

1-1 By: Lindsay S.B. No. 1035
1-2 (In the Senate - Filed March 7, 2003; March 17, 2003, read
1-3 first time and referred to Committee on Natural Resources;
1-4 March 31, 2003, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 11, Nays 0; March 31, 2003,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1035 By: Lindsay

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the general powers and authority of the West Harris
1-11 County Regional Water Authority.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (b), Section 1.03, Chapter 414, Acts
1-14 of the 77th Legislature, Regular Session, 2001, is amended to read
1-15 as follows:

1-16 (b) In addition to the territory described by Subsection (a)
1-17 of this section, the authority includes [~~include~~] all territory in
1-18 Fort Bend County of any district or municipality the territory of
1-19 which includes, on the effective date of this Act, any of the
1-20 territory described by Subsection (a) of this section, regardless
1-21 of whether the territory contains noncontiguous parcels of land.

1-22 SECTION 2. Section 1.05, Chapter 414, Acts of the 77th
1-23 Legislature, Regular Session, 2001, is amended by adding Subsection
1-24 (e) to read as follows:

1-25 (e) The territory contained in the following areas is
1-26 excluded from the authority:

1-27 TRACT 1

1-28 Being a 0.768 acre (33,462 square feet) tract or parcel of land out
1-29 of the Thomas Nellis Survey, Abstract 605, Harris County, Texas,
1-30 being a part of that certain 32.5575 acre tract conveyed to Michael
1-31 Block, Trustee in deed recorded in the Harris County Official
1-32 Public Records of Real Property, Film Code 193-06-0326, File Number
1-33 F569725 and being more particularly described by metes and bounds
1-34 as follows with all bearings and coordinates referenced to the
1-35 Texas Coordinate System, South Central Zone:

1-36 BEGINNING at a 5/8-inch iron rod (X=3,083,662.36, Y=759,980.76) set
1-37 at the intersect of the northeasterly line of a Humble Pipeline
1-38 Company tract as recorded in Volume 1140, Page 63 of the Harris
1-39 County Deed Records and the south right-of-way of F.M. 529 (Spencer
1-40 Road - 60 feet wide) and being North 87°16'53" East, 40.20 feet from
1-41 a 5/8-inch iron rod found for northwest corner of said 32.5575 acre
1-42 tract;

1-43 THENCE, North 87°16'53" East, 233.40 feet along the south
1-44 right-of-way line of said F.M. 529 to a 5/8-inch iron rod set for
1-45 corner;

1-46 THENCE, at a right angle to said right-of-way, South 02°43'07" East
1-47 217.00 feet to a 5/8-inch iron rod set for corner;

1-48 THENCE, along a line that is parallel with and 217.00 feet south of
1-49 said F.M. 529 right-of-way, South 87°16'53" West, 75.00 feet to a
1-50 5/8-inch iron rod set in the northeasterly line of a 50 foot Humble
1-51 Pipeline Company Easement as recorded in Volume 3271, Page 220 of
1-52 the Harris County Deed Records;

1-53 THENCE, North 38°50'48" West, 268.66 feet along said northeasterly
1-54 line to the POINT OF BEGINNING, containing a computed area of 0.768
1-55 acre (33,462 square feet) of land.

1-56 TRACT 2

1-57 Being a 0.4982 acre (21,700 square feet) tract or parcel of land out
1-58 of that certain 66 acre Southern Pacific Company tract recorded in
1-59 Volume 6580, Page 451 of the Harris County Deed Records, said tract
1-60 being located in the T. Nellis Survey, Abstract No. 605, Harris
1-61 County, Texas and being more particularly described by metes and
1-62 bounds as follows with all bearings and coordinates referenced to
1-63 the Texas Coordinate System, South Central Zone:

2-1 BEGINNING at a 3/4-inch iron pipe (X=3,081,499.03, Y=759,878.02)
 2-2 found at the intersection of the West line of said T. Nellis Survey
 2-3 with the South right-of-way line of F.M. Highway 529 (Spencer Road -
 2-4 60 feet wide);
 2-5 THENCE North 87 degrees 16 minutes 58 seconds East, 100.00 feet
 2-6 along the said South right-of-way line to a 5/8-inch iron pipe rod
 2-7 set for corner;
 2-8 THENCE South 02 degrees 33 minutes 55 seconds East, 217.00 feet to a
 2-9 5/8-inch iron rod set for corner;
 2-10 THENCE South 87 degrees 16 minutes 58 seconds West, 100.00 feet to a
 2-11 5/8-inch iron rod set in the West line of said T. Nellis Survey;
 2-12 THENCE North 02 degrees 33 minutes 55 seconds West, 217.00 feet
 2-13 along the said survey line to the POINT OF BEGINNING and containing
 2-14 a computed area of 0.4982 acre (21,700 square feet) of land.
 2-15 TRACT 3
 2-16 A tract or parcel of land containing 2,169 acres out of the Charles
 2-17 Scarborough Survey, Abstract 718, Harris County, Texas, and being
 2-18 all of Lot 10, Block 2, Satsuma Estates, First Section, as recorded
 2-19 in Volume 998, Page 704 of the Harris County Deed Records, same
 2-20 being all of that certain tract conveyed to John H. Thompson per the
 2-21 deed recorded in the Harris County Official Public Records of Real
 2-22 Property, File No. F949984 and Film Code No. 119-81-0436, and being
 2-23 more particularly described by metes and bounds as follows with all
 2-24 bearings and coordinates referenced to the Texas Coordinate System,
 2-25 South Central Zone:
 2-26 BEGINNING at a 5/8-inch iron rod (X=3,075,495.77, Y=760,552.13) set
 2-27 at the northwest corner of said Lot 10 in the east right-of-way line
 2-28 of Mayard Road (Beaumont Road - 60 feet wide);
 2-29 THENCE, North 86°40'40" East, 540.00 feet along the line common with
 2-30 Lot 10 and Lot 9 to a 5/8-inch iron rod set at the corner common to
 2-31 Lots 9, 10, 5 and 6;
 2-32 THENCE, South 02°37'17" East, 175.00 feet along the line common with
 2-33 Lot 10 and Lot 5 to a 1/2-inch iron rod found at the corner common to
 2-34 Lots 10, 11, 4 and 5;
 2-35 THENCE, South 86°40'40" West, 540.00 feet along the line common with
 2-36 Lot 10 and Lot 11 to a 5/8-inch iron rod set in the east right-of-way
 2-37 line of said Mayard Road;
 2-38 THENCE, North 02°37'17" West, 175.00 feet along said east
 2-39 right-of-way line to the POINT OF BEGINNING, containing a computed
 2-40 area of 2.169 acres of land.
 2-41 TRACT 4
 2-42 Being a 0.523 acre (22,759 square feet) tract or parcel of land out
 2-43 of the Charles Scarborough Survey, Abstract 718, Harris County,
 2-44 Texas, said tract being a part of that certain 50.00 acre tract
 2-45 conveyed to S/C Investments 121, Ltd., per the deed recorded in the
 2-46 Harris County Official Public Records of Real Property
 2-47 (H.C.O.P.R.R.P.), File Number D869891, Film Code 161-25-2007, and
 2-48 being more particularly described by metes and bounds as follows
 2-49 with all bearings and coordinates referenced to the Texas
 2-50 Coordinate System, South Central Zone:
 2-51 BEGINNING at a 3/4-inch iron pipe (X=3,073,121.64, Y=759,462.66)
 2-52 found at the corner common to said 50.00 acre tract and a 42.2842
 2-53 acre tract recorded in the H.C.O.P.R.R.P., File Number D568750,
 2-54 Film code 143-42-0702, on the north right-of-way line of F.M.
 2-55 Highway 529 (Spencer Road - 60 feet wide), said point being North
 2-56 87°42'14" East, 2204.43 feet from the intersection of the east
 2-57 right-of-way line of Jackrabbit Road (80 feet wide) with said north
 2-58 right-of-way line;
 2-59 THENCE, North 01°44'47" West, 247.05 feet along the line common to
 2-60 said 50.00 acre and 42.2842 acre tracts to a 5/8-inch iron rod set
 2-61 in the southerly line of a 10-foot wide Southwestern Bell Telephone
 2-62 Company easement (to be abandoned), as recorded in Volume 1231,
 2-63 Page 306 of the Harris County Deed Records;
 2-64 THENCE, South 70°57'20" East, 106.97 feet along the southerly line
 2-65 of said telephone easement to a 5/8-inch iron rod set for corner;
 2-66 THENCE, South 01°44'47" East, 208.13 feet along a line that is
 2-67 parallel with and 100.00 feet east of said common line to a 5/8-inch
 2-68 iron rod set in the north right-of-way line of said F.M. Highway
 2-69 529;

