

WATER CODE

TITLE 4. GENERAL LAW DISTRICTS

CHAPTER 62. ARTICLE XVI, SECTION 59, NAVIGATION DISTRICTS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 62.001. DEFINITIONS. As used in this chapter:

(1) "District" means a navigation district operating under the provisions of Article XVI, Section 59, of the Texas Constitution.

(2) "Commission" means the navigation and canal commission.

(3) "Commissioner" means a navigation and canal commissioner.

(4) "Board" means the navigation board.

(5) "County of jurisdiction" means the county in which the district or the greater amount of acreage of the district is located.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

SUBCHAPTER B. CREATION OF DISTRICT

Sec. 62.021. CREATION OF DISTRICT. A navigation district may be created in the manner prescribed by this subchapter under Article XVI, Section 59, of the Texas Constitution.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.022. COMPOSITION. A district may include within its boundaries all or part of villages, towns, cities, road districts, drainage districts, irrigation districts, levee districts, other improvement districts, and municipal corporations of any kind but may not include the territory of more than three counties or parts of three counties.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.023. PETITION. (a) Any person may present a petition to the commissioners court in the county of jurisdiction,

at a regular or special session, requesting the creation of a district.

(b) The petition shall be signed by 25 of the property taxpaying electors who reside inside the boundaries of the proposed district. If there are less than 75 property taxpaying electors who reside inside the boundaries of the proposed district, the petition shall be signed by one-third of them.

(c) The petition shall include:

- (1) a request that the district be created;
- (2) the boundaries of the district accompanied by a map;
- (3) the general nature of the proposed improvements;
- (4) an estimate of the probable cost of the improvements; and
- (5) the name of the district, which shall include the name of the county.

(d) The petition shall be accompanied by an affidavit of the petitioners' qualifications.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.024. DEPOSIT. At the time the petition is filed with the commissioners court, the petitioner shall deposit \$500 in cash with the clerk of the commissioners court. The clerk shall keep the deposit until after the result of the election to create the district is declared and entered in the record by the commissioners court.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.025. DATE OF HEARING. (a) On presentation of the petition, the commissioners court of the county of jurisdiction shall set it for a hearing at the regular term of the commissioners court or at a special session called for that purpose. The hearing shall be held not less than 30 nor more than 60 days from the day the petition is presented.

(b) If the hearing is required by Section [62.026](#) of this code, to be held by the navigation board, the commissioners court shall set the hearing at the regular meeting place of the

commissioners court not less than 30 nor more than 60 days from the day the petition is presented without reference to any term of the commissioners court.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.026. HEARING BEFORE THE BOARD. If the boundaries of a proposed district include all or part of a city or cities acting under special charter granted by the legislature, the hearing on the petition shall be held before the board.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.027. NOTICE OF HEARING. (a) The commissioners court shall order the clerk to post a copy of the petition together with the order of the commissioners court in five public places in the county, one of which shall be the courthouse door and four of which shall be in different places inside the limits of the proposed district. The notice shall be posted not less than 20 days before the time set for the hearing.

(b) If the district is composed of more than one county, a copy of the petition together with the order shall be posted at the courthouse door of each county in which any portion of the proposed district is located, and four copies shall be posted at four other places inside the included territory of each county.

(c) The clerk shall receive \$1 as compensation for posting each notice and five cents a mile for each mile necessarily traveled in posting the notices.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.028. HEARING ON PETITION. (a) The commissioners court or the board has exclusive jurisdiction to hear and determine all contests and objections and other matters relating to creating a district and in all subsequent proceedings.

(b) Any person who has taxable property in the proposed district or who may be affected by the creation of the district may appear at the hearing and contest or support the creation of the district, offer testimony for or against the boundaries, show that the proposed improvements would or would not be of any public

utility and would or would not be practicable and feasible, present evidence of the probable cost of the improvements, or present any other matter relating to the district.

(c) The commissioners court or navigation board may adjourn the hearing from day to day, and judgments or decisions rendered by the commissioners court or the board are final except as otherwise provided by this chapter.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.029. FINDINGS. (a) If the commissioners court or the board finds that the improvements would be feasible and practicable and would be a public benefit and utility and approves the boundaries as set out in the petition, it shall compute the amount of money necessary for the improvements and all incidental expenses and shall determine whether to issue bonds for the full amount or for a smaller amount in the first instance.

(b) The commissioners court or the board shall specify:

- (1) the amount of bonds to be issued;
- (2) the length of time the bonds will run; and
- (3) the rate of interest.

(c) The findings and specifications together with a map of the district shall be recorded in the minutes of the commissioners court or the board.

(d) If the commissioners court or the board does not approve the proposed boundaries of the district, it shall define the boundaries it considers correct. Before any change is made in the boundaries of the proposed district, notice shall be given and a hearing held as provided in Sections 62.027 and 62.028 of this code.

(e) If the commissioners court or the board finds that the improvements are unnecessary and would not be practicable or feasible and would not be a public benefit or utility, it shall enter these findings in the minutes and shall dismiss the petition at the cost of the petitioners. However, the dismissal of a petition does not prevent or conclude the presentation of a similar petition at a later date.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.030. ELECTION ORDER. (a) If the commissioners court or the board finds in favor of the petitioners for the creation of the district, the commissioners court of the county of jurisdiction shall order an election to be held inside the proposed district at the earliest legal time.

(b) The order of the court shall provide for submitting to the electors residing in the proposed district the question of whether or not the district will be created and whether or not proposed bonds will be issued and a tax levied sufficient to pay the interest and provide a sinking fund sufficient to redeem the bonds at maturity.

(c) The order shall specify:

- (1) the amount of bonds to be issued;
- (2) the length of time the bonds will run; and
- (3) the rate of interest.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.031. NOTICE OF ELECTION. (a) The clerk of the commissioners court shall prepare notice of the election and shall post the notice for 30 days before the day set for the election.

(b) The notice shall be posted in the same places specified in Section [62.027](#) of this code.

(c) The notice shall state:

- (1) the time and place of holding the election;
- (2) the proposition to be voted on; and
- (3) the purpose for which the bonds are to be issued and the amount of the bonds.

(d) The notice shall contain a copy of the order of the court ordering the election.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.032. BALLOT. The ballot shall be printed to provide for voting for or against the proposition: "The creation of the navigation district and the issuance of bonds and levy of a tax for the payment of the bonds."

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.033. CONDUCT OF ELECTION. (a) The commissioners court shall issue an order creating and defining the voting precincts in the proposed district and shall name polling places within the precincts. In designating the polling places, the commissioners court shall take into consideration the convenience of the voters in the proposed district.

(b) The commissioners court shall select and appoint the judges and other necessary officers of election.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.034. CANVASS OF RETURNS. (a) Immediately after the election, the election officers shall make returns of the result and return the ballot boxes to the clerk of the commissioners court of jurisdiction.

(b) The clerk shall deliver the boxes and the returns of the election to the commissioners court of jurisdiction at its next regular or special session.

