By: Lindsay

S.B. No. 1035

A BILL TO BE ENTITLED

AN ACT

2 relating to the general powers and authority of the West Harris3 County Regional Water Authority.

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

5 SECTION 1. Subsection (b), Section 1.03, Chapter 414, Acts 6 of the 77th Legislature, Regular Session, 2001, is amended to read 7 as follows:

8 (b) In addition to the territory described by Subsection (a) 9 of this section, the authority includes [include] all territory in 10 Fort Bend County of any district or municipality the territory of 11 which includes, on the effective date of this Act, any of the 12 territory described by Subsection (a) of this section, regardless 13 of whether the territory contains noncontiguous parcels of land.

14 SECTION 2. Section 1.05, Chapter 414, Acts of the 77th 15 Legislature, Regular Session, 2001, is amended by adding Subsection 16 (e) to read as follows:

17 (e) The territory contained in the following areas is 18 <u>excluded from the authority:</u>

19 <u>TRACT 1</u>

Being a 0.768 acre (33,462 square feet) tract or parcel of land out of the Thomas Nellis Survey, Abstract 605, Harris County, Texas, being a part of that certain 32.5575 acre tract conveyed to Michael Block, Trustee in deed recorded in the Harris County Official Public Records of Real Property, Film Code 193-06-0326, File Number

	2.D. NO. 1023
1	F569725 and being more particularly described by metes and bounds
2	as follows with all bearings and coordinates referenced to the
3	Texas Coordinate System, South Central Zone:
4	BEGINNING at a 5/8-inch iron rod (X=3,083,662.36, Y=759,980.76) set
5	at the intersect of the northeasterly line of a Humble Pipeline
6	Company tract as recorded in Volume 1140, Page 63 of the Harris
7	County Deed Records and the south right-of-way of F.M. 529 (Spencer
8	Road - 60 feet wide) and being North 87°16'53" East, 40.20 feet from
9	a 5/8-inch iron rod found for northwest corner of said 32.5575 acre
10	tract;
11	THENCE, North 87°16'53" East, 233.40 feet along the south
12	right-of-way line of said F.M. 529 to a 5/8-inch iron rod set for
13	corner;
14	THENCE, at a right angle to said right-of-way, South 02°43'07" East
15	217.00 feet to a 5/8-inch iron rod set for corner;
16	THENCE, along a line that is parallel with and 217.00 feet south of
17	said F.M. 529 right-of-way, South 87°16'53" West, 75.00 feet to a
18	5/8-inch iron rod set in the northeasterly line of a 50 foot Humble
19	Pipeline Company Easement as recorded in Volume 3271, Page 220 of
20	the Harris County Deed Records;
21	THENCE, North 38°50'48" West, 268.66 feet along said northeasterly
22	line to the POINT OF BEGINNING, containing a computed area of 0.768
23	acre (33,462 square feet) of land.
24	TRACT 2
25	Being a 0.4982 acre (21,700 square feet) tract or parcel of land out
26	of that certain 66 acre Southern Pacific Company tract recorded in

27 Volume 6580, Page 451 of the Harris County Deed Records, said tract

being located in the T. Nellis Survey, Abstract No. 605, Harris 1 2 County, Texas and being more particularly described by metes and 3 bounds as follows with all bearings and coordinates referenced to the Texas Coordinate System, South Central Zone: 4 BEGINNING at a 3/4-inch iron pipe (X=3,081,499.03, Y=759,878.02) 5 6 found at the intersection of the West line of said T. Nellis Survey 7 with the South right-of-way line of F.M. Highway 529 (Spencer Road -8 60 feet wide); THENCE North 87 degrees 16 minutes 58 seconds East, 100.00 feet 9 along the said South right-of-way line to a 5/8-inch iron pipe rod 10 11 set for corner; THENCE South 02 degrees 33 minutes 55 seconds East, 217.00 feet to a 12 13 5/8-inch iron rod set for corner; 14 THENCE South 87 degrees 16 minutes 58 seconds West, 100.00 feet to a 15 5/8-inch iron rod set in the West line of said T. Nellis Survey; THENCE North 02 degrees 33 minutes 55 seconds West, 217.00 feet 16 along the said survey line to the POINT OF BEGINNING and containing 17 18 a computed area of 0.4982 acre (21,700 square feet) of land. TRACT 3 19 20 A tract or parcel of land containing 2,169 acres out of the Charles Scarbrough Survey, Abstract 718, Harris County, Texas, and being 21 22 all of Lot 10, Block 2, Satsuma Estates, First Section, as recorded in Volume 998, Page 704 of the Harris County Deed Records, same 23 24 being all of that certain tract conveyed to John H. Thompson per the 25 deed recorded in the Harris County Official Public Records of Real Property, File No. F949984 and Film Code No. 119-81-0436, and being 26 27 more particularly described by metes and bounds as follows with all

