

By: Guillen

H.B. No. 2601

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation, administration, powers, duties,  
3 operation, and financing of the Duval County Groundwater  
4 Conservation District.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subtitle H, Title 6, Special District Local Laws  
7 Code, is amended by adding Chapter 8808 to read as follows:

8 CHAPTER 8808. DUVAL COUNTY GROUNDWATER CONSERVATION DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8808.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the board of directors of the  
12 district.

13 (2) "Director" means a member of the board.

14 (3) "District" means the Duval County Groundwater  
15 Conservation District.

16 Sec. 8808.002. NATURE OF DISTRICT. The district is a  
17 groundwater conservation district in Duval County created under and  
18 essential to accomplish the purposes of Section 59, Article XVI,  
19 Texas Constitution.

20 Sec. 8808.003. CONFIRMATION ELECTION REQUIRED. If the  
21 creation of the district is not confirmed at a confirmation  
22 election held before September 1, 2007:

23 (1) the district is dissolved on September 1, 2007,  
24 except that:

1           (A) any debts incurred shall be paid;

2           (B) any assets that remain after the payment of  
3 debts shall be transferred to Duval County; and

4           (C) the organization of the district shall be  
5 maintained until all debts are paid and remaining assets are  
6 transferred; and

7           (2) this chapter expires on September 1, 2010.

8           Sec. 8808.004. INITIAL DISTRICT TERRITORY. The initial  
9 boundaries of the district are coextensive with the boundaries of  
10 Duval County, Texas.

11           Sec. 8808.005. APPLICABILITY OF OTHER GROUNDWATER  
12 CONSERVATION DISTRICT LAW. Except as otherwise provided by this  
13 chapter, Chapter 36, Water Code, applies to the district.

14           [Sections 8808.006-8808.020 reserved for expansion]

15           SUBCHAPTER A-1. TEMPORARY PROVISIONS

16           Sec. 8808.021. APPOINTMENT OF TEMPORARY DIRECTORS. (a)  
17 Not later than the 45th day after the effective date of this  
18 chapter, five temporary directors shall be appointed as follows:

19           (1) the Duval County Commissioners Court shall appoint  
20 four temporary directors, with one of the temporary directors  
21 appointed from each of the four commissioners precincts in the  
22 county to represent the precinct in which the temporary director  
23 resides; and

24           (2) the county judge of Duval County shall appoint one  
25 temporary director who resides in the district to represent the  
26 district at large.

27           (b) If there is a vacancy on the temporary board of

1 directors of the district, the remaining temporary directors shall  
2 appoint a person to fill the vacancy in a manner that meets the  
3 representational requirements of this section.

4 (c) Temporary directors serve until the earlier of:

5 (1) the time the temporary directors become initial  
6 directors as provided by Section 8808.024; or

7 (2) the date this chapter expires under Section  
8 8808.003.

9 Sec. 8808.022. ORGANIZATIONAL MEETING OF TEMPORARY  
10 DIRECTORS. As soon as practicable after all the temporary  
11 directors have qualified under Section 36.055, Water Code, a  
12 majority of the temporary directors shall convene the  
13 organizational meeting of the district at a location within the  
14 district agreeable to a majority of the directors. If an agreement  
15 on location cannot be reached, the organizational meeting shall be  
16 at the Duval County Courthouse.

17 Sec. 8808.023. CONFIRMATION ELECTION. (a) The temporary  
18 directors shall hold an election to confirm the creation of the  
19 district.

20 (b) Section 41.001(a), Election Code, does not apply to a  
21 confirmation election held as provided by this section.

22 (c) Except as provided by this section, a confirmation  
23 election must be conducted as provided by Sections 36.017(b)-(i),  
24 Water Code, and the Election Code. The provision of Section  
25 36.017(d), Water Code, relating to the election of permanent  
26 directors does not apply to a confirmation election under this  
27 section.

1       Sec. 8808.024. INITIAL DIRECTORS. (a) If creation of the  
2 district is confirmed at an election held under Section 8808.023,  
3 the temporary directors of the district become the initial  
4 directors of the district and serve on the board of directors until  
5 permanent directors are elected under Section 8808.025.

6       (b) The initial directors for county precincts 2 and 3 serve  
7 a term expiring June 1 following the first regularly scheduled  
8 election of directors under Section 8808.025, and the initial  
9 directors for county precincts 1 and 4 serve a term expiring June 1  
10 following the second regularly scheduled election of directors.  
11 The at-large director shall serve a term expiring June 1 following  
12 the second regularly scheduled election of directors.