(c) At that session, the commissioners court shall canvass the returns of the election.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.035. DECLARATION OF RESULT. If a majority of the votes favor creating the district, issuing bonds, and levying a tax, the commissioners court shall declare the result and enter it in the minutes of the commissioners court as follows:

"Commissioners court of _____ County, Texas.
_____ term A.D. _____, in the matter of the petition of
_____ and _____ others requesting the creation of a
navigation district, issuance of bonds, and levy of a tax in the
petition described and designated by the name of
_____ Navigation District. Be it known that at an
election called for that purpose in the district, held on the _____
day of _____ A.D. _____, a majority of the electors voting voted
in favor of the creation of the navigation district, the issuance of
bonds, and the levy of a tax. Now, therefore, it is considered and
ordered by the commissioners court that the navigation district, be
and the same is hereby established by the name of _____

Navigation District, and that bonds of the district in the amount of \$_____ be issued, and a tax of _____ cents on the \$100 valuation, or so much thereof as may be necessary to be levied upon all property within the navigation district, whether real, personal, mixed, or otherwise, sufficient in amount to pay the interest on the bonds and provide a sinking fund to redeem that at maturity, and that if the tax shall at any time become insufficient for these purposes it shall be increased until it is sufficient. The metes and bounds of the district are as follows: (Give metes and bounds)."

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.036. EXPENSES. (a) If the result of the election favors the creation of the district, the clerk shall return the \$500 deposit required by Section [62.024](#) of this code to the signers of the original petition, their agents or their attorney.

(b) If the result of the election is against the creation of the district, the clerk shall pay out of the \$500 deposit on vouchers signed by the county judge, all costs and expenses relating to the proposed district up to and including the election. The balance, if any, of the \$500 shall be returned to the signers of the original petition, their agents, or their attorney.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

SUBCHAPTER C. ADMINISTRATIVE PROVISIONS

Sec. 62.061. NAVIGATION BOARD. (a) The navigation board shall include the members of the commissioners court and the mayor and aldermen or commissioners of the included city or cities acting under special charter granted by the legislature. If there is only one city or part of one city acting under special charter granted by the legislature inside the proposed district and if the charter of the city at any time authorizes the city council or city board of commissioners to be greater in number than the members of the commissioners court, the number of aldermen or city commissioners who are entitled to sit and vote as members of the board along with the mayor will be limited to that number which equals the number of

members of the commissioners court. The aldermen or city commissioners entitled to act as members of the board shall be determined by the members of the city council or city board of commissioners among themselves.

(b) The county judge, and in his absence the mayor, shall preside at meetings of the board and each member of the board, including the presiding officer, is entitled to a vote.

(c) A majority of the members of the board constitute a quorum, and action of a majority of the quorum shall control.

(d) The county clerk shall enter the proceedings of the board in a book kept for that purpose, and the book shall be available for public inspection.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.062. APPOINTMENT OF INITIAL COMMISSIONERS. (a) After the creation of the district, the commissioners court or board shall appoint three navigation and canal commissioners who shall compose the navigation and canal commission.

(b) After the initial commissioners on the navigation and canal commission complete their terms, subsequent commissioners shall be elected.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.063. ELECTION OF COMMISSIONERS. (a) Commissioners shall be elected on the second Saturday in July of each odd-numbered year at an election ordered by the commission.

(b) The secretary of the commission shall give notice of the election by posting at least three copies of the notice at three public places inside the district or by publishing the notice for 20 days before the election in a newspaper with general circulation in the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.0631. APPOINTMENT OF COMMISSIONERS. (a) Instead of electing commissioners as provided in Section [62.063](#) of this code, the commissioners court or board may appoint three navigation and canal commissioners to serve on the commission.

(b) The commissioners shall hold office for a term of two years and until their successors are appointed and have qualified.

(c) Commissioners may be removed from office by a majority of the commissioners court or the board for malfeasance or nonfeasance in office.

(d) Successors to members of the commission shall be appointed by a majority vote of the commissioners court or the board.

Added by Acts 1971, 62nd Leg., p. 1771, ch. 518, Sec. 18, eff. May 31, 1971.

Sec. 62.064. QUALIFICATIONS OF COMMISSIONERS. Each person who is appointed or elected commissioner shall be a resident of the proposed navigation district and shall be an elector of the county. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.065. TERM OF OFFICE. Commissioners shall hold office for staggered terms of six years and until their successors are elected and have qualified. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.066. VACANCIES. (a) A vacancy on the commission shall be filled by the remaining members of the commission.

(b) If two or more vacancies on the commission occur at the same time, a special election may be called on petition signed by 50 electors.

(c) Notice of the election shall be given by publishing or posting notice for at least 20 days before the election.

(d) The petition for the election shall include the names of the judges and clerks of the election, and the judges and clerks shall jointly canvass the returns, declare the result, and issue certificates of election to the successful candidates.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.067. REMOVAL FROM OFFICE. (a) A commissioner may be removed from office for malfeasance or nonfeasance in office by unanimous vote of the commissioners court or the board after a

hearing held according to law.

(b) Appeal from a judgment of removal may be taken to a district court of the county in which the commissioner resides. The court shall try the case de novo.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.068. OATH OF COMMISSIONERS. (a) Before each commissioner begins to perform his duties, he shall take and subscribe before the county judge of the county of jurisdiction an oath to discharge faithfully the duties of his office without favor or partiality and to render a true account of his activities to the commissioners court of the county of jurisdiction or the board whenever required to do so.

(b) The oath shall be filed by the clerk of the commissioners court and preserved as part of the records of the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.069. BOND OF COMMISSIONERS. Before a commissioner begins to perform his duties, he shall execute a good and sufficient bond for \$1,000, payable to the county judge of the county of jurisdiction for the use and benefit of the district and conditioned on the faithful performance of his duties.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.070. COMPENSATION OF COMMISSIONERS. Each commissioner shall receive for his services the compensation determined by the commissioners court of the county of jurisdiction.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.071. ORGANIZATION OF COMMISSION. (a) The commission shall organize by electing one of the members chairman and one secretary.

(b) Two of the commissioners constitute a quorum. A concurrence of two is sufficient in all matters relating to the business of the district.

Sec. 62.072. TWO-COUNTY DISTRICTS; APPOINTMENT OF COMMISSION. (a) In a district composed of land in two or more counties, the commissioners court of the county of jurisdiction by a majority vote shall appoint one commissioner. The commissioners court of the other county included in whole or in part within the district shall appoint by a majority vote a second commissioner. The two commissioners courts shall appoint the third commissioner at a joint meeting of the two commissioners courts called and presided over by the county judge of the county of jurisdiction.

(b) Notice in writing of the joint meeting of commissioners courts shall be given by mail or delivered in person at least two days before the day set for the meeting.

(c) Each of the county judges and county commissioners composing the commissioners courts of both counties shall be entitled to one vote in appointing the third commissioner. A majority vote of those present at the meeting shall be sufficient to make the appointment.

(d) On the termination of the term of office of each commissioner or in case of vacancy, a successor shall be appointed by the same commissioners court which appointed the commissioner whose place is being filled.

(e) Except for the matters expressly provided for in this section, two-county districts are subject to all other provisions of this subchapter.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.0725. EXECUTIVE DIRECTOR. (a) The commission may employ an executive director of the district. If the commission employs an executive director, the commission must prescribe the duties and compensation of the executive director.

(b) By rule, order, or resolution, the commission may delegate to an executive director the full authority necessary to manage the affairs of the district subject only to orders of the commission, including the authority to:

(1) employ persons necessary for the operation of the

district and to determine the compensation of those persons; or

(2) perform any act on behalf of the district, as authorized by the commission.

(c) The duties of an executive director may be performed by a general manager or chief executive officer.

