## A BILL TO BE ENTITLED

## AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Section $1.03(\mathrm{~b})$, Chapter 414 , Acts of the 77 th Legislature, Regular Session, 2001, is amended to read as follows:
(b) In addition to the territory described by Subsection (a) of this section, the authority includes [include] all territory in Fort Bend County of any district or municipality the territory of which includes, on the effective date of this Act, any of the territory described by Subsection (a) of this section, regardless of whether the territory contains noncontiguous parcels of land.

SECTION 2. Section 1.05, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, is amended by adding Subsection (e) to read as follows:
(e) The territory contained in the following areas is excluded from the authority: TRACT 1 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 F569725 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: BEGINNING at a $5 / 8$-inch iron $\operatorname{rod}(\mathrm{X}=3,083,662.36, \mathrm{Y}=759,980.76)$ set at the intersect of the northeasterly line of a Humble Pipeline Company tract as recorded in Volume 1140, Page 63 of the Harris County Deed Records and the south right-of-way of F.M. 529 (Spencer Road - 60 feet wide) and being North $87^{\circ} 16^{\prime} 53^{\prime \prime}$ East, 40.20 feet from a $5 / 8$-inch iron rod found for northwest corner of said 32.5575 acre tract; THENCE, North $87^{\circ} 16^{\prime} 53^{\prime \prime}$ East, 233.40 feet along the south right-of-way line of said F.M. 529 to a $5 / 8$-inch iron rod set for corner; THENCE, at a right angle to said right-of-way, South 0243'07" East 217.00 feet to a 5/8-inch iron rod set for corner; THENCE, along a line that is parallel with and 217.00 feet south of said F.M. 529 right-of-way, South $87^{\circ} 1^{\prime \prime} 53^{\prime \prime}$ West, 75.00 feet to a 5/8-inch iron rod set in the northeasterly line of a 50 foot Humble Pipeline Company Easement as recorded in Volume 3271, Page 200 of the Harris County Deed Records; THENCE, North $38^{\circ} 50^{\prime \prime} 48^{\prime \prime}$ West, 268.66 feet along said northeasterly line to the POINT OF BEGINNING, containing a computed area of 0.768 acre $(33,462$ square feet) of land. TRACT 2 Being a 0.4982 acre $(21,700$ square feet) tract or parcel of land out of that certain 66 acre Southern Pacific Company tract recorded in Volume 6580, Page 451 of the Harris County Deed Records, said tract being located in the T. Nellis Survey, Abstract No. 605, 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: BEGINNING at a 3/4-inch iron pipe ( $X=3,081,499.03, Y=759,878.02$ ) found at the intersection of the West line of said T. Nellis Survey with the South right-of-way line of F.M. Highway 529 (Spencer Road 60 feet wide); THENCE North 87 degrees 16 minutes 58 seconds East, 100.00 feet along the said South right-of-way line to a $5 / 8$-inch iron pipe rod set for corner;

THENCE South 02 degrees 33 minutes 55 seconds East, 217.00 feet to a 5/8-inch iron rod set for corner; THENCE South 87 degrees 16 minutes 58 seconds West, 100.00 feet to a 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 along the said survey line to the POINT OF BEGINNING and containing a computed area of 0.4982 acre $(21,700$ square feet) of land. TRACT 3 A tract or parcel of land containing 2,169 acres out of the Charles Scarbrough Survey, Abstract 718, Harris County, Texas, and being all of Lot 10, Block 2, Satsuma Estates, First Section, as recorded in Volume 998, Page 704 of the Harris County Deed Records, same being all of that certain tract conveyed to John H. Thompson per the deed recorded in the Harris County Official Public Records of Real Property, File No. F949984 and Film Code No. 119-81-0436, and being more particularly described by metes and bounds as follows with all bearings and coordinates referenced to the Texas Coordinate System,

1 South Central Zone:
2 BEGINNING at a 5/8-inch iron $\operatorname{rod}(X=3,075,495.77, Y=760,552.13)$ set 3 at the northwest corner of said Lot 10 in the east right-of-way line 4 of Mayard Road (Beaumont Road - 60 feet wide);