3-1 THENCE, South 87°42'14" West, 100.00 feet along said north
 3-2 right-of-way line to the POINT OF BEGINNING, containing a computed
 3-3 area of 0.523 acre (22,759 square feet) of land.

3-4 TRACT 5

3-5 Being a 0.466 acre (20,306 square feet) tract or parcel of land out
 3-6 of the Charles Scarbrough Survey, Abstract 718, Harris County,
 3-7 Texas, said tract being a part of that certain 12.125 acre tract
 3-8 conveyed to J. Charles Whitfield, per the deed recorded in the
 3-9 Harris County Official Public Records of Real Property (H. C. O. P.
 3-10 R. R. P.), File Number E866668, Film Code 147-12-0335, and being
 3-11 more particularly described by metes and bounds as follows with all
 3-12 bearings and coordinates referenced to the Texas Coordinate System,
 3-13 South Central Zone:

3-14 BEGINNING, at a 5/8-inch iron rod (X=3,071,743.36, Y=759,407.40)
 3-15 set at the corner common to said 12.125 acre tract and a 42.2842
 3-16 acre tract recorded in the H. C. O. P. R. R. P., File Number D568750,
 3-17 Film Code 143-42-0702, on the north right-of-way line of F.M.
 3-18 Highway 529 (Spencer Road - 60 feet wide), said point being North
 3-19 87°42'14" East, 824.93 feet from the intersection of the east
 3-20 right-of-way line of Jackrabbit Road (80 feet wide) with said north
 3-21 right-of-way line;

3-22 THENCE, South 87°42'14" West, 90.00 feet along the north
 3-23 right-of-way line of said F.M. Highway 529 to a 5/8-inch iron rode
 3-24 set for corner;

3-25 THENCE, North 01°58'48" West, 213.33 feet along a line that is
 3-26 parallel with and 90.00 west of the east line of said 12.125 acre
 3-27 tract to a 5/8-inch iron rod set in the southerly line of a 60 foot
 3-28 wide Mobil (Magnolia) Pipeline Easement, recorded in Volume 578,
 3-29 Page 228 of the Harris County Deed Records;

3-30 THENCE, North 72°26'21" East, 93.43 feet along the southerly line of
 3-31 said pipeline easement to a 5/8-inch iron rod set in the line common
 3-32 to said 12.125 acre and 42.2842 acre tracts;

3-33 THENCE, South 01°58'48" East, 237.93 feet along said common line to
 3-34 the POINT OF BEGINNING, containing a computed area of 0.466 acre
 3-35 (20,306) of land.

3-36 TRACT 6

3-37 Being 0.4427 acres of land located in the Michael McCormick Survey,
 3-38 Abstract No. 553, Harris County, Texas, said 0.4427 acre tract
 3-39 being out of Reserve "A" of Hearthstone Place, Section Two, a
 3-40 subdivision per map or plat thereof recorded in Volume No. 329, Page
 3-41 No. 46 of the Map Records of Harris County, Texas, and being more
 3-42 particularly described by metes and bounds as follows:

3-43 BEGINNING at a point being the intersection of the east
 3-44 right-of-way line of Addicks-Satsuma Road, as established by said
 3-45 map or plat, with the north line of a 60-foot Magnolia Pipeline
 3-46 Company Easement as recorded in Volume no. 578, Page No. 288, Volume
 3-47 No. 588, Page No. 253, and Volume No. 4222, Page No. 148 of the
 3-48 Harris County Deed Records;

