

## BILL ANALYSIS

Senate Research Center

S.B. 1855  
By: Deuell  
Intergovernmental Relations  
8/15/2005  
Enrolled

### AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

S.B. 1855 creates the Rockwall County Municipal Utility Districts (MUD) Nos. 6, 7, 8, and 9, and enumerates their powers, duties, and obligations. These MUDs encompass approximately 1218 acres and are contained within the City of Fate. This bill combines the traditional powers and duties of a MUD governed by Chapters 49 and 54, Water Code, with powers of road districts granted in Chapter 53, Water Code.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 6, Special District Local Laws Code, by adding Chapter 8136, as follows:

#### CHAPTER 8136. ROCKWALL COUNTY MUNICIPAL UTILITY DISTRICTS NOS. 6, 7, 8, and 9

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8136.001. DEFINITIONS. Defines "board" or "boards," "director," and "district" or "districts."

Sec. 8136.002. NATURE OF DISTRICT. Sets forth that each district (Rockwall County Municipal Utility Districts Nos. 6, 7, 8, and 9) is a municipal utility district in Rockwall County (county) created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 8136.003. CONFIRMATION ELECTION REQUIRED. Sets forth certain consequences if the creation of a district is not confirmed at a confirmation election held under Section 8136.023 before September 1, 2007.

Sec. 8136.004. INITIAL DISTRICT TERRITORY. Provides that each district is composed of the territory described by Section 2 of the Act creating this chapter. Provides that the boundaries and field notes form a closure. Provides that a mistake in the field notes or in copying the field notes in the legislative process does not affect the validity, legality, or certain rights of the district.

Sec. 8136.005. APPLICABILITY OF OTHER LAW. Provides that except as provided by this chapter, Chapters 49 (Provisions Applicable to All Districts) and 54 (Municipal Utility Districts), Water Code, apply to the districts.

[Reserves Sections 8136.006-8136.020 for expansion.]

##### SUBCHAPTER A1. TEMPORARY PROVISIONS

Sec. 8136.021. TEMPORARY DIRECTORS. (a) Sets forth the composition of the temporary board of directors (board) of each district.

(b) Requires the remaining temporary directors of a district, if a temporary director fails to qualify for office, to appoint a person to fill the vacancy.

(c) Provides that temporary directors serve until the earlier of specific dates.

Sec. 8136.022. ORGANIZATIONAL MEETING OF TEMPORARY DIRECTORS. Requires the temporary directors of a district, as soon as practicable after all the temporary directors of that district 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 of that district. Requires the meeting, if a location cannot be agreed upon, to be held at the county courthouse. Requires the temporary directors, at the meeting, to elect officers from among the temporary directors and conduct any other district business.

Sec. 8136.023. CONFIRMATION AND INITIAL DIRECTORS' ELECTION. Requires the temporary directors of each district 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 Election), Water Code.

Sec. 8136.024. INITIAL ELECTED DIRECTORS; TERMS. Requires the directors elected under Section 8136.023 to draw lots to determine which two shall serve until the first regularly scheduled election of directors under Section 8136.052 and which three shall serve until the second regularly scheduled election of directors.

Sec. 8136.025. EXPIRATION OF SUBCHAPTER. Provides that this subchapter expires September 1, 2010.

[Reserves Sections 8136.026-8136.050 for expansion.]

#### SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 8136.051. DIRECTORS; TERMS. Sets forth that each district is governed by a board of five directors who serve staggered four-year terms.

Sec. 8136.052. 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 8136.053-8136.100 for expansion.]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 8136.101. GENERAL POWERS. Sets forth that each district has all the rights, powers, privileges, authority, functions, and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 8136.102. ROAD PROJECTS. Authorizes each district, to the extent authorized by Section 52, Article III, Texas Constitution, to construct, maintain, or operate paved roads or improvements in aid of those roads or works, facilities, or improvements inside the district. Sets forth requirements and restrictions regarding those road projects.

Sec. 8136.103. ADDING LAND BY PETITION OF LANDOWNER. (a) Authorizes each district to only add land to the district in the manner provided by Section 49.301, Water Code, if a land owner petitions for the addition of land that meets certain criteria.

(b) Requires a road project to meet certain standards, requirements, and ordinances of each municipality in whose corporate limits or extraterritorial jurisdiction the district is located. Requires a road project, if the district is located outside the extraterritorial jurisdiction of a municipality, to meet certain

standards, requirements, and ordinances of each county in which the district is located.

(c) Prohibits the district from undertaking a road project unless each municipality in whose corporate limits or extraterritorial jurisdiction the district is located consents by ordinance or resolution. Prohibits the district, if the it is located outside the extraterritorial jurisdiction of a municipality, from undertaking a road project unless each county in which the district is located consents by ordinance or resolution.

Sec. 8136.104. EMINENT DOMAIN (a) Authorizes each district to exercise the power of eminent domain within the boundaries of the district for all public purposes.

(b) Authorizes each district to exercise the power of eminent domain outside of the district for the purpose of constructing, acquiring, operating, repairing, or maintaining water supply lines or sanitary sewer lines.

(c) Requires each district to exercise the power of eminent domain in the same manner as required for a county.

[Reserves Sections 8136.105-8136.150 for expansion.]

#### SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8136.151. TAX TO REPAY BONDS. Authorizes each district to impose a tax to pay the principal of or interest on bonds issued under Section 8136.102.

[Reserves Sections 8136.152-8136.200 for expansion.]

#### SUBCHAPTER E. BONDS

Sec. 8136.201. AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) Authorizes each district to issue bonds or other obligations as provided by Chapters 49 and 54, Water Code, to finance the construction, maintenance, or operation of projects under Sections 8136.101 and 8136.102.

(b) Prohibits a district from issuing bonds to finance projects authorized by Section 8136.102 unless the issuance is approved by a vote of a two-thirds majority of the voters of the district voting at an election called for that purpose.

(c) Prohibits bonds or other obligations issued or incurred to finance projects authorized by Section 8136.102 from exceeding one-fourth of the assessed value of the real property in the district.

(d) Provides that Sections 49.181 (Authority of Commission Over Issuance of District Bonds) and 49.182 (Commission Supervision of Projects and Improvements), Water Code, do not apply to a project undertaken by the districts or to bonds issued by the districts to finance the project.

SECTION 2. Sets forth the territory initially contained in each district.

SECTION 3. Provides that all of the 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.

SECTION 4. Effective date: upon passage or September 1, 2005.