5 THENCE, North $86^{\circ} 40^{\prime} 40^{\prime \prime}$ East, 540.00 feet along the line common with 6 Lot 10 and Lot 9 to a 5/8-inch iron rod set at the corner common to 7 Lots 9, 10, 5 and 6;
8 THENCE, South 02 ${ }^{\circ} 7^{\prime} 1^{\prime \prime \prime}$ East, 175.00 feet along the line common with
9 Lot 10 and Lot 5 to a 1/2-inch iron rod found at the corner common to
10 Lots 10, 11, 4 and 5;
11 THENCE, South $86^{\circ} 40^{\prime} 40^{\prime \prime}$ West, 540.00 feet along the line common with
12 Lot 10 and Lot 11 to a 5/8-inch iron rod set in the east right-of-way
line of said Mayard Road;
THENCE, North 02.37'17" West, 175.00 feet along said east
right-of-way line to the POINT OF BEGINNING, containing a computed
area of 2.169 acres of land.
TRACT 4
Being a 0.523 acre $(22,759$ square feet) tract or parcel of land out of the Charles Scarbrough Survey, Abstract 718, Harris County, Texas, said tract being a part of that certain 50.00 acre tract conveyed to S/C Investments 121, Ltd., per the deed recorded in the Harris County Official Public Records of Real Property (H.C.O.P.R.R.P.), File Number D869891, Film Code 161-25-2007, 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: BEGINNING at a 3/4-inch iron pipe ( $\mathrm{X}=3,073,121.64, \mathrm{Y}=759,462.66$ )
found at the corner common to said 50.00 acre tract and a 42.2842 acre tract recorded in the H.C.O.P.R.R.P., File Number D568750, Film code 143-42-0702, on the north right-of-way line of F.M. Highway 529 (Spencer Road - 60 feet wide), said point being North 8742'14" East, 22.04.43 feet from the intersection of the east right-of-way line of Jackrabbit Road (80 feet wide) with said north right-of-way line; THENCE, North 0144'47" West, 247.05 feet along the line common to said 50.00 acre and 42.2842 acre tracts to a $5 / 8$-inch iron rod set in the southerly line of a 10-foot wide Southwestern Bell Telephone Company easement (to be abandoned), as recorded in Volume 1231, Page 306 of the Harris County Deed Records; THENCE, South 7057'20' East, 106.97 feet along the southerly line of said telephone easement to a 5/8-inch iron rod set for corner; THENCE, South 0144'47" East, 208.13 feet along a line that is parallel with and 100.00 feet east of said common line to a $5 / 8$-inch iron rod set in the north right-of-way line of said F.M. Highway 529;

THENCE, South $87^{\circ} 42^{\prime} 14^{\prime \prime}$ West, 100.00 feet along said north right-of-way line to the POINT OF BEGINNING, containing a computed area of 0.523 acre $(22,759$ square feet) of land. TRACT 5 Being a 0.466 acre $(20,306$ square feet) tract or parcel of land out of the Charles Scarbrough Survey, Abstract 718, Harris County, Texas, said tract being a part of that certain 12.125 acre tract conveyed to J. Charles Whitfield, per the deed recorded in the Harris County Official Public Records of Real Property (H. C. O. P.
R. R. P.), File Number E866668, Film Code 147-12-0335, 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: BEGINNING, at a $5 / 8$-inch iron rod ( $\mathrm{X}=3,071,743.36, \mathrm{Y}=759,407.40$ ) set at the corner common to said 12.125 acre tract and a 42.2842 acre tract recorded in the H. C. O. P. R. R. P., File Number D568730, Film Code 143-42-0702, on the north right-of-way line of F.M. Highway 529 (Spencer Road - 60 feet wide), said point being North 87* $42^{\prime \prime} 1^{\prime \prime}$ East, 824.93 feet from the intersection of the east right-of-way line of Jackrabbit Road (80 feet wide) with said north right-of-way line;

THENCE, South $87^{\circ} 42^{\prime \prime} 14^{\prime \prime}$ West, 90.00 feet along the north right-of-way line of said F.M. Highway 529 to a 5/8-inch iron rode set for corner;

