

By: Leo-Wilson

H.B. No. 2900

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Trinity Bay Special Utility District and the powers and duties of the Trinity Bay Conservation District; providing authority to issue bonds; providing authority to impose assessments or fees.

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

ARTICLE 1. TRINITY BAY SPECIAL UTILITY DISTRICT

SECTION 1.01. Subtitle C, Title 6, Special District Local Laws Code, is amended by adding Chapter 7223 to read as follows:

CHAPTER 7223. TRINITY BAY SPECIAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7223.0101. DEFINITIONS. In this chapter:

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

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

(3) "District" means the Trinity Bay Special Utility District.

Sec. 7223.0102. NATURE OF DISTRICT; FINDINGS OF BENEFIT AND PURPOSE. (a) The district is a special utility district created in Chambers and Jefferson Counties under Section 59, Article XVI, Texas Constitution.

(b) The district is created to serve a public use and benefit.

(c) The district is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

1       Sec. 7223.0103. INITIAL DISTRICT TERRITORY. (a) The  
2 district is initially composed of the territory described by  
3 Section 1, Chapter 282, Acts of the 51st Legislature, Regular  
4 Session, 1949, as that territory existed on September 1, 2023,  
5 including any modifications made before that date under:

6           (1) Subchapter J, Chapter 49, Water Code; or

7           (2) other law.

8       (b) The boundaries and field notes contained in Section 1,  
9 Chapter 282, Acts of the 51st Legislature, Regular Session, 1949,  
10 form a closure. A mistake made in the field notes or in copying the  
11 field notes in the legislative process does not affect the  
12 district's:

13           (1) organization, existence, or validity;

14           (2) right to issue any type of bond for the purposes  
15 for which the district is created or to pay the principal of and  
16 interest on a bond; or

17           (3) legality or operation.

18                   SUBCHAPTER A-1. TEMPORARY PROVISIONS

19       Sec. 7223.0151. TEMPORARY DIRECTORS. (a) Not later than  
20 October 15, 2024, a temporary board of directors shall be appointed  
21 as follows:

22           (1) three temporary directors appointed by the board  
23 of directors of the Trinity Bay Conservation District; and

24           (2) two temporary directors appointed by the  
25 commissioners court of Chambers County.

26       (b) A vacancy for a temporary director position shall be  
27 filled in the same manner as the initial appointment.

1       Sec. 7223.0152. INITIAL DIRECTORS' ELECTION. Not later than  
2 September 1, 2025, the temporary directors shall hold an election  
3 to elect five directors.

4       Sec. 7223.0153. INITIAL ELECTED DIRECTORS; TERMS. The  
5 directors elected under Section 7223.0152 shall draw lots to  
6 determine which two shall serve until the first regularly scheduled  
7 election of directors under Section 7223.0201 and which three shall  
8 serve until the second regularly scheduled election of directors.

9       Sec. 7223.0154. EXPIRATION OF SUBCHAPTER. This subchapter  
10 expires September 1, 2027.

11                   SUBCHAPTER B. BOARD OF DIRECTORS

12       Sec. 7223.0201. DIRECTORS. (a) The district is governed by  
13 a board of five elected directors.

14       (b) To be eligible to serve as a director a person must  
15 reside in the district.

16       (c) The board has all powers conferred on a board of  
17 directors under Chapter 65, Water Code.

18       (d) Directors serve staggered terms of four years.

19       (e) The Texas Commission on Environmental Quality may  
20 appoint a member of the board to fill a vacancy on the board.

21                   SUBCHAPTER C. POWERS AND DUTIES

22       Sec. 7223.0301. GENERAL POWERS AND DUTIES. (a) Except as  
23 provided by Subsection (b), the district has all rights, powers,  
24 privileges, functions, and duties provided by the general law of  
25 this state applicable to a special utility district created under  
26 Section 59, Article XVI, Texas Constitution, including Chapters 49  
27 and 65, Water Code.

1       (b) The district may not perform a function that may be  
2 performed by a drainage district operating under Chapter 56, Water  
3 Code.

4                   ARTICLE 2. TRINITY BAY CONSERVATION DISTRICT

5       SECTION 2.01. Chapter 282, Acts of the 51st Legislature,  
6 Regular Session, 1949, is amended by adding Section 1a to read as  
7 follows:

8       Sec. 1a. (a) Except as provided by Subsection (b) of this  
9 section, the District has all rights, powers, privileges,  
10 functions, and duties provided by the general law of this state  
11 applicable to a drainage district created under Section 59, Article  
12 XVI, Texas Constitution, including Chapters 49 and 56, Water Code.

13       (b) The District may not perform the same function as a  
14 conservation and reclamation district whose territory overlaps  
15 with the territory of the District.