Added by Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. [755](#)), Sec. 1, eff. May 22, 2019.

Sec. 62.073. DISTRICT TREASURER. The county treasurer of the county of jurisdiction shall be treasurer of the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.074. TREASURER'S BOND. (a) The county treasurer shall execute a good and sufficient bond, payable to the commissioners, in an amount equal to twice the amount of funds he will hold at any time as treasurer of the district. The commissioners shall estimate the sum to be used as a basis for computing the amount of the required bond. The bond shall be conditioned for the faithful performance by the treasurer of his duties for the district and must be approved by the commissioners.

(b) When any bonds are voted by the district, the county treasurer, before receiving the proceeds from the sale of the bonds, shall execute an additional good and sufficient bond, payable to the commissioners, in an amount which is twice the amount of bonds issued. This additional bond shall be conditioned and approved in the same manner as the first but shall not be required after the treasurer has disbursed the proceeds of the bond issue.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.075. TREASURER'S COMPENSATION. The county treasurer shall be allowed as compensation for his services as treasurer of the district the amount determined by the commissioners. The compensation may not exceed the percentage authorized by law for his services as county treasurer.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.077. COUNSEL. (a) Repealed by Acts 2019, 86th

Leg., R.S., Ch. 108 (S.B. 755), Sec. 18(2), eff. May 22, 2019.

(b) The commission may employ counsel to represent the district in the preparation of any contract, to conduct any proceedings in or out of court, and to be the legal adviser of the commission on such terms as may be agreed upon by the commission.

(c) The fees of counsel shall be determined by the commission.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 2, eff. May 22, 2019.

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 3, eff. May 22, 2019.

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 18(2), eff. May 22, 2019.

Sec. 62.078. SUITS; JUDICIAL NOTICE. (a) A district established under this chapter may, by and through the commission, sue and be sued in all courts of this state in the name of the district.

(b) All courts of this state shall take judicial notice of the establishment of all districts.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

SUBCHAPTER D. POWERS AND DUTIES

Sec. 62.101. PURPOSES OF DISTRICT. A district may be created under this chapter to provide, in or adjacent to its boundaries, for:

(1) the improvement, preservation, and conservation of inland and coastal water for navigation;

(2) the control and distribution of storm water and floodwater of rivers and streams in aid of navigation; and

(3) any other purposes necessary or incidental to the navigation of inland and coastal water or in aid of these purposes, as stated in Article XVI, Section 59, of the Texas Constitution.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.102. DISTRICTS AS GOVERNMENTAL AGENCIES. All districts created under this chapter shall be governmental agencies and bodies politic and corporate with the powers of government and with the authority to exercise the rights, privileges, and functions which are essential to the accomplishment of those purposes.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.103. DUTIES OF COUNTY OFFICIALS. The powers and duties conferred by this chapter on the county judge, members of the commissioners court, the mayor and aldermen or commissioners of cities, the county clerk, and other officers are made a part of the legal duty of those officials. Unless otherwise provided in this chapter, these persons shall exercise and perform these powers and duties without additional compensation.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.104. DUTIES OF DISTRICT ENGINEER. It shall be the duty of the district engineer:

(1) to make all necessary surveys, examinations, investigations, maps, plans, and drawings with reference to proposed improvements;

(2) to make estimates of the cost of proposed improvements;

(3) to supervise the work of improvement; and

(4) to perform all duties which may be required of him by the commission.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.105. RIGHT-OF-WAY. The commission may by gift, grant, purchase, or condemnation acquire the necessary right-of-way and property of any kind for all necessary improvements contemplated by this chapter.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.106. CONDEMNATION PROCEEDINGS. (a) The district

may exercise the power of eminent domain to condemn and acquire the right-of-way over and through any and all public and private land necessary:

(1) for the improvement of any river, bay, creek, or stream;

(2) for the construction and maintenance of any canal or waterway; and

(3) for any and all purposes authorized by this chapter.

(b) Condemnation proceedings instituted under Subsection (a) of this section shall be instituted under the direction of the commission and in the name of the district. The assessment of damages shall be in conformity with the laws of the State of Texas for condemnation and acquisition of rights-of-way by railroads.

(c) No appeal from the finding and assessment of damages by the commissioners shall have the effect of causing a suspension of work by the commission in prosecuting the work of improvement in all of its details.

(d) No right-of-way may be condemned through any part of an incorporated city or town without the consent of the lawful authorities of that city or town.

(e) A district created under this chapter may elect to take advantage of the condemnation procedure provided in Chapter 21, Property Code.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 1106 (S.B. 1500), Sec. 4, eff. June 18, 2023.

Sec. 62.107. ACQUISITION AND CONVEYANCE OF LAND. (a) Any district created under this chapter may acquire by gift, purchase, or condemnation and may own land adjacent or accessible by road, rail, or water to the navigable water and ports developed by it which may be necessary or required for any and all purposes incident to or necessary for the development and operation of the navigable water or ports within the district, or may be necessary or required for or in aid of the development of industries and businesses on the

land.

(b) The district may lease and grant easements on any part of the acquired land to any person and may charge for the lease or easement reasonable tolls, rents, fees, or other charges. The lease or easement may be on terms and conditions considered appropriate or advantageous to the district. The district may use the proceeds both for the maintenance and operation of the business of the district and for the purpose of making the district self-supporting and financially solvent and returning the construction costs of the improvements within a reasonable period.

(c) The acquisition and leasing of land for the purposes included in this section and the operation and industrial and business development of ports and waterways are a public purpose and a matter of public necessity.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1027 (H.B. [2770](#)), Sec. 19, eff. June 17, 2011.

Acts 2017, 85th Leg., R.S., Ch. 427 (S.B. [1395](#)), Sec. 15, eff. June 1, 2017.

Sec. 62.1071. ACQUISITION OF LAND, EQUIPMENT, OR IMPROVEMENTS IN CERTAIN COUNTIES. (a) This section applies only to a district that has a county of jurisdiction with a population of more than 2.8 million.

(b) A district may acquire, by any means except by condemnation, and own land, equipment, or improvements located in a county that is adjacent to the district's county of jurisdiction if the commission considers the land, equipment, or improvements:

(1) necessary, required, or convenient for any purpose necessary or incident to the development and operation of navigable water or a port located in the district's county of jurisdiction or a county adjacent to that county; or

(2) may be in aid of, or necessary, required, or convenient for, the development of industries and businesses on the land in the county of jurisdiction or a county adjacent to that county.

(c) Notwithstanding any other law or municipal charter, a district may acquire, and any public or private owner may dispose of, land, equipment, or improvements on any terms to which the commission and the property owner agree.

(d) If in connection with an acquisition or disposition of land, equipment, or improvements under this section the governing body of a municipality decides to discontinue operations of a port, as a utility of the municipality or otherwise, the acquisition or disposition of the land, equipment, or improvements may not be completed until a majority of the qualified voters of the municipality voting at an election called and held for that purpose approve of the discontinuance of the operations.

(e) The commissioners may change the name of the district in connection with the acquisition of land, equipment, or improvements under this section.

(f) Notwithstanding the source of the revenue, a district that acquires land, equipment, or improvements under this section may use or pledge to the payment of obligations of the district for the development of any district facility, regardless of the location of the facility, any revenue of the district, except as provided by Section 62.209.

(g) Section 41.001(a), Election Code, does not apply to an election held under this section.