3-49 THENCE, North 02°16'26" West, along the said east right-of-way line,
 3-50 a distance of 100.00 feet to the northwest corner of the herein
 3-51 described tract;

3-52 THENCE, North 72°20'26" East a distance of 200.00 feet to the
 3-53 northeast corner of the herein described tract;

3-54 THENCE, South 02°16'26" East a distance of 100.00 feet to a point
 3-55 lying in the north line of the said 60 foot Magnolia Pipeline
 3-56 Company Easement and being the southeast corner of the herein
 3-57 described tract;

3-58 THENCE, South 72°20'26" West, along a north line of the said 60 foot
 3-59 Magnolia Pipeline Company Easement, a distance of 200.00 feet to
 3-60 the PLACE OF BEGINNING, containing 0.4427 acres of land.

3-61 TRACT 7

3-62 Being a 0.498 acre (21,700 square feet) tract or parcel of land out
 3-63 of Michael McCormick Survey, Abstract 533, Harris County, Texas,
 3-64 said tract being of that certain 15 acre tract conveyed to Emil J.
 3-65 Rinn and wife Nora H. Rinn per the deed recorded in Volume 2294,
 3-66 Page 656 of the Harris County Deed Records, Harris County, Texas,
 3-67 and being more particularly described by metes and bounds, as
 3-68 follows with all bearings and coordinates referenced to the Texas
 3-69 Coordinate System, South Central Zone. All distances are surface

4-1 and may be converted to grid by multiplying by the combined factor
 4-2 of 0.9999075:
 4-3 BEGINNING at a 5/8-inch iron rod (X=3,064,573.76, Y=759,044.30) set
 4-4 at the corner common to said 15 acre tract and a 15.005 acre tract
 4-5 conveyed to Kenton R. Pickes, Trustee and Mark S. Robinson, Trustee
 4-6 recorded in Harris County Official Public Records of Real Property
 4-7 (H.C.O.P.R.R.P.), File Number E721802 Film Code 138-08-0786, said
 4-8 point being in the south right-of-way line of F.M. Highway 529
 4-9 (Spencer Road - 80 feet wide);
 4-10 THENCE, North 87°41'37" East, 100.00 feet along the south
 4-11 right-of-way line to a 5/8-inch iron rod set for corner;
 4-12 THENCE, departing said right-of-way line, South 02°11'43" East,
 4-13 217.00 feet, along a line parallel with and 100.00 feet east of the
 4-14 line common to said 15 acre tract and said 15.005 acre tract to a
 4-15 5/8-inch iron rod set for corner;
 4-16 THENCE, South 87°41'37" West, 100.00 feet along a line that is
 4-17 parallel with and 217.00 feet south of the south right-of-way line
 4-18 of said F.M. Highway 529 to a 5/8-inch iron rod set in said common
 4-19 line;
 4-20 THENCE, North 02°11'43" West, 217.00 feet along said common line to
 4-21 the POINT OF BEGINNING, containing a computed area of 0.498 acre
 4-22 (21,700 square feet) of land.

4-23 SECTION 3. Section 1.06, Chapter 414, Acts of the 77th
 4-24 Legislature, Regular Session, 2001, is amended by amending
 4-25 Subsection (c) and adding Subsection (f) to read as follows:

4-26 (c) In addition to the authority granted by Subsection (b)
 4-27 of this section, regardless of whether the territory is contiguous
 4-28 to the authority, the authority may annex some or all of the
 4-29 territory located within a district or municipality if the district
 4-30 or municipality files with the authority a petition requesting the
 4-31 annexation signed by a majority of the governing body of the
 4-32 district or municipality. The petition must include an accurate
 4-33 legal description of the boundaries of the territory to be
 4-34 included. If the authority has bonds, notes, or other obligations
 4-35 outstanding, the authority shall require the petitioning district
 4-36 or municipality to be obligated to pay its share of the principal of
 4-37 and interest on the outstanding bonds, notes, or other obligations,
 4-38 and related costs. The board may grant the petition and order the
 4-39 territory described in the petition annexed to the authority if[+]

