

## **BILL ANALYSIS**

H.B. 3569  
By: Guillen  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

In 1954, Zapata water and sewer plant was built by the federal government during the relocation of the town of old Zapata to its existing location near Falcon Dam. The primary purpose of this plant was to provide water and sewer services for the Air Force radar installation and to provide the same services as the new town of Zapata developed for the local residence. Since that time, control has been turned over to county government and the plant has been operated as a department of the county.

Due to age, growth in population, increased demand and new standards for water and sewer utility services a separate municipal water district with all the powers attached is required to fund and operate the system in the future. The district being formed will take over the same area covered by certificate of convenience and necessity.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

SECTION 1: Adds Subtitle F, Title 6, Special District Local Laws Code is amended by adding Chapter 8152 as follows:

#### **Subchapter A**

Sec. 8152.001. DEFINITIONS. Sets forth certain definitions used in the Act.

Sec. 8152.002. NATURE OF DISTRICT. Sets forth constitutional basis of district.

Sec. 8152.003. CONFIRMATION ELECTION REQUIRED. Requires a confirmation election before September 1, 2007 or the district is dissolved with certain exceptions.

Sec. 8152.004. INITIAL DISTRICT TERRITORY. Sets forth the initial territory of the district.

#### **Subchapter A1**

Sec. 8152.021. TEMPORARY DIRECTORS. Provides for appointment of temporary directors by the Commissioners Court of Zapata County and the Zapata County Judge.

Sec. 8152.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. Provides for organizational meeting of temporary directors.

Sec. 8152.023. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. Provides for confirmation election held by the temporary directors; provides for election of five directors.

Sec. 8152.024. INITIAL ELECTED DIRECTORS; TERMS. Provides that the directors elected shall draw lots to determine schedule of elections.

Sec. 8152.025. TRANSFER OF ASSETS. If the district is confirmed, Zapata County shall transfer to the district the assets, debts, and contractual rights and obligations of the county associated with the Zapata County Waterworks.

Sec. 8152.026. EXPIRATION OF SUBCHAPTER. This subchapter expires September 1, 2010.

#### **Subchapter B**

Sec. 8152.051. DIRECTORS; TERMS. The district is governed by a board of five directors serving staggered four-year terms.

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Sec. 8152.052. ELECTION OF DIRECTORS. Provides for election in November of each even numbered year.

Subchapter C

Sec. 8152.101. MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. Provides that the district has the powers and duties provided by the general laws of this state, including Chapters 49 and 54, Water Code.

Subchapter D

Sec. 8152.151. TAX TO REPAY BONDS. The district may impose a tax to pay the principal of or interest on bonds.

Subchapter E

Sec. 8152.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. Provides that the district may issue bonds or other obligations provided by Chapters 49 and 54, Water Code.

SECTION 2. Establishes that required legal notices and requirements have been met.

SECTION 3. Effective Date.

**EFFECTIVE DATE**

September 1, 2005.