(h) Except as provided by this section, an election held under this section must be conducted as provided by the Election Code.

Added by Acts 1999, 76th Leg., ch. 504, Sec. 1, eff. June 18, 1999.

Sec. 62.1072. ADDITIONAL COMMISSIONERS FOR ACQUISITIONS FROM CERTAIN MUNICIPALITIES. (a) A district that acquires land, equipment, or improvements under Section 62.1071 from a municipality with a population of more than 35,000 that operates navigation and port facilities and that is located in a county adjacent to the county of jurisdiction may add positions for members of the commission, as determined by the commission. Not more than two positions may be added to the commission under this section.

(b) The governing body of the municipality in which the acquired land, equipment, or improvements are located shall appoint the additional commissioners.

(c) Commissioners serving in the positions added under Subsection (a) shall serve terms that are consistent with the law governing the terms of the other commissioners.

Added by Acts 1999, 76th Leg., ch. 504, Sec. 1, eff. June 18, 1999.

Sec. 62.108. ENTRY ON PROPERTY. The commissioners and the engineers of a district together with all necessary teams, help, tools, and instruments may go on any land inside the district to examine the land and to make plans, surveys, maps, and profiles without subjecting themselves to the action of trespass.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.109. BIDS. (a) Any person, corporation, or firm which desires to bid on the construction of any work advertised under Section 62.110 of this code shall, on application to the commission, be furnished the survey, plans, and estimates for the work.

(b) All bids or offers for the work shall be in writing, sealed, and delivered to the chairman of the commission together with a certified check for at least five percent of the total amount of the bid.

(c) If a bid is accepted but the bidder refuses to enter into a proper contract, the deposit required by Subsection (b) of this section shall be forfeited to the district.

(d) Any and all bids may be rejected at the discretion of the commission.

(e) A district may take advantage of the bid procedure in Sections 63.168-63.170 of this code by passing a simple resolution and entering it in its minutes.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.110. NOTICE OF BIDS. Notice that a contract is to be awarded shall be given by publishing notice once a week for two consecutive weeks in one or more newspapers with general

circulation in the state and by posting notice for at least 14 days in five public places in the county of jurisdiction, one of which shall be the courthouse door and at least two of which shall be inside the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.
Amended by Acts 1977, 65th Leg., p. 805, ch. 299, Sec. 2, eff. Aug. 29, 1977.

Sec. 62.111. AWARD OF CONTRACT. (a) All contracts for improvements, except those carried out and performed by the government of the United States, shall be awarded by the commission to the lowest and best responsible bidder.

(b) Nothing in this section shall prevent the making of more than one improvement. Where more than one improvement is to be made, a contract may be awarded separately for each improvement or one contract may be awarded for all the improvements.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.112. INTEREST IN CONTRACTS. No county judge or county commissioner of any county in a district, board member, or district engineer may be directly or indirectly interested for himself or as agent for another in a contract for the construction of work to be performed by the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.113. FORM OF CONTRACTS. All contracts made by the district shall be in writing and signed by the contractors, the executive director of the district, an authorized representative of the executive director, or a person to whom the duties of executive director have been delegated.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1330 (S.B. [1531](#)), Sec. 10, eff. June 15, 2007.

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. [755](#)), Sec. 4, eff. May 22, 2019.

Sec. 62.114. BOND OF CONTRACTOR. (a) The party, firm, or corporation to whom a contract is awarded under Section 62.111 of this code shall execute a bond, payable to the commission, for twice the amount of the contract price, conditioned on faithful performance of the obligations, agreements, and covenants of the contract and that in default of the performance he will pay to the district all damages sustained by reason of the default.

(b) The bond shall be approved by the commission.
Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.115. SUPERVISION OF WORK. (a) Unless done under the supervision of the United States, all work contracted for by the district shall be done under the supervision of a representative of the district.

(b) Repealed by Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 18(3), eff. May 22, 2019.
Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 5, eff. May 22, 2019.

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 6, eff. May 22, 2019.

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. 755), Sec. 18(3), eff. May 22, 2019.

Sec. 62.116. INSPECTION OF WORK; PAYMENT. (a) A representative of the district shall inspect the progress of work being done under a contract, and on completion of the contract, the district's chief financial officer shall draw a warrant on the county treasurer or issue a check payable to the contractor or the contractor's assignee for the amount of the contract price. The warrant or check shall be paid out of the construction and maintenance fund or the operating fund of the district.

(b) If the district considers it advisable, the district may contract for work to be paid for in partial payments as the work progresses. The amount of work completed at the time of the partial payment shall be shown by a certificate of a representative

of the district.

(c) Nothing in this section shall affect the provisions of this chapter providing for the construction of any improvements by the United States.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.
Amended by Acts 1971, 62nd Leg., p. 1770, ch. 518, Sec. 16, eff. May 31, 1971.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. [755](#)), Sec. 7, eff. May 22, 2019.

Sec. 62.117. ANNUAL REPORT. (a) The commission shall make an annual report of its official acts and file it with the clerk of the commissioners court on or before January 1 of each year.

(b) The report shall include in detail:

(1) the kind, character, and amount of work done in the district;

(2) the cost of the work;

(3) the amount paid out on order and for what purpose paid; and

(4) other data necessary to show the condition of improvements made under the provisions of this chapter.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.118. COOPERATION WITH UNITED STATES. (a) If a river, creek, stream, bay, canal, or waterway to be improved is navigable or the proposed improvement is of a nature which requires the permission or consent of the United States, the commission may obtain the required permission or consent of the United States.

(b) Instead of or in addition to employing an engineer as provided in Section 62.076 of this code the commission may:

(1) adopt any survey of a river, creek, canal, stream, bay, or waterway previously made by the United States;

(2) arrange for surveys, examinations, and investigations of the proposed improvement; and

(3) arrange for supervision of the work of improvement by the United States.

(c) The commission may cooperate and act with the United States in any and all matters relating to the construction and maintenance of canals and the improvement and navigation of navigable rivers, bays, creeks, streams, canals, and waterways.

(d) The authority to cooperate shall extend to surveys, work, or expenditures of money made or to be made either by the commission or by the United States.

(e) The United States may aid in all such matters, and the commission shall have authority to consent to the United States entering on and taking management and control of the work where necessary or permissible under the laws, regulations, and orders of the United States.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.119. PREFERENCE LIEN; WAIVER; ENFORCEMENT. (a) If a district leases, rents, furnishes, or supplies water to any person, association of persons, water improvement district, or corporation for the purpose of irrigation, the district shall have, without regard to contract, a preference lien superior to every other lien on the crop or crops raised on the land which is irrigated.

(b) If any district obtains a water supply under contract with the United States, the board of directors of the district may, by resolution entered in the minutes and with consent of the secretary of the interior, waive the preference lien, in whole or in part.

(c) For the enforcement of the lien provided in Subsection (a) of this section, all districts are entitled to all the rights and remedies prescribed by Title 84, Revised Civil Statutes of Texas, 1925, as amended, for the enforcement of the lien between landlord and tenant.

(d) The authority granted by this section shall be cumulative of, and in addition to, the authority granted by other laws.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.120. CONTRACT FOR AND LEASE OF WATER SYSTEM. (a) A

district may enter into operating contracts and leases with cities and other governmental subdivisions for the operation of the portions of the district's water system which are designated by the board or the commission.