4-40 ~~[(1)] it is feasible, practicable, and to the~~
 4-41 ~~advantage of the authority[+ and~~

4-42 ~~[(2) the authority's system and other improvements are~~
 4-43 ~~sufficient or will be sufficient to supply surface water and~~
 4-44 ~~groundwater to the added territory without harming the territory~~
 4-45 ~~already included in the authority].~~

4-46 (f) A municipality that has annexed or annexes territory of
 4-47 the authority for limited purposes under Subchapter F, Chapter 43,
 4-48 Local Government Code, does not have the right, for the annexed
 4-49 territory, to:

4-50 (1) receive notices from the authority under Section
 4-51 4.03(c) of this Act;

4-52 (2) participate in the appointment of directors under
 4-53 Article 2 of this Act; or

4-54 (3) receive information about or have the opportunity
 4-55 to fund its share of capital costs in the manner provided by the
 4-56 authority under Section 4.04 of this Act.

4-57 SECTION 4. Subsection (e), Section 2.01, Chapter 414, Acts
 4-58 of the 77th Legislature, Regular Session, 2001, is amended to read
 4-59 as follows:

4-60 (e) Notwithstanding Subsection (d) of this section, to
 4-61 serve as director of the authority representing, or to be listed on
 4-62 a ballot as a candidate for director of the authority representing,
 4-63 a director precinct under Section 2.02 of this Act that includes any
 4-64 part of the City of Katy, an individual must:

4-65 (1) meet the qualifications provided by Subsections
 4-66 (d)(1)-(3) of this section; and

4-67 (2) must have served as:
 4-68 (A) the mayor or a member of the city council of
 4-69 the City of Katy for any period; or

5-1 (B) a director of one or more districts for a
 5-2 total of [a district for] four years or more.

5-3 SECTION 5. Subsections (c) and (e), Section 2.02, Chapter
 5-4 414, Acts of the 77th Legislature, Regular Session, 2001, are
 5-5 amended to read as follows:

5-6 (c) For the appointment of a director for a director
 5-7 precinct, the board shall determine the number of votes each
 5-8 district or municipality may cast. The number of votes for a
 5-9 governing body of a district or municipality within the precinct is
 5-10 equal to the number computed by dividing the total number of units
 5-11 of water, as determined by the board, used within the precinct by
 5-12 the district or municipality during the calendar year preceding the
 5-13 year in which the selection of the director is done by the total
 5-14 number of units of water used within the precinct by all districts
 5-15 and municipalities in the precinct, multiplying that quotient by
 5-16 100, and rounding that result to the nearest tenth. The board shall
 5-17 exclude water pumped from or used in Fort Bend County from the
 5-18 calculation of the number of votes in this subsection if the
 5-19 authority did not charge a fee under Section 4.03(b) of this Act on
 5-20 wells in Fort Bend County during the calendar year preceding the
 5-21 year in which the selection of the director is made. The board
 5-22 shall provide the presiding officer of each governing body of a
 5-23 district or municipality within each director precinct written
 5-24 notice of the number of votes computed for that governing body to
 5-25 cast.

5-26 (e) The governing body of each district or municipality in
 5-27 the authority by resolution may [shall] nominate one candidate for
 5-28 the position of director for the director precinct in which the
 5-29 district or municipality is located. Each district or municipality
 5-30 shall submit the name of its candidate to the presiding officer of
 5-31 the authority by February 15 of each even-numbered year. If by
 5-32 February 15 of each even-numbered year only one candidate's name is
 5-33 submitted for the position of director for a director precinct, the
 5-34 board may declare the unopposed candidate elected and may cancel
 5-35 the director appointment procedures generally required by this
 5-36 section for that position. If more than one candidate's name is
 5-37 submitted for the position of director for a director precinct,
 5-38 before [~~Before~~] March 15 of each even-numbered year, the board
 5-39 shall prepare, for each director precinct, a ballot listing all the
 5-40 candidates for that director precinct and shall provide a copy of
 5-41 the ballot to the presiding officer of the governing body of each
 5-42 district or municipality located within that director precinct. An
 5-43 individual may not be listed as a candidate on the ballot of more
 5-44 than one director precinct. If a candidate is nominated in more
 5-45 than one director precinct, the candidate must choose to be on the
 5-46 ballot of only one director precinct.