16       SECTION 2.02. Section 9, Chapter 282, Acts of the 51st  
17 Legislature, Regular Session, 1949, is amended to read as follows:

18       Sec. 9. In addition to the powers hereinabove provided,  
19 said District shall be authorized and empowered:

20       (a) To acquire within or without the District lands and  
21 easements, rights and interest therein and any other character of  
22 property needed to carry on the work of the District, by gift,  
23 devise, purchase or condemnation. The right of eminent domain is  
24 hereby expressly conferred on said District and the procedure with  
25 reference to condemnation, the assessment of and estimating of  
26 damages, payment, appeal, the entering upon the property pending  
27 appeal and all other procedure prescribed in Chapter 21, Property

1 Code [~~Title 52, of the Revised Civil Statutes of Texas, 1925, as~~  
2 ~~heretofore or hereafter amended~~], shall apply to said District.

3 (b) To sell, trade or otherwise dispose of land or other  
4 property or rights therein when the same are no longer needed for  
5 the purposes for which the District was created.

6 (c) To devise plans and construct works to lessen and  
7 control floods and excess waters; to reclaim lands in the District;  
8 to provide drainage facilities for the reclamation and drainage of  
9 the over-flowed lands and other lands within the District needing  
10 drainage; to acquire or construct properties and facilities beyond  
11 the boundaries of the District where, in the judgment of the Board  
12 of Directors such properties or facilities are necessary to lessen  
13 and control floods within the district or to facilitate the  
14 drainage and reclamation of lands within the District; and to  
15 remove obstructions, natural or artificial, from streams and water  
16 courses, and to clean, straighten, widen and maintain streams,  
17 water courses and drainage ditches.

18 (d) To cooperate with and contract with the United States of  
19 America or with any of its departments or agencies now existing, or  
20 which may be created hereafter, to carry out any of the powers or to  
21 further any of the purposes set forth in this Act, and, for such  
22 purposes, to receive grants, loans or advancements therefrom; or to  
23 contribute to the United States of America or any of its departments  
24 or agencies in connection with any project undertaken by it  
25 affecting or relating to any of the purposes for which the District  
26 is organized.

27 (e) To cooperate and contract with any department or agency

1 of the State of Texas, or any political subdivision thereof, or any  
2 municipal corporation to carry out any purpose for which the  
3 District is organized.

4 (f) To sue and be sued in the name of the District and all  
5 courts shall take judicial notice of the establishment of the  
6 District.

7 (g) ~~[To construct, acquire, own and operate all works,~~  
8 ~~plants and facilities necessary or useful to produce, transport,~~  
9 ~~distribute, sell and provide fresh water for domestic and municipal~~  
10 ~~purposes to persons and properties within the District and adjacent~~  
11 ~~areas.~~

12 ~~[(h) To construct, acquire, own and operate all works,~~  
13 ~~plants and facilities necessary or useful to carry off used waters~~  
14 ~~and to collect, transport, process, dispose of and control all~~  
15 ~~domestic, industrial and communal wastes, whether of fluids, solids~~  
16 ~~or composites, within the District and adjacent areas.~~

17 ~~[(i)]~~ To do any and all other acts or things necessary or  
18 proper to carry into effect the foregoing powers and purposes.

19 (h) ~~[(j)]~~ To regulate ~~[plumbing,~~  
20 used only for drainage purposes, and the construction, replacement,  
21 and operation thereof, and to abate any obstructions or  
22 encroachments thereof, for the protection and enhancement of the  
23 health, safety and welfare of the residents of the District.

24 (i) ~~[(k)]~~ To require the owner of a sewer ~~[plumbing,~~  
25 ~~sewers,~~ or other drain used only for drainage purposes who is  
26 ~~[drains]~~ found to be in violation of the rules and regulations of  
27 the District to fill up, cleanse, drain, alter, relay, repair, fix,

1 or improve the same as may be ordered or required by any rule or  
2 regulation of the District; and in the event of any failure,  
3 neglect, or refusal to comply with such rule or regulation, or in  
4 the event there be no person in the District on whom the order to  
5 comply with such rule or regulation can be served, the District may,  
6 after not less than 30 days written notice to said owner, by either  
7 personal service or certified mail, have such work done and such  
8 improvements made on account of the owner thereof. All costs,  
9 charges, and expenses incurred by the District in accomplishing  
10 said work shall be a lien on the property upon which said work is  
11 done, on the filing of a memorandum of such by the President of the  
12 Board of Directors under the seal of the District, and recording the  
13 same with the County Clerk of the county in which the property lies.  
14 The District may enforce said lien and institute suit in its name  
15 and obtain judgment against said owner for the amount so due as  
16 aforesaid in any Court having jurisdiction.