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1	bearings and coordinates referenced to the Texas Coordinate System,
2	South Central Zone:
3	BEGINNING at a 5/8-inch iron rod (X=3,075,495.77, Y=760,552.13) set
4	at the northwest corner of said Lot 10 in the east right-of-way line
5	of Mayard Road (Beaumont Road - 60 feet wide);
6	THENCE, North 86°40'40" East, 540.00 feet along the line common with
7	Lot 10 and Lot 9 to a 5/8-inch iron rod set at the corner common to
8	Lots 9, 10, 5 and 6;
9	THENCE, South 02°37'17" East, 175.00 feet along the line common with
10	Lot 10 and Lot 5 to a 1/2-inch iron rod found at the corner common to
11	Lots 10, 11, 4 and 5;
12	THENCE, South 86°40'40" West, 540.00 feet along the line common with
13	Lot 10 and Lot 11 to a 5/8-inch iron rod set in the east right-of-way
14	line of said Mayard Road;
15	THENCE, North 02°37'17" West, 175.00 feet along said east
16	right-of-way line to the POINT OF BEGINNING, containing a computed
17	area of 2.169 acres of land.
18	TRACT 4
19	Being a 0.523 acre (22,759 square feet) tract or parcel of land out
20	of the Charles Scarbrough Survey, Abstract 718, Harris County,
21	Texas, said tract being a part of that certain 50.00 acre tract
22	conveyed to S/C Investments 121, Ltd., per the deed recorded in the
23	Harris County Official Public Records of Real Property
24	(H.C.O.P.R.R.P.), File Number D869891, Film Code 161-25-2007, and
25	being more particularly described by metes and bounds as follows
26	with all bearings and coordinates referenced to the Texas
27	Coordinate System, South Central Zone:

1	BEGINNING at a 3/4-inch iron pipe (X=3,073,121.64, Y=759,462.66)
2	found at the corner common to said 50.00 acre tract and a 42.2842
3	acre tract recorded in the H.C.O.P.R.R.P., File Number D568750,
4	Film code 143-42-0702, on the north right-of-way line of F.M.
5	Highway 529 (Spencer Road - 60 feet wide), said point being North
6	$87^{\circ}42'14''$ East, 2204.43 feet from the intersection of the east
7	right-of-way line of Jackrabbit Road (80 feet wide) with said north
8	right-of-way line;
9	THENCE, North 01°44'47" West, 247.05 feet along the line common to
10	said 50.00 acre and 42.2842 acre tracts to a 5/8-inch iron rod set
11	in the southerly line of a 10-foot wide Southwestern Bell Telephone
12	Company easement (to be abandoned), as recorded in Volume 1231,
13	Page 306 of the Harris County Deed Records;
14	THENCE, South 70°57'20" East, 106.97 feet along the southerly line
15	of said telephone easement to a 5/8-inch iron rod set for corner;
16	THENCE, South 01°44'47" East, 208.13 feet along a line that is
17	parallel with and 100.00 feet east of said common line to a 5/8-inch
18	iron rod set in the north right-of-way line of said F.M. Highway
19	<u>529;</u>
20	THENCE, South 87°42'14" West, 100.00 feet along said north
21	right-of-way line to the POINT OF BEGINNING, containing a computed
22	area of 0.523 acre (22,759 square feet) of land.
23	TRACT 5
24	Being a 0.466 acre (20,306 square feet) tract or parcel of land out
25	of the Charles Scarbrough Survey, Abstract 718, Harris County,
26	Texas, said tract being a part of that certain 12.125 acre tract
27	conveyed to J. Charles Whitfield, per the deed recorded in the