5-47 SECTION 6. Section 4.03, Chapter 414, Acts of the 77th
 5-48 Legislature, Regular Session, 2001, is amended by amending
 5-49 Subsections (a), (c), and (d) and adding Subsection (g) to read as
 5-50 follows:

5-51 (a) The authority may establish fees, user fees, rates, and
 5-52 charges and classifications of fee and ratepayers, as necessary to
 5-53 enable the authority to fulfill the authority's purposes and
 5-54 regulatory functions provided by this Act. The authority may
 5-55 impose fees, user fees, rates, and charges on any person within the
 5-56 authority, including a local government. If the authority imposes
 5-57 a fee that is an impact fee, as defined by Section 395.001, Local
 5-58 Government Code, the authority shall comply with Chapter 395, Local
 5-59 Government Code. For purposes of this Act, an impact fee does not
 5-60 include a fee or charge that the authority imposes that is based on
 5-61 a portion of the costs and expenses incurred by the authority before
 5-62 January 1, 2003, and that is charged to a person who did not pay any
 5-63 fees to the authority before January 1, 2003.

5-64 (c) The board shall make reasonable efforts to send
 5-65 districts and municipalities within the authority written notice of
 5-66 the date, time, and location of the meeting at which the board
 5-67 intends to adopt a proposed charge under Subsection (b), and the
 5-68 amount of the proposed charge. The board's failure to comply with
 5-69 this subsection does not invalidate a charge adopted by the board

6-1 under Subsection (b).

6-2 (d) For wells located in Harris County or Fort Bend County,
 6-3 the [The] board shall exempt from the charge under Subsection (b)
 6-4 the classes of wells that are not subject to any groundwater
 6-5 reduction requirement imposed by the Harris-Galveston Coastal
 6-6 Subsidence District or the Fort Bend Subsidence District, as
 6-7 appropriate [subsidence district]. If any of those classes of
 6-8 wells become subject to a groundwater reduction requirement imposed
 6-9 by the Harris-Galveston Coastal Subsidence District or the Fort
 6-10 Bend Subsidence District, as appropriate [subsidence district],
 6-11 the authority may impose the charge under Subsection (b) on those
 6-12 wells [classes]. For purposes of this subsection, a well is subject
 6-13 to a groundwater reduction requirement if the Harris-Galveston
 6-14 Coastal Subsidence District or Fort Bend Subsidence District, as
 6-15 appropriate, has adopted or adopts a requirement or regulation that
 6-16 the well reduce groundwater withdrawals or that the well join with
 6-17 other wells to collectively reduce groundwater withdrawals,
 6-18 including a groundwater reduction that is not required until a
 6-19 future date. The board by rule may exempt any other classes of
 6-20 wells from the charge under Subsection (b). The board may not apply
 6-21 the charge under Subsection (b) to a well:

6-22 (1) with a casing diameter of less than five inches
 6-23 that solely serves a single-family dwelling; or

6-24 (2) regulated under Chapter 27, Water Code.

6-25 (g) The authority may impose fees, user fees, or charges for
 6-26 the importation of water into the authority's boundaries from a
 6-27 source located outside the authority's boundaries other than a
 6-28 source located in Waller County that serves a municipality within
 6-29 the authority.