THENCE, North 0158'48" West, 213.33 feet along a line that is parallel with and 90.00 west of the east line of said 12.125 acre tract to a 5/8-inch iron rod set in the southerly line of a 60 foot wide Mobil (Magnolia) Pipeline Easement, recorded in Volume 578, Page 228 of the Harris County Deed Records; THENCE, North $72^{\circ} 26^{\prime} 21^{\prime \prime}$ East, 93.43 feet along the southerly line of said pipeline easement to a 5/8-inch iron rod set in the line common to said 12.125 acre and 42.2842 acre tracts; THENCE, South 0158'48" East, 237.93 feet along said common line to the POINT OF BEGINNING, containing a computed area of 0.466 acre $(20,306)$ of land. TRACT 6

Being 0.4427 acres of land located in the Michael McCormick Survey, Abstract No. 553, Harris County, Texas, said 0.4427 acre tract being out of Reserve "A" of Hearthstone Place, Section Two, a subdivision per map or plat thereof recorded in Volume No. 329, Page No. 46 of the Map Records of Harris County, Texas, and being more particularly described by metes and bounds as follows: BEGINNING at a point being the intersection of the east right-of-way line of Addicks-Satsuma Road, as established by said map or plat, with the north line of a 60-foot Magnolia Pipeline Company Easement as recorded in Volume no. 578, Page No. 288, Volume No. 588, Page No. 253, and Volume No. 4222, Page No. 148 of the Harris County Deed Records; THENCE, North 02́16'26" West, along the said east right-of-way line, a distance of 100.00 feet to the northwest corner of the herein described tract;

THENCE, North $72^{\circ} 20^{\prime} 26^{\prime \prime}$ East a distance of 200.00 feet to the northeast corner of the herein described tract;

THENCE, South $02^{\circ} 16^{\prime} 2^{\prime \prime}$ East a distance of 100.00 feet to a point lying in the north line of the said 60 foot Magnolia Pipeline Company Easement and being the southeast corner of the herein described tract; THENCE, South 72ㅇㅇ́ ${ }^{\prime} 6^{\prime \prime}$ West, along a north line of the said 60 foot Magnolia Pipeline Company Easement, a distance of 200.00 feet to the PLACE OF BEGINNING, containing 0.4427 acres of land. TRACT 7 Being a tract or parcel of land containing 0.498 acre ( 21,700 square feet) in the Michael McCormick Survey, Abstract 533, Harris County,

Texas and being out of that certain tract conveyed to Elva G. Weiman per the deed recorded in Volume 1340, Page 576 of the Harris County Deed Records 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: COMMENCING at a $1 / 2$-inch iron $\operatorname{rod}(X=3,066,990.80, Y=759,151.31)$ found at the intersection of the south right-of-way line of F.M. Highway 529 (Spencer Road - 60 feet wide) with the east right-of-way line of Addicks-Satusma Road (50 feet wide); THENCE, North $87^{\circ} 27^{\prime} 48^{\prime \prime}$ East, 145.00 feet along the southerly right-of-way line of said F.M. Highway 529 to a 5/8-inch iron rod (X=3,067,135.64, Y=759,157.73) set for the POINT OF BEGINNING and the northwest corner of the herein described parcel; THENCE, continuing along the south right-of-way line of said F.M. Highway 529, North $87^{\circ} 27^{\prime} 48^{\prime \prime}$ East, 100.00 feet to a 5/8-inch iron rod set for northeast corner; THENCE, departing said right-of-way line, South 0213'21" East, 217.00 feet, along a line that is parallel with and 245.00 feet east of the east right-of-way line of said Addicks-Satsuma Road to a 5/8-inch iron rod set for southeast corner; THENCE, South $87^{\circ} 27^{\prime 4} 48^{\prime \prime}$ West, 100.00 feet along a line that is parallel with and 217.00 feet south of said south right-of-way line of F.M. Highway 529 to a 5/8-inch iron rod set for southwest corner; THENCE, North $02^{\circ} 1^{\prime \prime} 21^{\prime \prime}$ West, 217.00 feet along a line that is parallel with and 145.00 feet east of the east right-of-way line of said Addicks-Satsuma Road to the POINT OF BEGINNING, containing a computed area of 0.498 acre ( 21,700 square feet) of land.

