

## **BILL ANALYSIS**

S.B. 885  
By: Williams  
Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Development and growth in the area of eastern Montgomery County has created the need for permanent improvements such as water production and distribution facilities, wastewater collection and treatment facilities, drainage projects, and other conservation and reclamation projects. Article XVI, Section 59, Texas Constitution, provides for the creation of conservation and reclamation districts which are authorized to incur indebtedness to provide such permanent improvements and to levy taxes for the maintenance and operation of such improvements and for the repayment of such indebtedness.

As proposed, S.B. 885, pursuant to Article XVI, Section 59, Texas Constitution, and subject to the continuing supervisory jurisdiction of the Texas Commission on Environmental Quality, creates a conservation and reclamation district to be known as East Montgomery County Municipal Utility District No. 10, over a portion of the land to be developed as a residential community with related retail and commercial properties in the eastern portion of Montgomery County.

### **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. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8114, as follows:

#### CHAPTER 8114. EAST MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 10

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8114.001. DEFINITIONS. Defines "board," "director," and "district."

Sec. 8114.002. NATURE OF DISTRICT. Provides that the East Montgomery County Municipal Utility District No. 10 (district) is a municipal utility district in Montgomery County created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 8114.003. CONFIRMATION ELECTION REQUIRED. Provides that, if the creation of the district is not confirmed at a confirmation election held under Section 8114.023 before September 1, 2010, the district is dissolved with certain exceptions. Provides that if the district is not confirmed, this chapter expires September 1, 2013.

Sec. 8114.004. INITIAL DISTRICT TERRITORY. (a) Provides that the district is initially composed of the territory described by Section 2 of the Act creating this chapter.

(b) Provides that the boundaries and field notes contained in Section 2 of the Act creating this chapter form a closure. Provides that a mistake made in the field

notes or in copying the field notes in the legislative process does not affect certain aspects of the district.

Sec. 8114.005. **APPLICABILITY OF OTHER LAW.** Provides that, except as otherwise provided by this chapter, Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, apply to the district.

[Reserves Sections 8114.006-8114.020 for expansion.]

#### SUBCHAPTER A1. TEMPORARY PROVISIONS

Sec. 8114.021. **TEMPORARY DIRECTORS.** (a) Authorizes, on or after September 1, 2005, a person who owns land in the district to submit a petition to the Texas Commission on Environmental Quality (commission) requesting that the commission appoint as temporary directors the five persons named in the petition.

(b) Requires the commission to appoint as temporary directors the five persons named in the first petition received by the commission under Subsection (a).

(c) Requires, if a temporary director fails to qualify for office or if a vacancy occurs in the office of temporary director, the vacancy to be filled as provided by Section 49.105 (Vacancies), Water Code.

(d) Provides that the temporary directors serve until the earlier of certain dates.

Sec. 8114.022. **ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS.** Requires the temporary directors, as soon as practicable after all the temporary directors have qualified under Section 49.055 (Sworn Statement, Bond, and Oath of Office), Water Code, to meet at a location in the district agreeable to a majority of the directors. Requires the meeting, if a location cannot be agreed upon, to be at the Montgomery County Courthouse. Requires the temporary directors, at the meeting, to elect officers from among the temporary directors and conduct any other district business.

Sec. 8114.023. **CONFIRMATION AND INITIAL DIRECTORS' ELECTION.** (a) Requires the temporary directors to hold an election to confirm the creation of the district and to elect five directors as provided by Section 49.102 (Confirmation and Director), Water Code.

(b) Provides that Section 41.001(a) (Uniform Election Dates), Election Code, does not apply to a confirmation and initial directors' election held under this section.

Sec. 8114.024. **INITIAL ELECTED DIRECTORS; TERMS.** Requires the directors elected under Section 8114.023 to draw lots to determine which two will serve until the first regularly scheduled election of directors under Section 8114.052 and which three will serve until the second regularly scheduled election of directors.

Sec. 8114.025. **FIRST REGULARLY SCHEDULED ELECTION OF DIRECTORS.** Authorizes the board of directors of a district (board), by order, to postpone the first election under Section 8114.052 following the confirmation and directors' election held under Section 8114.023, under certain conditions.

Sec. 8114.026. **EXPIRATION OF SUBCHAPTER.** Provides that this subchapter expires September 1, 2013.

[Reserves Sections 8114.027-8114.050 for expansion.]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8114.051. **DIRECTORS; TERMS.** (a) Provides that the district is governed by a board of five directors.

(b) Provides that directors serve staggered four-year terms.

Sec. 8114.052. ELECTION OF DIRECTORS. Requires the appropriate number of directors to be elected on the uniform election date in May of each even-numbered year.

[Reserves Sections 8114.053-8114.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8114.101. UTILITIES. Prohibits the district from imposing an impact fee or assessment on the property, equipment, rights-of-way, facilities, or improvements of certain entities.

Sec. 8114.102. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCES OR RESOLUTIONS. Requires the district, subject to the limitations of Section 54.016 (Consent of City), Water Code, to comply with all applicable requirements of any ordinance or resolution adopted by a municipality in the corporate limits or extraterritorial jurisdiction of which the district is located, including an ordinance or resolution adopted before September 1, 2005, that consents to the creation of the district or to the inclusion of lands within the district.

SECTION 2. Sets forth the boundaries of the East Montgomery County Municipal Utility District No. 10.

SECTION 3. (a) Provides that the legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313 (Notice for Local and Special Laws), Government Code.

(b) Provides that the governor, one of the required recipients, has submitted the notice and Act to the commission.

(c) Provides that the commission has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

#### **EFFECTIVE DATE**

Effective date: September 1, 2005.