1	Harris County Official Public Records of Real Property (H. C. O. P.
2	R. R. P.), File Number E866668, Film Code 147-12-0335, and being
3	more particularly described by metes and bounds as follows with all
4	bearings and coordinates referenced to the Texas Coordinate System,
5	South Central Zone:
6	BEGINNING, at a 5/8-inch iron rod (X=3,071,743.36, Y=759,407.40)
7	set at the corner common to said 12.125 acre tract and a 42.2842
8	acre tract recorded in the H. C. O. P. R. R. P., File Number D568750,
9	Film Code 143-42-0702, on the north right-of-way line of F.M.
10	Highway 529 (Spencer Road - 60 feet wide), said point being North
11	87°42'14" East, 824.93 feet from the intersection of the east
12	right-of-way line of Jackrabbit Road (80 feet wide) with said north
13	right-of-way line;
14	THENCE, South 87°42'14" West, 90.00 feet along the north
15	right-of-way line of said F.M. Highway 529 to a 5/8-inch iron rode
16	set for corner;
17	THENCE, North 01°58'48" West, 213.33 feet along a line that is
18	parallel with and 90.00 west of the east line of said 12.125 acre
19	tract to a 5/8-inch iron rod set in the southerly line of a 60 foot
20	wide Mobil (Magnolia) Pipeline Easement, recorded in Volume 578,
21	Page 228 of the Harris County Deed Records;
22	THENCE, North 72°26'21" East, 93.43 feet along the southerly line of
23	said pipeline easement to a 5/8-inch iron rod set in the line common
24	to said 12.125 acre and 42.2842 acre tracts;
25	THENCE, South 01°58'48" East, 237.93 feet along said common line to
26	the POINT OF BEGINNING, containing a computed area of 0.466 acre
27	(20,306) of land.

1	TRACT 6
2	Being 0.4427 acres of land located in the Michael McCormick Survey,
3	Abstract No. 553, Harris County, Texas, said 0.4427 acre tract
4	being out of Reserve "A" of Hearthstone Place, Section Two, a
5	subdivision per map or plat thereof recorded in Volume No. 329, Page
6	No. 46 of the Map Records of Harris County, Texas, and being more
7	particularly described by metes and bounds as follows:
8	BEGINNING at a point being the intersection of the east
9	right-of-way line of Addicks-Satsuma Road, as established by said
10	map or plat, with the north line of a 60-foot Magnolia Pipeline
11	Company Easement as recorded in Volume no. 578, Page No. 288, Volume
12	No. 588, Page No. 253, and Volume No. 4222, Page No. 148 of the
13	Harris County Deed Records;
14	THENCE, North 02°16'26" West, along the said east right-of-way line,
15	a distance of 100.00 feet to the northwest corner of the herein
16	described tract;
17	THENCE, North 72°20'26" East a distance of 200.00 feet to the
18	northeast corner of the herein described tract;
19	THENCE, South 02°16'26" East a distance of 100.00 feet to a point
20	lying in the north line of the said 60 foot Magnolia Pipeline
21	Company Easement and being the southeast corner of the herein
22	described tract;
23	THENCE, South $72^{\circ}20'26"$ West, along a north line of the said 60 foot
24	Magnolia Pipeline Company Easement, a distance of 200.00 feet to
25	the PLACE OF BEGINNING, containing 0.4427 acres of land.
26	TRACT 7
27	Being a 0.498 acre (21,700 square feet) tract or parcel of land out