(b) To the extent that the proceeds of revenue bonds were used to acquire the portion leased, the annual payments paid by the lessee to the district shall be in a sum which is sufficient to permit the district to pay the proportionate part of the principal, interest, reserves, and other requirements provided by the bond proceedings on any revenue bonds which were issued to acquire the leased properties.

(c) Bonds issued to acquire, improve, enlarge, or extend leased properties may mature serially or otherwise not more than 50 years from their date of issue.

Added by Acts 1971, 62nd Leg., p. 1625, ch. 452, Sec. 2, eff. May 26, 1971.

Amended by:

Acts 2023, 88th Leg., R.S., Ch. 1106 (S.B. [1500](#)), Sec. 5, eff. June 18, 2023.

Sec. 62.121. CONTRACTS AND OBLIGATIONS TO ACCOMPLISH DISTRICT PURPOSES AND EXERCISE DISTRICT POWERS. (a) A district may enter into a contract with any person, including a municipality or other political subdivision in a county adjacent to the district, in order to accomplish any district purpose or exercise any district power.

(b) As part of a contract under this section, a district may issue obligations, including obligations secured by ad valorem taxes, and use the proceeds of such obligations to provide a project located in a county adjacent to the district that serves to accomplish a district purpose or exercise a district power in such county.

Added by Acts 2005, 79th Leg., Ch. 426 (S.B. [1786](#)), Sec. 5, eff. September 1, 2005.

Sec. 62.122. DISPOSITION OF SALVAGE OR SURPLUS PERSONAL PROPERTY. (a) Except as provided by Subsection (b), the

commission or board of trustees under Chapter 54, Transportation Code, may periodically dispose of surplus or salvage personal property in the same manner as the commissioners court of a county under Subchapter D, Chapter 263, Local Government Code.

(b) The commission or board of trustees under Chapter 54, Transportation Code, may authorize:

(1) the destruction or disposition of salvage or surplus property as worthless if the property is so worn, damaged, or obsolete that it has no value for the purpose for which it was originally intended, and the expense to the district to attempt to sell the property would be more than the proceeds from the sale; and

(2) following any required action by the United States Army Corps of Engineers, the sale of dredge material from a dredge material placement area to any person on such terms and conditions as the commission or board of trustees considers appropriate or advantageous to the district.

Added by Acts 2007, 80th Leg., R.S., Ch. 1330 (S.B. 1531), Sec. 11, eff. June 15, 2007.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1027 (H.B. 2770), Sec. 20, eff. June 17, 2011.

Acts 2023, 88th Leg., R.S., Ch. 1106 (S.B. 1500), Sec. 6, eff. June 18, 2023.

Sec. 62.123. FRANCHISES. (a) A district may grant franchises for purposes consistent with this chapter to any person on property owned or controlled by the district by restrictive covenant or otherwise.

(b) No franchise shall be granted for longer than 50 years nor shall a franchise be granted except on the affirmative vote of a majority of the commissioners present at a meeting of the commission.

(c) No franchise shall be granted until notice of the franchise is published at the expense of the applicant, once a week for three consecutive weeks in a daily newspaper of general circulation in the district. For the purposes of this subsection, notice consists of:

(1) the text of the franchise in final form in all material respects; or

(2) a descriptive caption stating the purpose of the franchise and the location at which a complete copy of the franchise in all material respects may be obtained.

(d) The franchise shall require the grantee to file the grantee's written acceptance of the franchise within 30 days after the franchise is granted by the commission.

(e) Nothing in this section shall be construed as preventing the district from granting revocable licenses or permits for the use of limited portions of waterfront or facilities for purposes consistent with this chapter.

Added by Acts 2017, 85th Leg., R.S., Ch. 427 (S.B. [1395](#)), Sec. 16, eff. June 1, 2017.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 440 (S.B. [1642](#)), Sec. 9, eff. June 8, 2021.

SUBCHAPTER E. GENERAL FISCAL PROVISIONS

Sec. 62.151. CONSTRUCTION AND MAINTENANCE FUND. (a) The construction and maintenance fund shall include money received from the sale of bonds and all other sources except tax collections placed in the sinking fund to pay the principal of and the interest on bonds.

(b) After the original petition is filed, all expenses necessarily incurred in connection with the creation, establishment, and maintenance of the district shall be paid from the construction and maintenance fund.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.152. PAYMENT OF EXPENSES. The district may draw warrants or issue checks:

- (1) to pay for services;
- (2) to pay the compensation of employees; and
- (3) to pay all expenses incident to operation of the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. [755](#)), Sec. 8, eff. May 22, 2019.

Sec. 62.153. DUTIES OF DISTRICT TREASURER; AUTHORITY OF DESIGNATED OFFICER. (a) The district treasurer shall:

(1) open an account for all funds received by the district treasurer for the district and all district funds which the treasurer pays out;

(2) pay out money on vouchers signed by the chairman of the commission, any two members of the commission, or the commissioners court, or any two of any number of persons delegated by the commission with authority to sign vouchers, provided that the commission may, in such delegation, limit the authority of such persons and may require that each furnish a fidelity bond in such amount as the commission shall specify and subject to commission approval;

(3) carefully preserve all orders for the payment of money; and

(4) render a correct account to the commissioners court of all matters relating to the financial condition of the district as often as required by the commissioners court.

(b) The district treasurer is not required to sign a check drawn on a depository selected under Section [62.156](#), unless the district treasurer is the designated officer of the district, as defined by Section [60.271](#)(g).

(c) A designated officer of a district may make a payment on behalf of the district by a check drawn on a depository selected under Section [62.155](#) in a manner consistent with the payment procedures adopted under Section [60.271](#)(f) without authorization by the district treasurer.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by Acts 1975, 64th Leg., p. 1915, ch. 618, Sec. 1, eff. Sept. 1, 1975.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 398 (S.B. [1131](#)), Sec. 1, eff.

September 1, 2017.

Acts 2017, 85th Leg., R.S., Ch. 427 (S.B. [1395](#)), Sec. 17, eff. June 1, 2017.

Reenacted and amended by Acts 2019, 86th Leg., R.S., Ch. 108 (S.B. [755](#)), Sec. 9, eff. May 22, 2019.

Reenacted by Acts 2019, 86th Leg., R.S., Ch. 467 (H.B. [4170](#)), Sec. 17.003, eff. September 1, 2019.

Sec. 62.154. APPLICABILITY OF SECTIONS 62.155-62.159. Sections 62.155-62.159 of this code apply to all revenue, income, money, funds, or increments except revenue derived from taxation which may result from the ownership and operation of the district's improvements and facilities. However, these sections do not apply to any of the following counties:

- (1) Matagorda;
- (2) Fort Bend;
- (3) Brazoria;
- (4) Chambers;
- (5) Galveston; and
- (6) Harris.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.155. DEPOSIT IN BANKING CORPORATION. (a) Instead of depositing the revenue of the district in the manner provided by law for districts, the commission may deposit the revenue in a banking corporation in the manner provided in Section [62.156](#) of this code.

(b) On selection of a banking corporation by the commission under Subsection (a) of this section, revenue of the district held by anyone other than the selected banking corporation, on order of the commission, shall be deposited in the selected banking corporation to the credit of the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.156. SELECTION OF DEPOSITORY. The commission shall select a depository as provided by Section [60.271](#).

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by Acts 1997, 75th Leg., ch. 1400, Sec. 3, eff. Sept. 1, 1997.