17 SECTION 2.03. Section 13(a), Chapter 282, Acts of the 51st  
18 Legislature, Regular Session, 1949, is amended to read as follows:

19 (a) The District may adopt and enforce reasonable rules and  
20 regulations to:

21 (1) ~~[secure and maintain safe, sanitary, and adequate~~  
22 ~~plumbing installations, connections, and appurtenances as~~  
23 ~~subsidiary parts of its sanitary sewer system,~~

24 ~~[(2) preserve the sanitary condition of all water~~  
25 ~~controlled by the District,~~

26 ~~[(3)] prevent waste or the unauthorized use of water~~  
27 controlled by the District; and

1           (2) [~~(4)~~] regulate privileges on any land or any  
2 easement owned or controlled by the District.

3           SECTION 2.04. Section 11, Chapter 282, Acts of the 51st  
4 Legislature, Regular Session, 1949, is repealed.

5                           ARTICLE 3. TRANSITION AND NOTICE

6           SECTION 3.01. (a) In this section:

7                   (1) "Conservation district" means the Trinity Bay  
8 Conservation District.

9                   (2) "Special utility district" means the Trinity Bay  
10 Special Utility District.

11           (b) Not later than November 30, 2024, the conservation  
12 district and the special utility district shall enter into a  
13 memorandum of understanding regarding compensation to the  
14 conservation district for assets transferred under Subsection (c)  
15 of this section.

16           (c) Not later than December 1, 2024, the conservation  
17 district shall:

18                   (1) transfer to the special utility district the  
19 conservation district's assets, debts, and contractual rights and  
20 obligations relating to the construction, acquisition, ownership,  
21 operation, maintenance, repair, improvement, and extension of  
22 facilities necessary to:

23                           (A) supply water for municipal uses, domestic  
24 uses, power and commercial purposes, and other beneficial uses; or

25                           (B) collect, transport, process, dispose of,  
26 store, and control domestic, industrial, or communal wastes whether  
27 in fluid, solid, or composite state; and



1           (2) provide notice and make recordings of the  
2 transfers under this subsection as required by the Water Code, the  
3 Property Code, and other law.

4           (d) On December 1, 2024, the powers, functions, and duties  
5 of the conservation district that may be exercised by the special  
6 utility district are transferred to the special utility district.

7           (e) Following the transfer under Subsection (c) of this  
8 section:

9           (1) Certificates of Convenience and Necessity  
10 Nos. 10997 and 20399 are considered to be held by the special  
11 utility district; and

12           (2) the board of directors of the conservation  
13 district shall notify the Public Utility Commission of Texas of the  
14 transfer of Certificates of Convenience and Necessity Nos. 10997  
15 and 20399 to the special utility district.

16           (f) On receipt of notice under Subsection (e)(2) of this  
17 section, the Public Utility Commission of Texas shall note in its  
18 records that Certificates of Convenience and Necessity Nos. 10997  
19 and 20399 are held by the special utility district and shall reissue  
20 the certificates in the name of the special utility district  
21 without further application, notice, or hearing. A person, party,  
22 or entity does not have any right of protest, objection, or  
23 administrative review of the transfer prescribed by this section.

24           (g) The sale and transfer of the conservation district's  
25 assets, debts, and contractual rights and obligations under  
26 Subsection (c) of this section does not:

27           (1) contravene a trust indenture or bond resolution

1 relating to the district's outstanding bonds; or

2 (2) diminish or impair the rights of a holder of an  
3 outstanding bond, warrant, or other obligation of the district.

4 (h) Before December 1, 2024, the temporary board of  
5 directors of the special utility district:

6 (1) may not take any regulatory action under Chapter  
7 49 or 65, Water Code;

8 (2) shall adopt rules for the administration of the  
9 special utility district under Chapters 49 and 65, Water Code; and

10 (3) may hire employees of the special utility  
11 district.

12 SECTION 3.02. (a) The legal notice of the intention to  
13 introduce this Act, setting forth the general substance of this  
14 Act, has been published as provided by law, and the notice and a  
15 copy of this Act have been furnished to all persons, agencies,  
16 officials, or entities to which they are required to be furnished  
17 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
18 Government Code.

19 (b) The governor, one of the required recipients, has  
20 submitted the notice and Act to the Texas Commission on  
21 Environmental Quality.

22 (c) The Texas Commission on Environmental Quality has filed  
23 its recommendations relating to this Act with the governor, the  
24 lieutenant governor, and the speaker of the house of  
25 representatives within the required time.

26 (d) All requirements of the constitution and laws of this  
27 state and the rules and procedures of the legislature with respect

1 to the notice, introduction, and passage of this Act are fulfilled  
2 and accomplished.

3 ARTICLE 4. EFFECTIVE DATES

4 SECTION 4.01. (a) Except as provided by Subsection (b) of  
5 this section, this Act takes effect September 1, 2023.

6 (b) Article 2 of this Act takes effect December 1, 2024.