of Michael McCormick Survey, Abstract 533, Harris County, Texas,
said tract being of that certain 15 acre tract conveyed to Emil J.
Rinn and wife Nora H. Rinn per the deed recorded in Volume 2294,
Page 656 of the Harris County Deed Records, Harris County, Texas,
and being more particularly described by metes and bounds, as
follows with all bearings and coordinates referenced to the Texas
Coordinate System, South Central Zone. All distances are surface
and may be converted to grid by multiplying by the combined factor
<u>of 0.9999075:</u>
BEGINNING at a 5/8-inch iron rod (X=3,064,573.76, Y=759,044.30) set
at the corner common to said 15 acre tract and a 15.005 acre tract
conveyed to Kenton R. Pickes, Trustee and Mark S. Robinson, Trustee
recorded in Harris County Official Public Records of Real Property
(H.C.O.P.R.R.P.), File Number E721802 Film Code 138-08-0786, said
point being in the south right-of-way line of F.M. Highway 529
(Spencer Road - 80 feet wide);
THENCE, North 87°41'37" East, 100.00 feet along the south
right-of-way line to a 5/8-inch iron rod set for corner;
THENCE, departing said right-of-way line, South 02°11'43" East,
217.00 feet, along a line parallel with and 100.00 feet east of the
line common to said 15 acre tract and said 15.005 acre tract to a
5/8-inch iron rod set for corner;
THENCE, South 87°41'37" West, 100.00 feet along a line that is
parallel with and 217.00 feet south of the south right-of-way line
of said F.M. Highway 529 to a 5/8-inch iron rod set in said common
line;
THENCE, North 02°11'43" West, 217.00 feet along said common line to

1 the POINT OF BEGINNING, containing a computed area of 0.498 acre

2 (21,700 square feet) of land.

3 SECTION 3. Section 1.06, Chapter 414, Acts of the 77th 4 Legislature, Regular Session, 2001, is amended by amending 5 Subsection (c) and adding Subsection (f) to read as follows:

In addition to the authority granted by Subsection (b) 6 (c) 7 of this section, regardless of whether the territory is contiguous to the authority, the authority may annex some or all of the 8 9 territory located within a district or municipality if the district 10 or municipality files with the authority a petition requesting the annexation signed by a majority of the governing body of the 11 district or municipality. The petition must include an accurate 12 legal description of the boundaries of the territory to be 13 included. If the authority has bonds, notes, or other obligations 14 15 outstanding, the authority shall require the petitioning district 16 or municipality to be obligated to pay its share of the principal of and interest on the outstanding bonds, notes, or other obligations, 17 18 and related costs. The board may grant the petition and order the territory described in the petition annexed to the authority if [+ 19

20 [(1)] it is feasible, practicable, and to the 21 advantage of the authority[; and

22 [(2) the authority's system and other improvements are 23 sufficient or will be sufficient to supply surface water and 24 groundwater to the added territory without harming the territory 25 already included in the authority].

26 (f) A municipality that has annexed or annexes territory of
 27 the authority for limited purposes under Subchapter F, Chapter 43,

1	Teach Company Colo Joon not have the wight for the
1	Local Government Code, does not have the right, for the annexed
2	territory, to:
3	(1) receive notices from the authority under Section
4	4.03(c) of this Act;
5	(2) participate in the appointment of directors under
6	Article 2 of this Act; or
7	(3) receive information about or have the opportunity
8	to fund its share of capital costs in the manner provided by the
9	authority under Section 4.04 of this Act.
10	SECTION 4. Subsection (e), Section 2.01, Chapter 414, Acts
11	of the 77th Legislature, Regular Session, 2001, is amended to read
12	as follows:
13	(e) Notwithstanding Subsection (d) of this section, to
14	serve as director of the authority representing, or to be listed on
15	a ballot as a candidate for director of the authority representing,
16	a director precinct under Section 2.02 of this Act that includes any
17	part of the City of Katy, an individual must:
18	(1) meet the qualifications provided by Subsections
19	(d)(1)-(3) of this section; and
20	(2) must have served as:
21	(A) the mayor or a member of the city council of
22	the City of Katy for any period; or
23	(B) a director of <u>one or more districts for a</u>
24	total of [a district for] four years or more.
25	SECTION 5. Subsections (c) and (e), Section 2.02, Chapter
26	414, Acts of the 77th Legislature, Regular Session, 2001, are
27	amended to read as follows:

For the appointment of a director for a director 1 (c) precinct, the board shall determine the number of votes each 2 3 district or municipality may cast. The number of votes for a 4 governing body of a district or municipality within the precinct is equal to the number computed by dividing the total number of units 5 6 of water, as determined by the board, used within the precinct by 7 the district or municipality during the calendar year preceding the year in which the selection of the director is done by the total 8 number of units of water used within the precinct by all districts 9 and municipalities in the precinct, multiplying that quotient by 10 100, and rounding that result to the nearest tenth. The board shall 11 exclude water pumped from or used in Fort Bend County from the 12 calculation of the number of votes in this subsection if the 13 authority did not charge a fee under Section 4.03(b) of this Act on 14 15 wells in Fort Bend County during the calendar year preceding the 16 year in which the selection of the director is made. The board shall provide the presiding officer of each governing body of a 17 18 district or municipality within each director precinct written notice of the number of votes computed for that governing body to 19 20 cast.

The governing body of each district or municipality in 21 (e) the authority by resolution <u>may</u> [shall] nominate one candidate for 22 the position of director for the director precinct in which the 23 district or municipality is located. Each district or municipality 24 25 shall submit the name of its candidate to the presiding officer of the authority by February 15 of each even-numbered year. 26 If by February 15 of each even-numbered year only one candidate's name is 27

submitted for the position of director for a director precinct, the 1 2 board may declare the unopposed candidate elected and may cancel 3 the director appointment procedures generally required by this section for that position. If more than one candidate's name is 4 submitted for the position of director for a director precinct, 5 before [Before] March 15 of each even-numbered year, the board 6 7 shall prepare, for each director precinct, a ballot listing all the candidates for that director precinct and shall provide a copy of 8 9 the ballot to the presiding officer of the governing body of each district or municipality located within that director precinct. An 10 individual may not be listed as a candidate on the ballot of more 11 than one director precinct. If a candidate is nominated in more 12 than one director precinct, the candidate must choose to be on the 13 ballot of only one director precinct. 14

15 SECTION 6. Section 4.03, Chapter 414, Acts of the 77th 16 Legislature, Regular Session, 2001, is amended by amending 17 Subsections (a), (c), and (d) and adding Subsection (g) to read as 18 follows:

The authority may establish fees, user fees, rates, and 19 (a) 20 charges and classifications of fee and ratepayers, as necessary to enable the authority to fulfill the authority's purposes and 21 22 regulatory functions provided by this Act. The authority may impose fees, user fees, rates, and charges on any person within the 23 authority, including a local government. If the authority imposes 24 25 a fee that is an impact fee, as defined by Section 395.001, Local Government Code, the authority shall comply with Chapter 395, Local 26 27 Government Code. For purposes of this Act, an impact fee does not

include a fee or charge that the authority imposes that is based on a portion of the costs and expenses incurred by the authority before January 1, 2003, and that is charged to a person who did not pay any fees to the authority before January 1, 2003.

5 (c) The board shall make reasonable efforts to send 6 districts and municipalities within the authority written notice of 7 the date, time, and location of the meeting at which the board 8 intends to adopt a proposed charge under Subsection (b), and the 9 amount of the proposed charge. <u>The board's failure to comply with</u> 10 <u>this subsection does not invalidate a charge adopted by the board</u> 11 <u>under Subsection (b).</u>

(d) For wells located in Harris County or Fort Bend County, 12 13 the [The] board shall exempt from the charge under Subsection (b) the classes of wells that are not subject to any groundwater 14 15 reduction requirement imposed by the Harris-Galveston Coastal 16 Subsidence District or the Fort Bend Subsidence District, as appropriate [subsidence district]. If any of those classes of 17 18 wells become subject to a groundwater reduction requirement imposed by the Harris-Galveston Coastal Subsidence District or the Fort 19 Bend Subsidence District, as appropriate [subsidence district], 20 the authority may impose the charge under Subsection (b) on those 21 22 wells [classes]. For purposes of this subsection, a well is subject to a groundwater reduction requirement if the Harris-Galveston 23 Coastal Subsidence District or Fort Bend Subsidence District, as 24 25 appropriate, has adopted or adopts a requirement or regulation that the well reduce groundwater withdrawals or that the well join with 26 27 other wells to collectively reduce groundwater withdrawals,

including a groundwater reduction that is not required until a
future date. The board by rule may exempt any other classes of
wells from the charge under Subsection (b). The board may not apply
the charge under Subsection (b) to a well:

5 (1) with a casing diameter of less than five inches
6 that solely serves a single-family dwelling; or

7

(2) regulated under Chapter 27, Water Code.