SECTION 3. Section 1.06, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, is amended by amending Subsection (c) and adding Subsection (f) to read as follows:
(c) In addition to the authority granted by Subsection (b) of this section, regardless of whether the territory is contiguous to the authority, the authority may annex territory located within a district or municipality if the district or municipality files with the authority a petition requesting the annexation signed by a majority of the governing body of the district or municipality. The petition must include an accurate legal description of the boundaries of the territory to be included. If the authority has bonds, notes, or other obligations outstanding, the authority shall require the petitioning district or municipality to be obligated to pay its share of the principal of and interest on the outstanding bonds, notes, or other obligations, and related costs. The board may grant the petition and order the territory described in the petition annexed to the authority if [:
[(1)] it is feasible, practicable, and to the advantage of the authority[; and
$[(2)$ the authority's system and other improvements are sufficient or will be sufficient to supply surface water and groundwatex to the added texxitoxy without harming the texxitory already included in the authority].
(f) A municipality that annexes territory of the authority for limited purposes under Subchapter $F$, Chapter 43, Local Government Code, does not have the right to:
(1) receive notices from the authority under Section

### 4.03(c) of this Act;

(2) participate in the appointment of directors under

## Article 2 of this Act; or

(3) receive information about or have the opportunity to fund its share of the capital costs of a purchase of water from another entity under Section 4.04.

SECTION 4. Section $2.01(e)$, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:
(e) Notwithstanding Subsection (d) of this section, to serve as director of the authority representing, or to be listed on a ballot as a candidate for director of the authority representing, a director precinct under Section 2.02 of this Act that includes any part of the City of Katy, an individual must:
(1) meet the qualifications provided by Subsections (d)(1)-(3) of this section; and
(2) must have served as:
(A) the mayor or a member of the city council of the City of Katy for any period; or
(B) a director of one or more districts for a total of [adistrict for] four years or more.

SECTION 5. Sections 2.02(c) and (e), Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, are amended to read as follows:
(c) For the appointment of a director for a director precinct, the board shall determine the number of votes each district or municipality may cast. The number of votes for a governing body of a district or municipality within the precinct is equal to the number computed by dividing the total number of units of water, as determined by the board, used within the precinct by the district or municipality during the calendar year preceding the year in which the selection of the director is done by the total number of units of water used within the precinct by all districts and municipalities in the precinct, multiplying that quotient by 100, and rounding that result to the nearest tenth. The board shall exclude water pumped from or used in Fort Bend County from the calculation of the number of votes in this subsection if the authority did not charge a fee under Section $4.03(b)$ on wells in Fort Bend County during the calendar year preceding the year in which the selection of the director is made. The board shall provide the presiding officer of each governing body of a district or municipality within each director precinct written notice of the number of votes computed for that governing body to cast.
(e) The governing body of each district or municipality in the authority by resolution may [shall] nominate one candidate for the position of director for the director precinct in which the district or municipality is located. Each district or municipality shall submit the name of its candidate to the presiding officer of the authority by February 15 of each even-numbered year. If by February 15 of each even-numbered year only one candidate's name is submitted for the position of director for a director precinct, the board may declare the unopposed candidate elected and may cancel the director appointment procedures generally required by this section for that position. If more than one candidate's name is submitted for the position of director for a director precinct,
before [Before] March 15 of each even-numbered year, the board shall prepare, for each director precinct, a ballot listing all the candidates for that director precinct and shall provide a copy of the ballot to the presiding officer of the governing body of each district or municipality located within that director precinct. An individual may not be listed as a candidate on the ballot of more than one director precinct. If a candidate is nominated in more than one director precinct, the candidate must choose to be on the ballot of only one director precinct.

