

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1909  
By: Lindsay  
Natural Resources  
4-27-97  
Committee Report (Substituted)

### **DIGEST**

Currently, there is no water authority in Harris County. The Galveston/Harris County Subsidence District has decided that the area should convert to 80 percent surface water in the near future to alleviate the subsidence problem. The area also needs to address the problem of declining water well levels and the fact that ground water will not meet the needs of the area as growth and population increase. This bill will create the North Harris County Regional Water Authority (district); provide regulations regarding the administration, powers, duties, operation, and financing of the district; grant the power of eminent domain and the authority to issue bonds; and provide civil penalties.

### **PURPOSE**

As proposed, C.S.S.B. 1909 creates the North Harris County Regional Water Authority (district); provides regulations regarding the administration, powers, duties, operation, and financing of the district; grants the power of eminent domain and the authority to issue bonds; and provides civil penalties.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the North Harris County Regional Water Authority in SECTIONS 4.02(a) and 4.08 of this bill.

### **SECTION BY SECTION ANALYSIS**

#### ARTICLE 1. GENERAL PROVISIONS

SECTION 1.01. CREATION. Provides that a conservation and reclamation district, to be known as the North Harris County Regional Water Authority (district), is created in Harris County without the necessity of a confirmation election. Provides that the district is a governmental agency and a body politic and corporate. Provides that the district is created under and is essential to accomplish the purpose of Section 59, Article XVI, Texas Constitution.

SECTION 1.20. DEFINITIONS. Defines "board," "commission," "director," "district," "local government," "person," "pollution," "system," and "water."

SECTION 1.03. DESCRIPTION OF BOUNDARIES. Sets forth the boundaries of the district. Defines "planned community."

SECTION 1.04. FINDING OF BENEFIT. Provides that all the land and other property included within the boundaries of the district will be benefited by the works and projects that are to be accomplished by the district under powers conveyed by this Act. Provides that the district is created to serve a public use and benefit.

#### ARTICLE 2. ELECTION OF DIRECTORS AND CONFIRMATION ELECTION

SECTION 2.01. METHOD OF ELECTION OF DIRECTORS. Sets forth regulations regarding election of the directors of the district (directors).

SECTION 2.02. BOARD OF DIRECTORS. Sets forth regulations governing the board of

directors of the district (board).

SECTION 2.03. SERVICE OF DIRECTORS. Sets forth terms of the directors.

SECTION 2.04. TEMPORARY DIRECTORS. Sets forth regulations regarding composition and election of the temporary board.

SECTION 2.05. INITIAL DIRECTORS' ELECTIONS. Sets forth regulations regarding the initial directors' elections.

SECTION 2.06. ELECTIONS OF DIRECTORS. Sets forth regulations regarding the election of directors.

### ARTICLE 3. ADMINISTRATIVE PROVISIONS

SECTION 3.01. ORGANIZATION OF BOARD. Sets forth organization of the board.

SECTION 3.02. MEETINGS AND ACTIONS OF BOARD. Requires the board to meet at least four times each year and authorizes the board to meet at any other time considered appropriate. Provides that a majority of the directors constitutes a quorum for the transaction of business. Provides that, except as otherwise provide in this Act, the vote of a majority of directors is required for board action.

SECTION 3.03. INTEREST IN CONTRACT. Requires a director who is financially interested in a contract proposed to be executed by the district for the purchase of property or services or the construction of facilities to disclose the interest to the board and prohibits the director from voting on acceptance of the contract.

SECTION 3.04. GENERAL MANAGER AND EMPLOYEES. Authorizes the board to employ a general manager and employees for a term and salary set by the board.

SECTION 3.05. EMPLOYEE BONDS. Requires the general manager and each employee or contractor of the district who is charged with the collection, custody, or payment of any money of the district to execute a fidelity bond in an amount determined by the board and in a from and with a surety approved by the board. Requires the district to pay the premiums on any bonds required under this section.

### ARTICLE 4. POWERS AND DUTIES

SECTION 4.01. GENERAL POWERS AND DUTIES. Sets forth the powers and duties of the district.

SECTION 4.02. DISTRICT RULES. Requires the district to adopt and enforce rules reasonably required to implement this Act, including rules governing procedure and practice before the board. Requires the district to print its rules and furnish copies of the rules to any person on written request.

SECTION 4.03. FEES AND CHARGES. Sets forth regulations regarding the collections of fees and charges by the district.

SECTION 4.04. INSPECTIONS AND INVESTIGATIONS. Authorizes the district to enter public or private property in the district to inspect or investigate conditions relating to the district's authorized purposes under the same provisions and restrictions applicable to the Texas Natural Resource Conservation Commission (TNRCC) under general law.