Sec. 62.159. CONFLICTS WITH PRIOR BONDS OR OTHER LAWS. If Sections 62.154-62.158 of this code conflict with the provisions of any bonds issued by a district and secured in whole or in part by a pledge of revenue, with the proceedings authorizing the bonds, or with any special act relating to one specific district, the bonds, proceedings, and special act shall control over these sections. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.160. MAINTENANCE TAX. The commissioners courts of the respective counties inside each district may levy and have assessed and collected for the maintenance, operation, and upkeep of the district and the improvements constructed by the district an annual tax not to exceed 10 cents on the \$100 valuation on all property inside the district. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

SUBCHAPTER F. BOND PROVISIONS

Sec. 62.191. ISSUANCE OF NAVIGATION BONDS. (a) After the commission determines the cost of proposed improvements, incidental expenses, and maintenance costs, it shall certify to the commissioners court of the county of jurisdiction the amount of bonds necessary to be issued.

(b) The commissioners court, at a regular or special meeting, shall issue an order directing the issuance of navigation bonds for the district in the amount so certified. The amount of bonds may not be more than the amount authorized by the election. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.192. ISSUANCE OF ADDITIONAL BONDS. (a) If the proceeds of bonds issued by a district are insufficient to complete the proposed improvement or construction, if the commissioners decide to begin other and further construction or improvements, or if additional funds are required to maintain the improvements made,

the commission shall certify to the commissioners court the necessity for an additional bond issue.

(b) Unless the amount previously authorized has been exhausted, the commissioners court shall issue the bonds.

(c) The certification to the court shall state:

(1) the amount of bonds required;

(2) the purpose of the bonds;

(3) the rate of interest; and

(4) the length of time for which the bonds are to run.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.193. BOND ELECTION. (a) If the authorized amount of bonds is exhausted, the commissioners court shall order an election on the issuance of additional bonds to be held in the district at the earliest legal time.

(b) The ballots shall be printed to provide for voting for or against the proposition: "The issuance of bonds and the levy of a tax to pay for the bonds."

(c) Notice shall be given, the election conducted, and the returns canvassed in the manner provided for the original bond election in Subchapter B of this chapter.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.194. ORDER FOR BONDS AND TAX. If on the canvass of the vote it is determined that a majority of the votes cast at the election were in favor of the issuance of bonds and levy of tax, the commissioners court shall issue an order directing the issuance of the bonds and the levy of a tax.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.195. FORM OF BONDS. (a) Bonds issued under the provisions of this chapter shall be issued in the name of the district, signed by the county judge of the county of jurisdiction, and attested by the county clerk of the county of jurisdiction with the seal of the commissioners court of the county of jurisdiction affixed to them.

(b) The bonds shall be issued in the denominations and

payable at the time or times, not more than 40 years from their date, which may be considered most expedient by the commissioners court.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.196. DUTIES OF ATTORNEY GENERAL. (a) Before the bonds are offered for sale, the district shall send to the attorney general:

- (1) a copy of the bonds to be issued;
- (2) a certified copy of the order of the commissioners court levying the tax;
- (3) a copy of the order of the commissioners court levying the tax to pay interest and provide a sinking fund;
- (4) a statement of the total bonded indebtedness of the district, including the series of bonds proposed and the assessed value of property for the purpose of taxation, as shown by the last official assessment by the district or, if the district has made no prior assessment, the last official assessment by the county; and
- (5) other information which the attorney general may require.

(b) The attorney general shall carefully examine the bonds in connection with the facts, the constitution, and the laws on the execution of the bonds.

(c) If as the result of the examination the attorney general finds that the bonds were issued in conformity with the constitution and laws and that they are valid and binding obligations on the district, he shall officially certify the bonds. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971. Amended by Acts 1979, 66th Leg., p. 2321, ch. 841, Sec. 4(r), eff. Jan. 1, 1982.

Sec. 62.197. REGISTRATION OF BONDS. After the bonds have been examined by the attorney general and his certificate issued, they shall be registered by the comptroller in a book to be kept for that purpose, and the certificate of the attorney general shall be preserved in the record for use in the event of litigation.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.198. VALIDITY OF BONDS. (a) After the bonds have been approved by the attorney general and registered by the comptroller, they shall be held in every action, suit, or proceeding in which their validity is or may be brought in question prima facie valid and binding obligations.

(b) In every action brought to enforce collection of bonds or interest on them, the certificate of the attorney general, or a duly certified copy of it, shall be admitted and received as prima facie evidence of the validity of the bonds and the coupons attached.

(c) The only defense that can be offered against the validity of the bonds or coupons is forgery or fraud.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.199. RECORD OF BONDS. (a) After bonds have been issued under the provisions of this chapter, the board shall procure and deliver to the treasurer of the county of jurisdiction a well-bound book in which a record shall be kept of all the bonds.

(b) A record shall be kept in the book of:

- (1) the bond numbers and amount of the bonds;
- (2) the rate of interest;
- (3) the date of issuance and the date when the bonds are due and where payable;
- (4) the proceeds from the bonds;
- (5) the tax levy to pay interest on and to provide a sinking fund for bond payment; and
- (6) any payment of a bond.

(c) The book shall at all times be open to the inspection of interested parties, either taxpayers, bondholders, or otherwise, in the district.

(d) The county treasurer shall receive for his services in recording these matters the same fees which are allowed by law to the county clerk for similar records.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.200. SALE OF BONDS. (a) After the bonds have been registered, the chairman of the commission shall offer the bonds for sale and shall sell the bonds on the best terms and for the best price possible. None of the bonds shall be sold for less than face par value and accrued interest.

(b) After money is received from the sale of bonds, it shall be paid to the county treasurer and he shall place it to the credit of the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.201. CHAIRMAN'S BOND. Before the chairman of the commission may sell any bonds, he shall execute a good and sufficient bond, payable to the county judge or his successors in office. The bond shall be approved by the commissioners court and shall be for an amount not less than the amount of the bonds issued, and shall be conditioned on the faithful discharge of his duties.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.202. TAXES; SINKING FUND INVESTMENT. (a) After district bonds have been voted, the commissioners court shall levy and have assessed and collected on all property in the district taxes sufficient in amount to pay the interest on the bonds and to annually deposit an amount in the sinking fund sufficient to discharge and redeem the bonds at their maturity.

(b) If advisable, the sinking fund shall from time to time be invested by the commissioners court in county, municipal, district, or other bonds which may be approved by the attorney general.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.203. ISSUANCE OF REFUNDING BONDS; FORMALITIES. (a) A district which has outstanding bonds may, by order of the commissioners court of the county of jurisdiction and without submitting the proposition to an election, authorize and issue its refunding bonds for the purpose of retiring all or any part of its outstanding bonds.

(b) The refunding bonds may mature serially or otherwise in

not more than 40 years from their date.

(c) The refunding bonds shall be executed in the name of the district by the county judge and county clerk under the seal of the commissioners court and shall in other respects have the details and be issued in the manner provided by the commissioners court in the order authorizing the bonds.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.204. REFUNDING BONDS SOLD AT PAR. The refunding bonds shall be sold by the commission at not less than their par value, delivered to the holders of not less than a like par amount of the bonds of the district authorized to be refunded in exchange for the prior bond obligations, or sold in part and exchanged in part.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.205. APPROVAL OF REFUNDING BONDS BY ATTORNEY GENERAL. The refunding bonds shall be submitted to the attorney general for approval and shall be registered by the comptroller in the same manner and with the same effect as is now provided by law for the approval and registration of municipal bonds.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.206. TAX LEVY FOR REFUNDING BONDS. (a) If a district issues refunding bonds, the district shall annually levy taxes on all taxable property in the district sufficient to pay interest on the bonds as it becomes due and to pay the principal of the bonds at maturity.