SECTION 6. Section 4.03, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, is amended by amending Subsections (a), (c), and (d) and adding Subsection (g) to read as follows:
(a) The authority may establish fees, user fees, rates, and charges and classifications of fee and ratepayers, as necessary to enable the authority to fulfill the authority's purposes and regulatory functions provided by this Act. The authority may impose fees, user fees, rates, and charges on any person within the authority, including a local government. If the authority imposes a fee that is an impact fee, as defined by Section 395.001, Local Government Code, the authority shall comply with Chapter 395, Local 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.
(c) The board shall make reasonable efforts to send
districts and municipalities within the authority written notice of the date, time, and location of the meeting at which the board intends to adopt a proposed charge under Subsection (b), and the amount of the proposed charge. The board's failure to comply with this subsection does not invalidate a charge adopted by the board under Subsection (b).
(d) For wells located in Harris County or Fort Bend County, the [The] board shall exempt from the charge under Subsection (b) the classes of wells that are not subject to any groundwater reduction requirement imposed by the Harris-Galveston Coastal Subsidence District or the Fort Bend Subsidence District, as appropriate [subsidence district]. If any of those classes of wells become subject to a groundwater reduction requirement imposed by the Harris-Galveston Coastal Subsidence District or the Fort Bend Subsidence District, as appropriate [subsidence district], the authority may impose the charge under Subsection (b) on those wells [elasses]. For purposes of this subsection, a well is subject to a groundwater reduction requirement if the Harris-Galveston Coastal Subsidence District or Fort Bend Subsidence District, as appropriate, adopts a requirement or regulation that the well reduce groundwater withdrawals or that the well join with 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:
(1) with a casing diameter of less than five inches that solely serves a single-family dwelling; or
(2) regulated under Chapter 27, Water Code.
(g) The authority may impose fees, user fees, or charges for the importation of water into the authority's boundaries from a source located outside the authority's boundaries other than a source located in Waller County that serves a municipality.

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. If the authority purchases water from another entity for resale to local governments, the authority shall use its best efforts in negotiating with the entity to determine the amount of capital costs included in any rates or charges paid by the authority. The authority shall determine the amount of expected capital costs of its own system. The authority shall provide each district or municipality within its boundaries information regarding the share of the capital costs to be paid by the district or municipality, as determined by the authority, and shall provide each district or municipality the opportunity, in a manner and by a procedure determined by the authority, to fund its share of the capital costs with proceeds from the sale of bonds or fees and charges collected by the districts or municipalities. In complying with this section, the authority may use any reasonable basis to calculate from time to time the share of the capital costs of a district or municipality. The authority may calculate the shares of the capital costs based on the amount of water used within the authority by the district or municipality during the calendar year preceding the year in which the calculation is made, and the authority may exclude from the calculation the amount of water used within Fort Bend County if the authority did not charge a fee under Section 4.03(b) of this Act on wells within Fort Bend County during that calendar year. A district or municipality may use any lawful source of revenue, including bond funds, to make payment for any sums due to the authority. The authority may adopt a procedure by which a district or municipality may receive a credit from the authority. The board may adopt any other procedure necessary to accomplish the goals of this section. This section or any failure to comply with this section does not limit or impede the authority's ability to issue bonds or notes.

SECTION 8. Section 4.06, Chapter 414, Acts of the 77th 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 2251.025, Government Code. The board may also impose penalties for the failure to completely or timely make payment [payments] to the authority. In addition, the board may exclude a person, or any territory or well owned or controlled by a person, from the authority's groundwater reduction plan for failure to make a complete or timely payment to the authority.

SECTION 9. Section 5.01(i), Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, is amended to read as follows:
(i) Sections 49.153, 49.154, and [Section] 49.181, Water Code, do [does] not apply to bonds or notes issued by the authority. Commission rules regarding bonds or notes do not apply to bonds or notes issued by the authority.

SECTION 10. The change in law made to Section 1.05, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by this Act, does not impair any obligation related to bonds or notes issued by the West Harris County Regional Water Authority before the effective date of this Act. All outstanding bonds and notes validly issued by the authority remain valid, enforceable, and binding and shall be paid in full, both principal and interest, in accordance with their terms and from the sources pledged to the payment of the bonds or notes. An owner of land within the area excluded from the authority by this Act the taxes on which have been pledged for bonds issued by the authority remains liable for the owner's pro rata share of that bond debt and shall continue to pay taxes on that land until the owner's pro rata share is paid.

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 effect, this Act takes effect September 1, 2003.

