

BILL ANALYSIS

Senate Research Center
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S.B. 1855
By: Bernsen
Natural Resources
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As Filed

DIGEST

Currently, the Tarkington Water Supply Corporation (corporation) provides water to northwest Liberty County. Although water service is provided, public sanitary sewer service is not available, and all sewer systems are private on-site systems. Converting the corporation to a conservation and reclamation district, to be called the Tarkington Special Utility District, would provide water and wastewater services to the residents within the district. The corporation may be converted to the Tarkington Special Utility District, via Chapter 65, Water Code, which contemplates the conversion of member-owned water supply corporations to special utility districts. The corporation holds a certificate of convenience and necessity issued by the Texas Natural Resource Conservation Commission for providing water service only. S.B. 1855 would create the Tarkington Special Utility District.

PURPOSE

As proposed, S.B. 1855 creates the Tarkington Special Utility District.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the board of directors of the Tarkington Special Utility District in SECTION 12(a) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. CREATION; LEGISLATIVE DECLARATION. Creates the Tarkington Special Utility District (district), a conservation and reclamation district in Liberty County, at a confirmation election as specified under SECTION 9. Provides that the district is a governmental body and a body politic and corporate that is created under and is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

SECTION 2. DEFINITION. Defines “district.”

SECTION 3. BOUNDARIES. Establishes that the district includes all the territory set forth in this section. Describes the boundaries of the district.

SECTION 4. FINDINGS RELATING TO BOUNDARIES. Establishes that the legislature finds that the boundaries and field notes of the district form a closure. Provides that certain mistakes regarding the field notices do not affect the validity of the district, the district’s right to issue or pay any type of bonds, or the legality of the district or its governing body.

SECTION 5. FINDING OF BENEFIT. Establishes that the legislature finds that the district will be benefitted by the works and projects of the district under powers conferred by Section 59, Article XVI, Texas Constitution, and that the district is created to serve a public use and benefit.

SECTION 6. POWERS. Confers all rights and powers provided by general law to a special utility district. Provides that this Act prevails over any provision of the general law that is in conflict or inconsistent with this Act. Establishes that those rights and powers are subject to the continuing right of supervision of the state, which is exercised through the Texas Natural Resource Conservation Commission (TNRCC).

SECTION 7. BOARD OF DIRECTORS. Establishes that the district is governed by a board of seven directors. Sets forth the composition and terms of office of the board members.

SECTION 8. TEMPORARY BOARD OF DIRECTORS. Sets forth the names of the individuals on the temporary board of directors. Requires the members of the temporary board to elect a new temporary member if a member does not qualify. Requires TNRCC to appoint the necessary number of temporary directors if the number of qualified directors is less than four for any reason.

SECTION 9. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. Requires the temporary board to call and hold an election to confirm establishment of the district and to elect seven initial directors as provided by Chapter 49, Water Code. Provides that Section 41.001(a), Water Code, does not apply to a confirmation and initial directors' election held. Sets forth directions for the change of directors for the district in an election. Provides that if the establishment of the district has not been confirmed at an election held before the second anniversary of the effective date of this Act, this Act expires on that date.

SECTION 10. ELECTION OF DIRECTORS. Requires an election to be held for the initial permanent directors of the board on a certain date. Authorizes the permanent directors to assign a position to each director's office, in which case directors shall subsequently be elected by position and not at large.

SECTION 11. ADDITIONAL POWERS. Authorizes the district to issue bonds to provide for all improvements and the maintenance of those improvements necessary to achieve the purposes of Section 59, Article XVI, Texas Constitution, and to provide for the payment of the bonds solely through revenue collected for that purpose as authorized by Chapter 65, Water Code. Authorizes the district to enter into contracts for certain transactions involving water, waste, and waste treatment.

SECTION 12. DISTRICT FACILITIES. Authorizes the district to establish, by rule, standard specifications for certain facilities that are designed or constructed to provide treatment, collection, and or disposal of solid waste. Requires the board to hold a public hearing on the adoption of standards for facilities of the district. Requires the board to give notice of the hearing to TNRCC and to the Texas Department of Health and to publish the notice in a newspaper with general circulation in the district by a certain date. Authorizes an appeal for the order to be made to a district court of Liberty County, and that the substantial evidence rule applies. Authorizes the district to seek injunctive relief against the facility within the district's jurisdiction if the construction of the facility does not comply with the district's standard specifications. Requires the district to file the district's specifications with TNRCC. Provides that the specification does not apply within the boundaries or extraterritorial jurisdiction of a municipality unless the governing body of the municipality approves.

SECTION 13. CONSTRUCTION AND ACQUISITION OF SYSTEMS. Authorizes the district to acquire any existing water system, sewer system, or water and sewer system that serve all or part of the territory located inside or outside the district's boundaries. Authorizes the district to improve and extend an acquired system or to construct the systems. Governs the construction contracts by the competitive bidding requirement of the Water Code. Authorizes the contracts for the acquisition of existing water or sewer facilities to be made on terms agreed on by the parties.

SECTION 14. FINDINGS RELATING TO PROCEDURAL REQUIREMENTS. Sets forth compliance of the notices necessary for this Act.

SECTION 15. Emergency clause.
Effective date: upon passage.