(b) In making the annual levies, the district may take into consideration estimated delinquencies based on tax collection experience over the preceding years and levy the taxes in an amount, after deduction of estimated delinquencies, sufficient to pay principal and interest requirements and the cost of tax collection.

(c) In its discretion and so far as consistent with the rights of the holders of the bonds refunded, a district may pledge to the payment of the refunding bonds the proceeds of taxes levied for payment of the bonds refunded and delinquent at the time of the

authorization of the refunding bonds, cash or securities in the sinking fund maintained for payment of the bonds refunded, or both. Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.207. AUTHORITY OF SECTIONS 62.203-62.206. Sections 62.203-62.206 of this code shall, without reference to other laws, constitute full authority for the issuance of refunding bonds. No proceedings, publications, elections, or referendums other than those required in Sections 62.203-62.206 shall be necessary to the authorization and issuance of refunding bonds.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.208. REVENUE BONDS. (a) A district may issue revenue bonds on the terms and under the provisions of Chapter 111, Acts of the 43rd Legislature, 1st Called Session, 1933, or Chapter 38, Acts of the 47th Legislature, Regular Session, 1941:

(1) to purchase, construct, improve, enlarge, extend, and repair dams, reservoirs, water rights, water wells, desalinization facilities, canals, pipelines, pumps, pump stations, land, easements, rights-of-way, and other property and facilities necessary to provide a water supply for the irrigation of land and for industrial, commercial, domestic, municipal, and other beneficial uses;

(2) to accomplish any of the purposes designated in the previously mentioned two acts; and

(3) for general improvement purposes without designating the improvement.

(b) If the bonds are issued for the purposes stated in Subsection (a)(1) of this section, the district may own and operate the facilities and sell and deliver water to any person. The properties and facilities, the uses for the water supply, and the purchasers of the water may be inside or outside the boundaries of the district but may not be inside the boundaries of any other previously created navigation district or flood control district.

(c) If the bonds are issued for general improvement purposes, the proceeds may be spent for any purpose designated in this section.

(d) As each installment of an authorized issue of bonds is prepared for delivery, the commission shall specify the particular purposes for which the proceeds of that installment will be spent.

(e) A district may enter into operating contracts and leases with responsible persons or corporations for the operation of those portions of the district's water distribution system which the commission may designate. In that case, the annual rentals to be paid to the district by the lessee shall be a sum sufficient to permit the district to meet its obligations for the payment of that proportionate part of any revenue bonds, including principal, interest, reserves, and other requirements provided in the bond proceedings, which were issued to acquire the leased properties.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by:

Acts 2017, 85th Leg., R.S., Ch. 427 (S.B. 1395), Sec. 18, eff. June 1, 2017.

Sec. 62.209. USE OF BOND PROCEEDS FOR CERTAIN ACQUISITIONS OF CERTAIN DISTRICTS. A district to which Section 62.1071 applies may not spend for the acquisition of land, equipment, or improvements under that section the proceeds of bonds authorized by the district's voters before the district undertakes the acquisition.

Added by Acts 1999, 76th Leg., ch. 504, Sec. 2, eff. June 18, 1999.

SUBCHAPTER G. TAX PROVISIONS

Sec. 62.251. ASSESSMENT AND COLLECTION OF TAXES. The assessor and collector of each county in which the district is located shall assess and collect the taxes levied by the district in the county.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Amended by Acts 1979, 66th Leg., p. 2321, ch. 841, Sec. 4(r), eff. Jan. 1, 1982.

SUBCHAPTER H. ANNEXATION

Sec. 62.291. ANNEXATION AUTHORITY. A district created under this chapter or converted from a district created under Article III, Section 52, of the Texas Constitution, into a conservation and reclamation district under Article XVI, Section 59, of the Texas Constitution, may extend its boundaries and annex adjacent territory.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.292. PETITION. Before territory is annexed to the district, a petition signed by 50 or a majority of the electors residing in the adjacent territory proposed to be annexed shall be presented to the commission, requesting an election in the adjacent territory to determine whether or not the territory will be annexed and whether or not it will assume its pro rata part of the outstanding bonded debt of the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.293. SCHEDULING PETITION FOR HEARING; NOTICE. (a) After a petition is presented under Section 62.292 of this code, the commission shall set the petition for a hearing to be held within 10 days from the date of presentation of the petition.

(b) Notice of the hearing shall be posted at three public places in the territory proposed to be annexed for at least five days before the hearing on the petition. The notice shall include the time and place of the hearing and the boundaries of the territory proposed to be annexed.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.294. HEARING. The commission shall hold the hearing on the subject of annexation of adjacent territory by the district, and any person who has taxable property in the territory proposed to be annexed may appear in person or by counsel and offer testimony or argument for or against the inclusion of all or any part of the land proposed to be annexed.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.295. ELECTION ORDER. If after the hearing the

commission finds that inclusion of the territory proposed to be annexed would be a direct benefit to all the land in that territory, the commission shall order an election to be held in the territory proposed to be annexed.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.296. NOTICE OF ELECTION. (a) The election shall be held not less than 20 nor more than 30 days from the day of the election order and after notice is given.

(b) Notice of the election shall be published once a week for 20 days immediately preceding the election in some newspaper published in the territory proposed to be annexed. If no newspaper is published in the territory, notice shall be posted in three public places inside the territory for at least 20 days immediately preceding the election.

(c) The notice:

(1) shall give the time and place or places for holding the election;

(2) shall give the boundaries of the territory proposed to be annexed; and

(3) may contain the substance of the order of the commission ordering the election.

(d) The secretary of the commission shall have the notice published or posted.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.297. BALLOTS. The ballots for the election shall be printed to allow for voting for or against: "Annexation to the navigation district."; and "Assumption of a pro rata part of the bonded debt of the navigation district."

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.298. ELECTION OFFICIALS. The commission shall appoint one judge and two clerks for each election box or place to hold the election. The judge and clerks shall be electors in the territory proposed to be annexed and shall reside near the place for holding the election.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.299. CANVASS OF VOTE; ENTRY OF ORDER. (a) The election judges shall certify the election returns to the commission, and the commission shall canvass the returns.

(b) If a majority of the electors voting at the election favor annexation and assumption of the pro rata part of the bonded debt of the district, the commission shall enter an order in its minutes annexing the territory, and from and after the entry of the order, the annexed territory shall be a part of the district with all the rights, benefits, and burdens of property originally situated in the district.

(c) If a majority of the electors voting at the election favor annexation and the proposition to assume the bonded debt fails to carry, the commission shall enter an order in its minutes annexing the territory to the district, and from and after the entry of the order, the annexed territory shall be a part of the district with the exception of the assumption of the outstanding bonded indebtedness. The annexed territory shall be subject to a tax for maintenance and operation and shall be liable for all other bonded indebtedness and other indebtedness thereafter legally imposed by the district.

