (d) The district may, following approval of a construction
26 contract by the board, reimburse expenditures as provided by
27 Sections 257.003(a) and (b), Transportation Code, without any

1 additional approval under Section 257.003, Transportation Code.

2 Sec. 8125.102. JOINT ROAD PROJECTS. A district contract
3 for a joint project with a state agency, a political subdivision, or
4 a corporation created under Chapter 431, Transportation Code, may:

5 (1) provide for joint payment of project costs; or

6 (2) require the state agency or political subdivision
7 to design, construct, or improve a project, including landscaping
8 for the project, as provided by the contract.

9 Sec. 8125.103. ROAD CONTRACTS. The district may contract
10 for a road project in the same manner as a road district under
11 Chapter 257, Transportation Code, except that competitive bidding
12 for a contract is governed by Subchapter I, Chapter 49, Water Code.

13 Sec. 8125.104. WATER CONTROL AND STORAGE PROJECTS. (a) The
14 district may construct, acquire, improve, enlarge, extend, repair,
15 or maintain dams, levees, walls, dikes, embankments, canals,
16 reservoirs, lakes, or other improvements as necessary to control,
17 store, or preserve water in the district for any useful purpose.

18 (b) The district may overflow and inundate public lands and
19 other public property in the district.

20 (c) A project authorized by this section is subject to all
21 applicable permitting and regulatory requirements.

22 Sec. 8125.105. CERTIFICATE OF CONVENIENCE AND NECESSITY.

23 (a) The district may pay out of bond proceeds or other available
24 district money all expenses, including legal, engineering, and
25 other fees, related to obtaining a new certificate of convenience
26 and necessity under Chapter 13, Water Code, authorizing the
27 district to provide retail water or sewer service inside or outside

1 the district.

2 (b) The district may pay out of bond proceeds or other
3 available district money all expenses, including the purchase
4 price, related to acquiring certificate of convenience and
5 necessity rights from another retail public utility to allow the
6 district to provide retail water or sewer service in the district.

7 Sec. 8125.106. CONTRACT WITH POLITICAL SUBDIVISION FOR
8 WATER OR SEWER SERVICES. (a) The district may enter into a
9 contract to allow a political subdivision to provide retail water
10 or sewer service in the district. The contract may contain terms
11 the board considers desirable, fair, and advantageous to the
12 district.

13 (b) The contract may provide that the district will
14 construct or acquire and convey to the political subdivision a
15 water supply or treatment system, a water distribution system, or a
16 sanitary sewage collection or treatment system, as necessary to
17 provide water or sewer service in the district.

18 (c) The district may use bond proceeds or other available
19 district money to pay for its obligations and for services and
20 facilities provided under the contract.

21 (d) If the contract requires the district to make payments
22 from taxes other than operation and maintenance taxes, the contract
23 is subject to Section 49.108, Water Code.

24 Sec. 8125.107. EMINENT DOMAIN. The district may acquire by
25 condemnation any land, easements, or other property:

26 (1) as provided by Chapter 49, Water Code; or

27 (2) inside the district for any road project or

1 purpose.

2 [Sections 8125.108-8125.150 reserved for expansion]

3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4 Sec. 8125.151. OPERATION AND MAINTENANCE TAX. (a) The
5 district may impose a tax for any district operation and
6 maintenance purpose in the manner provided by Section 49.107, Water
7 Code.

8 (b) Section 49.107(f), Water Code, does not apply to
9 reimbursements for projects constructed or acquired under Section
10 8125.101.

11 Sec. 8125.152. TAX TO REPAY BONDS. The district may impose
12 a tax to pay the principal of and interest on bonds issued under
13 Section 8125.201.

14 [Sections 8125.153-8125.200 reserved for expansion]

15 SUBCHAPTER E. BONDS

16 Sec. 8125.201. AUTHORITY TO ISSUE BONDS AND OTHER
17 OBLIGATIONS; TAX. (a) The district may issue bonds or other
18 obligations as provided by Chapters 49, 53, and 54, Water Code, and
19 to finance:

20 (1) the construction, maintenance, or operation of
21 projects under Sections 8125.101, 8125.102, and 8125.104; or

22 (2) the district's contractual obligations under
23 Section 8125.106.

24 (b) The district may not issue bonds or other obligations
25 secured in whole or in part by ad valorem taxation to finance
26 projects authorized by Section 8125.101 or 8125.102 unless the
27 issuance is approved by a vote of a two-thirds majority of the

1 voters of the district voting at an election called for that
2 purpose.