SECTION 4.05. HEARING AND ORDER. Sets forth regulations regarding hearings and orders of the board.

SECTION 4.06. CIVIL PENALTY; INJUNCTION. Sets forth regulations regarding violations of a rule, permit, or order of the district.

SECTION 4.07. COURT REVIEW. Sets forth regulations regarding court review of a rule, act, or order of the district.

SECTION 4.08. WATER CONTROL PLANS. Requires the district, by rule, as needed but not less frequently than every five years, to develop, prepare, revise, and adopt comprehensive water supply plans for various areas of the district. Requires the plans to be consistent with standards adopted by TNRCC and should include 10-year, 20-year, and 50-year projections of water needs within the district.

SECTION 4.09. ACQUISITION, CONSTRUCTION, AND OPERATION OF SYSTEMS. Authorizes the district to acquire, construct, and operate certain systems.

SECTION 4.10. SYSTEM CONTRACTS. Sets forth regulations regarding contracts the district enters into to receive, treat, and supply water to or from any person in or out of the district.

SECTION 4.11. SALE OR REUSE OF WATER OR BY-PRODUCT. Authorizes the district to store, sell, or reuse water or any by-product from the district's operation.

SECTION 4.12. EMINENT DOMAIN. Authorizes the district to exercise the power of eminent domain under Chapter 21, Property Code, to acquire property of any kind to further authorized district purposes.

SECTION 4.13. RELOCATION OF FACILITIES. Sets forth regulations regarding relocation of facilities by the district.

SECTION 4.14. USE OF PUBLIC EASEMENTS. Sets forth regulations regarding district use of public easements.

SECTION 4.15. ACQUISITION AND DISPOSITION OF PROPERTY. Sets forth regulations regarding acquisition and disposition of property by the district.

SECTION 4.16. ACQUISITION OF FACILITY. Authorizes the district to acquire, construct, extend, improve, maintain, reconstruct, use, or operate any facility necessary or convenient to the exercise of the district's rights, powers, privileges, authority, functions, and duties.

SECTION 4.17. CONTRACTS. Sets forth regulations regarding district contracts.

SECTION 4.18. COOPERATIVE AGREEMENTS. Authorizes the district to enter into cooperative agreements with other local governments, state agencies, or agencies of the United States to accomplish the district's purposes.

## ARTICLE 5. NOTES, BONDS, AND TAX PROVISIONS

SECTION 5.01. REVENUE NOTES. Sets forth regulations regarding district use of revenue notes.

SECTION 5.02. BOND ANTICIPATION NOTES; TAX ANTICIPATION NOTES. Sets forth regulations regarding district issuance of bond and tax anticipation notes.

SECTION 5.03. BONDS. Sets forth regulations regarding the issuance of bonds by the district.

SECTION 5.04. REFUNDING BONDS. Sets forth regulations regarding the issuance of refunding bonds by the district.

SECTION 5.05. APPROVAL AND REGISTRATION OF BONDS. Sets forth regulations regarding approval and registration of district bonds by the attorney general.

SECTION 5.06. BOND ELECTION. Sets forth regulations regarding bond elections.

SECTION 5.07. AUTHORIZED INVESTMENTS. Provides that bonds and refunding bonds of the district are legal, eligible, and authorized investments for a public fund of the state, including the permanent school fund, or a state agency.

SECTION 5.08. AD VALOREM TAXATION. Sets forth regulations regarding collection of ad valorem taxes by the district.

#### ARTICLE 6. MISCELLANEOUS PROVISIONS

SECTION 6.01. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS. Provides that all legal requirements with respect to notice, introduction, and passage of this Act have been satisfied.

SECTION 6.02. Emergency clause.  
Effective date: upon passage.

#### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.01.

Amends Subsection (a) to delete a requirement that the creation of the district is subject to approval at a confirmation election and provides that the district without the necessity of a confirmation election.

SECTION 1.03.

Amends Subsection (b) to delete proposed text and to substitute text regarding the annexation of the territory of the district by a municipality or incorporation by a municipality of any part of the territory of the district.

Adds Subsection (c) regarding the exclusion of a planned community from the district. Defines "planned community."

SECTION 2.01.

Amends Subsection (b) to require two, rather than three directors to be elected at large and five, rather than four, directors to be elected from single-member voting districts.

SECTION 2.04.

Amends Subsection (a) to set forth the temporary board of directors of the district.

SECTION 2.05.

Amends to make conforming and nonsubstantive changes.

SECTION 2.06.

Amends to make conforming changes.