(d) After an order of annexation has been entered in the minutes of the commission, a certified copy of the order shall be prepared by the secretary of the commission and shall include the boundaries of the territory annexed. The secretary shall record the order or have it be recorded in the real estate records of the county or counties in which the territory is located.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.300. AUTHORITY TO ANNEX OTHER DISTRICTS. Except as otherwise provided by this subchapter, a district created under Article XVI, Section 59, of the Texas Constitution may be annexed and become a part of another adjacent district created under the general law in the same manner as provided in Sections 62.292-62.299 of this code.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.301. DUTIES OF COMMISSION OF ANNEXED DISTRICT. If a district proposes to annex an adjacent district, the commission of the district proposed to be annexed shall:

- (1) conduct the hearing;
- (2) order the election;
- (3) canvass the returns of the election; and
- (4) perform the other duties and procedures provided in Sections 62.292-62.299 of this code.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.302. CERTIFICATION OF ELECTION RESULTS. If the election in a district proposed to be annexed results in a majority of the votes of the electors voting at the election favoring annexation, the commission of the district proposed to be annexed shall certify the election result together with the metes and bounds of the district to the commission of the annexing district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.303. HEARING BY ANNEXING DISTRICT; NOTICE. (a) When the election result is certified to the commission of the annexing district, the commission of the annexing district shall conduct a hearing to determine whether or not it will be a benefit to the annexing district to annex the territory.

(b) The hearing shall be conducted after the commission has given five days' notice in some newspaper published in the annexing district.

(c) If it is found at the hearing that the annexation of the adjacent district would be a benefit to the territory of the annexing district, the commission shall enter an order in its minutes annexing the district and from and after the entry of the order, the adjacent district shall be a part of the annexing district with all rights and privileges of territory originally situated in the district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.304. ASSUMPTION OF BONDED DEBT. (a) Unless a

majority of the electors of each of the districts approves it, the annexing district and the district to be annexed may not assume the outstanding bonded debt of the other.

(b) Annexation shall in no way affect the outstanding debt or any other valid obligation of either the annexing district or the district to be annexed.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.305. LEVY OF TAXES ON ANNEXED DISTRICT. The commission of the annexing district shall annually levy and collect sufficient taxes in the district to be annexed to discharge all valid outstanding obligations of the district to be annexed.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.306. DISSOLUTION OF ANNEXED DISTRICT. From and after the entry of the order annexing the district, the annexed district shall be dissolved. All powers previously vested in the annexed district and the commission of the annexed district shall be vested, respectively, in the annexing district and the commission of the annexing district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.307. ANNEXATION OF WHOLE OF ADJACENT COUNTY. If the territory included inside the boundaries of the annexing district consists of all of a single county and the territory to be annexed consists of all of an adjacent county, the adjacent territory may be annexed in the manner provided in Sections 62.291-62.306 of this code, except the commissioners court of the county to be annexed shall:

- (1) conduct the hearing;
- (2) order the election;
- (3) canvass the returns of the election; and
- (4) perform all other duties provided by this

subchapter for the commission of the annexing district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.308. HEARING. The commissioners court of the

county to be annexed shall conduct the hearing at some place inside the county to be annexed.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.309. ORDER OF ELECTION; BALLOTS. The commissioners court of the county to be annexed may order an election, as requested in the petition for hearing, on either or both propositions included in the ballot form in Section 62.297 of this code.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.310. CERTIFICATION OF ELECTION RESULT. If the proposition or propositions carries by a majority of the vote of the electors voting at the election, the commissioners court of the county to be annexed shall certify the election result to the commission of the annexing district.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.311. HEARING BY ANNEXING DISTRICT. After the certification of the election result, and after five days' notice in some newspaper published inside the annexing district, the annexing district shall conduct a public hearing to determine whether or not it would be a benefit to the annexing district to annex the adjacent county.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.312. ORDER OF ANNEXATION. If at the hearing it appears that annexation of the adjacent county would be a benefit to the annexing district, the commission shall enter an order in the minutes annexing the county. From and after the entry of the order, the county shall be a part of the annexing district with all rights and privileges of territory originally situated in the district and with the right of representation on the commission.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.313. OBLIGATIONS NOT AFFECTED; PRO RATA ASSUMPTION. (a) Except as provided in Subsection (b) of this

section, annexation shall in no way affect the bonded debt or any other valid outstanding obligation of the annexing district.

(b) If the voters at the annexation election in the county annexed vote to assume a pro rata part of the bonded debt of the annexing district, pro rata assumption shall be binding. If that proposition is not approved by a majority of those electors voting in the election, the persons and property within the county annexed shall never be bound to the payment of any debt of the annexing district outstanding at the time of annexation.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.314. ADDITIONAL COMMISSION MEMBERS. (a) From and after the entry of the order of annexation, the commission shall be constituted as provided in this section.

(b) The commissioners court of the annexed county shall appoint two commissioners, both of whom shall be electors who reside in the district. The two commission members shall be additional members of the commission of the district and shall have the same duties and receive the same compensation as incumbent commission members.

(c) The additional commission members shall hold office for a term equal to and expiring with the terms of the incumbent commission members or, if the members of the commission are serving staggered terms, expiring with the term of the commission member whose term first expires.

(d) At the expiration of the terms of the additional commission members, the terms of all commission members shall be automatically terminated.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.315. CHANGE OF MEMBERSHIP OF NAVIGATION BOARD. (a) After the annexation, the board shall be composed of the county judges and commissioners courts of the county of the annexing district and of the annexed county.

(b) Each individual member of the board shall be entitled to a vote and a majority in number of the individuals composing the board shall constitute a quorum. The action of a majority of the

quorum shall control.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.316. PERMANENT COMMISSION ORGANIZATION FOLLOWING ANNEXATION. (a) After the expiration and termination of the terms of commission members as provided for in Section 62.314 of this code, the commission shall be organized as provided by this section.

(b) The commission shall be managed, governed, and controlled by five commission members.

(c) The commissioners courts of the county of the annexing district and of the annexed county shall each, by majority vote, appoint two commission members for a term of two years.

(d) At the expiration of the term of office of each commission member, the commissioners court which appointed that member shall, by majority vote, appoint a successor for a term of two years.

(e) The fifth commission member shall be chairman and shall serve for a term of two years. He shall be selected by a majority vote of the board of the district and appointed by the board.

(f) If any vacancy occurs through the death, resignation, or otherwise of any commission member, it shall be filled as in the first instance by appointment for the unexpired term.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.317. PROVISIONS GOVERNING COMMISSION. (a) Each commissioner appointed under Section 62.314 or 62.316 of this code shall be an elector of the district and shall serve his full term and until his successor is elected and has qualified unless sooner removed by the authority which appointed him for malfeasance or nonfeasance in office.

(b) Each commissioner shall execute a bond, take the oath, and have the powers and duties prescribed by the law applicable to the annexing district at the time of the annexation.

(c) Each commissioner is entitled to receive the compensation determined by the board.

(d) The commission, by majority vote, may execute all

contracts and take all actions relating to governing the district.
Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.

Sec. 62.318. LAW GOVERNING DISTRICT. (a) The only changes made in the organization and operation of an annexing district which annexes an adjacent county are those contained in this subchapter.

(b) Each district annexing an adjacent county shall continue after the annexation to be governed by and subject to all of the laws applicable to the annexing district at the time of annexation.

Acts 1971, 62nd Leg., p. 110, ch. 58, Sec. 1, eff. Aug. 30, 1971.