6-30 SECTION 7. Section 4.04, Chapter 414, Acts of the 77th
 6-31 Legislature, Regular Session, 2001, is amended to read as follows:

6-32 Sec. 4.04. PURCHASE OF WATER FROM ANOTHER ENTITY. If the
 6-33 authority purchases water from another entity for resale to local
 6-34 governments, the authority shall use its best efforts in
 6-35 negotiating with the entity to determine the amount of capital
 6-36 costs included in any rates or charges paid by the authority. The
 6-37 authority shall determine the amount of expected capital costs of
 6-38 its own system. The authority shall provide each district or
 6-39 municipality within its boundaries information regarding the share
 6-40 of the capital costs to be paid by the district or municipality, as
 6-41 determined by the authority, and shall provide each district or
 6-42 municipality the opportunity, in a manner and by a procedure
 6-43 determined by the authority, to fund its share of the capital costs
 6-44 with proceeds from the sale of bonds or fees and charges collected
 6-45 by the districts or municipalities. In complying with this
 6-46 section, the authority may use any reasonable basis to calculate
 6-47 from time to time the share of the capital costs of a district or
 6-48 municipality. The authority may calculate the shares of the
 6-49 capital costs based on the amount of water used within the authority
 6-50 by the district or municipality during the calendar year preceding
 6-51 the year in which the calculation is made, and the authority may
 6-52 exclude from the calculation the amount of water used within Fort
 6-53 Bend County if the authority did not charge a fee under Section
 6-54 4.03(b) of this Act on wells within Fort Bend County during that
 6-55 calendar year. A district or municipality may use any lawful source
 6-56 of revenue, including bond funds, to make payment for any sums due
 6-57 to the authority. The authority may adopt a procedure by which a
 6-58 district or municipality may receive a credit from the authority.
 6-59 The board may adopt any other procedure necessary to accomplish the
 6-60 goals of this section. This section or any failure to comply with
 6-61 this section does not limit or impede the authority's ability to
 6-62 issue bonds or notes or invalidate any fees, user fees, charges,
 6-63 rates, or special assessments imposed by the authority.

6-64 SECTION 8. Section 4.06, Chapter 414, Acts of the 77th
 6-65 Legislature, Regular Session, 2001, is amended to read as follows:

6-66 Sec. 4.06. INTEREST AND PENALTIES. The board may require
 6-67 the payment of interest on any late or unpaid fees, user fees,
 6-68 rates, charges, and special assessments due the authority, but the
 6-69 interest rate may not exceed the interest rate permitted by Section

7-1 2251.025, Government Code. The board may also impose penalties for
7-2 the failure to completely or timely make payment [~~payments~~] to the
7-3 authority. In addition, the board may exclude a person, or any
7-4 territory or well owned or controlled by a person, from the
7-5 authority's groundwater reduction plan for failure to make a
7-6 complete or timely payment to the authority.

7-7 SECTION 9. Subsection (i), Section 5.01, Chapter 414, Acts
7-8 of the 77th Legislature, Regular Session, 2001, is amended to read
7-9 as follows:

7-10 (i) Sections 49.153, 49.154, and [Section] 49.181, Water
7-11 Code, do [does] not apply to bonds or notes issued by the authority.
7-12 Commission rules regarding bonds or notes do not apply to bonds or
7-13 notes issued by the authority.

7-14 SECTION 10. The change in law made to Section 1.05, Chapter
7-15 414, Acts of the 77th Legislature, Regular Session, 2001, by this
7-16 Act, does not impair any obligation related to bonds or notes issued
7-17 by the West Harris County Regional Water Authority before the
7-18 effective date of this Act. All outstanding bonds and notes validly
7-19 issued by the authority remain valid, enforceable, and binding and
7-20 shall be paid in full, both principal and interest, in accordance
7-21 with their terms and from the sources pledged to the payment of the
7-22 bonds or notes. Any fees, assessments, or other charges owed to the
7-23 West Harris County Regional Water Authority on the effective date
7-24 of this Act by an owner of property excluded from the authority by
7-25 this Act remain the obligation of the owner.

7-26 SECTION 11. This Act takes effect immediately if it
7-27 receives a vote of two-thirds of all the members elected to each
7-28 house, as provided by Section 39, Article III, Texas Constitution.
7-29 If this Act does not receive the vote necessary for immediate
7-30 effect, this Act takes effect September 1, 2003.

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