3 (c) Bonds or other obligations issued or incurred to finance
4 projects authorized by Section 8125.101 or 8125.102 may not exceed
5 one-fourth of the assessed value of the real property in the
6 district.

7 (d) Sections 49.181 and 49.182, Water Code, do not apply to
8 a project undertaken by the district under Section 8125.101 or
9 8125.102 or to bonds issued by the district to finance the project.

10 SECTION 2. The Lakes Fresh Water Supply District of Denton
11 County initially includes all the territory contained in the
12 following described area:

13 BEING 411.169 acres of land situated in the James Bridges
14 Survey, Abstract No. 36, Denton County, Texas, and being that same
15 tract of land conveyed by Westmar Properties, Inc., a Texas
16 corporation to Marriot Brothers Partnership, a Texas General
17 Partnership, as recorded in Volume 4803, Page 1741 and County
18 Clerk's Document No. 2001-R0026726, Deed Records, Denton County,
19 Texas, and being more particularly described as follows:

20 BEGINNING at a Texas Department of Transportation (TxDOT) wooden
21 monument found in the north line of Farm to Market Road No. 2931 (a
22 50 foot right-of-way), said point being the most southerly
23 southwest corner of said Marriot tract and the southeast corner of a
24 tract conveyed to Tommy Gene Smith, as recorded in Volume 3222, Page
25 689 of said deed records;

26 THENCE North 00 degrees 24 minutes 20 seconds East, leaving the
27 north line of said F.M. 2931 and along the common line of said

1 Marriot and Smith tracts, a distance of 357.65 feet to a 1-1/2-inch
2 iron pipe found for corner, said point being the northeast corner of
3 said Smith tract and the southeast corner of a tract conveyed to Tim
4 Robinson and Tommy Robinson as recorded in County Clerk's Document
5 No. 94-R0011755 of said deed records;

6 THENCE North 01 degree 05 minutes 06 seconds East, along the common
7 line of said Marriot and Robinson tracts a distance of 29.38 feet to
8 a 1/2-inch iron rod found for corner;

9 THENCE North 02 degrees 16 minutes 25 seconds East, continuing
10 along the common line of said Marriot and Robinson tracts a distance
11 of 869.54 feet to a 5/8-inch iron rod with cap (stamped PETITT-RPLS
12 4087) set for corner, said point being the northeast corner of said
13 Robinson tract and an ell corner of said Marriot tract;

14 THENCE North 88 degrees 43 minutes 37 seconds West, along the common
15 line of said Marriot and Robinson tracts a distance of 532.68 feet
16 to a 5/8-inch iron rod with cap set for corner;

17 THENCE North 88 degrees 33 minutes 22 seconds West, continuing
18 along the common line of said Marriot and Robinson tracts a distance
19 of 1582.21 feet to a 1/2-inch iron rod found for the most westerly
20 southwest corner of said Marriot tract, said point being in the east
21 line of a 4.56 acre tract conveyed to "1991 Weir Family Trust" as
22 recorded in Volume 4300, Page 1149 and County Clerk's Document No.
23 99-R0026520 of said deed records;

24 THENCE North 01 degree 19 minutes 47 seconds East, along the west
25 line of said Marriot tract a distance of 2455.33 feet to a fence
26 corner post found for the northwest corner of said Marriot tract,
27 said point being the northeast corner of a called 60 acre tract

1 conveyed to C.W. Sanders as recorded in Volume 1074, Page 72, and in
2 the south line of the Liberty Associates tract as recorded in County
3 Clerk's Document No. 96-R0026647 and No. 97-R0030209 of said deed
4 records;

5 THENCE South 87 degrees 39 minutes 41 seconds East, along the common
6 line of said Marriot and Liberty Associates tracts a distance of
7 721.69 feet to a 5/8-inch iron rod with cap set for corner;

8 THENCE South 89 degrees 08 minutes 36 seconds East, continuing
9 along the common line of said Marriot and Liberty Associates tracts
10 a distance of 2469.24 to a along a 5/8-inch iron rod with cap set for
11 corner, said point being the southwest corner of said Liberty
12 Associates tract and the southwest corner of a 53.35 acre tract
13 conveyed to Lee Weir, as recorded in Volume 4240, Page 1365 and in
14 County Clerk's Document No. 98-R0114389 of said deed records;