8 (g) The authority may impose fees, user fees, or charges for 9 the importation of water into the authority's boundaries from a 10 source located outside the authority's boundaries other than a 11 source located in Waller County that serves a municipality within 12 the authority.

SECTION 7. Section 4.04, Chapter 414, Acts of the 77th
 Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 4.04. PURCHASE OF WATER FROM ANOTHER ENTITY. 15 If the 16 authority purchases water from another entity for resale to local governments, the authority shall use its best efforts 17 in negotiating with the entity to determine the amount of capital 18 costs included in any rates or charges paid by the authority. 19 The authority shall determine the amount of expected capital costs of 20 its own system. The authority shall provide each district or 21 22 municipality within its boundaries information regarding the share of the capital costs to be paid by the district or municipality, as 23 determined by the authority, and shall provide each district or 24 municipality the opportunity, in a manner and by a procedure 25 determined by the authority, to fund its share of the capital costs 26 with proceeds from the sale of bonds or fees and charges collected 27

by the districts or municipalities. In complying with this 1 2 section, the authority may use any reasonable basis to calculate 3 from time to time the share of the capital costs of a district or municipality. The authority may calculate the shares of the 4 capital costs based on the amount of water used within the authority 5 by the district or municipality during the calendar year preceding 6 7 the year in which the calculation is made, and the authority may exclude from the calculation the amount of water used within Fort 8 9 Bend County if the authority did not charge a fee under Section 10 4.03(b) of this Act on wells within Fort Bend County during that 11 calendar year. A district or municipality may use any lawful source 12 of revenue, including bond funds, to make payment for any sums due 13 to the authority. The authority may adopt a procedure by which a district or municipality may receive a credit from the authority. 14 15 The board may adopt any other procedure necessary to accomplish the 16 goals of this section. This section or any failure to comply with this section does not limit or impede the authority's ability to 17 issue bonds or notes or invalidate any fees, user fees, charges, 18 rates, or special assessments imposed by the authority. 19

20 SECTION 8. Section 4.06, Chapter 414, Acts of the 77th 21 Legislature, Regular Session, 2001, is amended to read as follows:

Sec. 4.06. INTEREST AND PENALTIES. The board may require the payment of interest on any late or unpaid fees, user fees, rates, charges, and special assessments due the authority, but the interest rate may not exceed the interest rate permitted by Section 26 2251.025, Government Code. The board may also impose penalties for the failure to completely or timely make <u>payment</u> [payments] to the

authority. <u>In addition, the board may exclude a person, or any</u> <u>territory or well owned or controlled by a person, from the</u> <u>authority's groundwater reduction plan for failure to make a</u> <u>complete or timely payment to the authority.</u>

5 SECTION 9. Subsection (i), Section 5.01, Chapter 414, Acts 6 of the 77th Legislature, Regular Session, 2001, is amended to read 7 as follows:

8 (i) <u>Sections 49.153, 49.154, and</u> [Section] 49.181, Water
9 Code, <u>do</u> [does] not apply to bonds or notes issued by the authority.
10 <u>Commission rules regarding bonds or notes do not apply to bonds or</u>
11 <u>notes issued by the authority.</u>

SECTION 10. The change in law made to Section 1.05, Chapter 12 13 414, Acts of the 77th Legislature, Regular Session, 2001, by this 14 Act, does not impair any obligation related to bonds or notes issued 15 by the West Harris County Regional Water Authority before the 16 effective date of this Act. All outstanding bonds and notes validly issued by the authority remain valid, enforceable, and binding and 17 shall be paid in full, both principal and interest, in accordance 18 with their terms and from the sources pledged to the payment of the 19 20 bonds or notes. Any fees, assessments, or other charges owed to the West Harris County Regional Water Authority on the effective date 21 22 of this Act by an owner of property excluded from the authority by this Act remain the obligation of the owner. 23

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

1 effect, this Act takes effect September 1, 2003.