15 THENCE South 88 degrees 20 minutes 08 seconds East, along the common
16 line of said Marriot and Weir tracts a distance of 2464.74 feet to a
17 5/8-inch iron rod with cap set for the northeast corner of said
18 Marriot tract, the southeast corner of said Weir tract and being in
19 the west line of said F.M. 2931;

20 THENCE South 02 degrees 22 minutes 00 seconds West, along the west
21 line of said F.M. 2931 a distance of 589.94 feet to a 5/8-inch iron
22 rod with cap set for corner;

23 THENCE South 13 degrees 40 minutes 36 seconds West, along the west
24 line of said F.M. 2931 a distance of 101.98 feet to a 5/8-inch iron
25 rod with cap set for corner;

26 THENCE South 02 degrees 22 minutes 00 seconds West, along the west
27 line of said F.M. 2931 a distance of 200.00 feet to a wooden TxDOT

1 monument found for corner;

2 THENCE South 08 degrees 56 minutes 36 seconds East, along the west
3 line of said F.M. 2931 a distance of 101.98 feet to a 5/8-inch iron
4 rod with cap set for corner;

5 THENCE South 02 degrees 22 minutes 00 seconds West, along the west
6 line of said F.M. 2931 a distance of 1630.10 feet to a 5/8-inch iron
7 rod with cap set for corner, said point being the beginning of a
8 curve to the right having a radius of 1095.92 feet and a chord that
9 bears South 11 degrees 36 minutes 50 seconds West a distance of
10 352.20 feet;

11 THENCE in a southwesterly direction along the west line of said F.M.
12 2931 and said curve to the right through a central angle of 18
13 degrees 29 minutes 37 seconds an arc distance of 353.74 feet to a
14 5/8-inch iron rod with cap set for corner;

15 THENCE South 40 degrees 59 minutes 38 seconds West, along the west
16 line of said F.M. 2931 a distance of 98.95 feet to a 5/8-inch iron
17 rod with cap set for corner;

18 THENCE South 30 degrees 51 minutes 42 seconds West, along the west
19 line of said F.M. 2931 a distance of 185.80 feet to a 5/8-inch iron
20 rod with cap set for corner;

21 THENCE South 20 degrees 43 minutes 46 seconds West, along the west
22 line of said F.M. 2931 a distance of 98.95 feet to a 5/8-inch iron
23 rod with cap set for corner, said point being the beginning of a
24 non-tangent curve to the right having a radius of 1095.92 feet and a
25 chord that bears South 66 degrees 43 minutes 17 seconds West a
26 distance of 956.04 feet;

27 THENCE in a southwesterly direction along the west line of said F.M.

1 2931 and said non-tangent curve to the right through a central angle
2 of 51 degrees 43 minutes 15 seconds an arc distance of 989.28 feet
3 to a 5/8-inch iron rod with cap set for corner;

4 THENCE North 87 degrees 25 minutes 06 seconds West, along the north
5 line of said F.M. 2931 a distance of 631.80 feet to a 5/8-inch iron
6 rod with cap set for corner, said point being the beginning of a
7 curve to the left having a radius of 5779.58 feet and a chord that
8 bears North 88 degrees 32 minutes 36 seconds West a distance of
9 226.95 feet;

10 THENCE in a northwesterly direction along the north line of said
11 F.M. 2931 and said curve to the left through a central angle of 02
12 degrees 15 minutes 00 seconds an arc distance of 226.96 feet to a
13 5/8-inch iron rod with cap set for corner;

14 THENCE North 89 degrees 40 minutes 06 seconds West, along the north
15 line of said F.M. 2931 a distance of 1523.51 feet to the POINT OF
16 BEGINNING and containing 411.169 acres of land, more or less.

17 SECTION 3. (a) The legal notice of the intention to
18 introduce this Act, setting forth the general substance of this
19 Act, has been published as provided by law, and the notice and a
20 copy of this Act have been furnished to all persons, agencies,
21 officials, or entities to which they are required to be furnished
22 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
23 Government Code.

24 (b) The governor, one of the required recipients, has
25 submitted the notice and Act to the Texas Commission on
26 Environmental Quality.

27 (c) The Texas Commission on Environmental Quality has filed

1 its recommendations relating to this Act with the governor, the
2 lieutenant governor, and the speaker of the house of
3 representatives within the required time.

4 (d) All requirements of the constitution and laws of this
5 state and the rules and procedures of the legislature with respect
6 to the notice, introduction, and passage of this Act are fulfilled
7 and accomplished.

8 SECTION 4. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2005.