13       Sec. 8808.025. INITIAL ELECTION OF PERMANENT DIRECTORS. On  
14 the uniform election date prescribed by Section 41.001, Election  
15 Code, in May of the first even-numbered year after the year in which  
16 the district is authorized to be created at a confirmation  
17 election, an election shall be held in the district for the election  
18 of two directors to replace the initial directors who, under  
19 Section 8808.024(b), serve a term expiring June 1 following that  
20 election.

21       Sec. 8808.026. EXPIRATION OF SUBCHAPTER. This subchapter  
22 expires September 1, 2010.

23       [Sections 8808.027-8808.050 reserved for expansion]

24               SUBCHAPTER B. BOARD OF DIRECTORS

25       Sec. 8808.051. DIRECTORS; TERMS. (a) The district is  
26 governed by a board of five directors.

27       (b) Directors serve staggered four-year terms, with two or

1 three directors' terms expiring June 1 of each even-numbered year.

2 (c) A director may serve consecutive terms.

3 Sec. 8808.052. METHOD OF ELECTING DIRECTORS: COMMISSIONERS  
4 PRECINCTS. (a) The directors of the district shall be elected  
5 according to the commissioners precinct method as provided by this  
6 section.

7 (b) One director shall be elected by the voters of the  
8 entire district, and one director shall be elected from each county  
9 commissioners precinct by the voters of that precinct.

10 (c) Except as provided by Subsection (e), to be eligible to  
11 be a candidate for or to serve as director at large, a person must be  
12 a registered voter in the district. To be a candidate for or to  
13 serve as director from a county commissioners precinct, a person  
14 must be a registered voter of that precinct.

15 (d) A person shall indicate on the application for a place  
16 on the ballot:

17 (1) the precinct that the person seeks to represent;

18 or

19 (2) that the person seeks to represent the district at  
20 large.

21 (e) When the boundaries of the county commissioners  
22 precincts are redrawn after each federal decennial census to  
23 reflect population changes, a director in office on the effective  
24 date of the change, or a director elected or appointed before the  
25 effective date of the change whose term of office begins on or after  
26 the effective date of the change, shall serve in the precinct to  
27 which elected or appointed even though the change in boundaries

1 places the person's residence outside the precinct for which the  
2 person was elected or appointed.

3 Sec. 8808.053. ELECTION DATE. The district shall hold an  
4 election to elect the appropriate number of directors on the  
5 uniform election date prescribed by Section 41.001, Election Code,  
6 in May of each even-numbered year.

7 Sec. 8808.054. COMPENSATION. (a) Sections 36.060(a), (b),  
8 and (d), Water Code, do not apply to the district.

9 (b) A director is entitled to receive compensation of not  
10 more than \$50 a day for each day the director actually spends  
11 performing the duties of a director. The compensation may not  
12 exceed \$3,000 a year.

13 (c) The board may authorize a director to receive  
14 reimbursement for the director's reasonable expenses incurred  
15 while engaging in activities on behalf of the board.

16 [Sections 8808.055–8808.100 reserved for expansion]

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 8808.101. COURT-APPOINTED RECEIVER. The district may  
19 serve as the court-appointed receiver in a matter determined by a  
20 court concerning the disposition of assets of any other district  
21 authorized by Section 52(b)(1) or (2), Article III, or Section 59,  
22 Article XVI, Texas Constitution, including a municipal utility  
23 district or a water control and improvement district in Duval  
24 County.

25 Sec. 8808.102. POWER TO CONTRACT WITH MUNICIPAL UTILITY  
26 DISTRICTS. The district may enter into a contract with a municipal  
27 utility district in Duval County to assume the functions of the

1 municipal utility district. A contract under this section may  
2 include provisions for the district's:

3 (1) assumption of the debts, liabilities, and  
4 obligations of the municipal utility district;

5 (2) ownership or use of the assets and facilities of  
6 the municipal utility district; and

7 (3) performance of the functions and services  
8 previously provided by the municipal utility district.

9 Sec. 8808.103. RELATION TO OTHER WATER-RELATED ENTITIES.

10 (a) To the extent that a rule of the district conflicts with a rule  
11 of a water control and improvement district, the rule of the water  
12 control and improvement district controls.

13 (b) To the extent that a rule of the district conflicts with  
14 a rule of a municipal utility district, the rule of the municipal  
15 utility district controls.

16 (c) Notwithstanding Subsections (a) and (b), to the extent  
17 that a rule of the district concerning groundwater conflicts with a  
18 rule of a water control and improvement district or a municipal  
19 utility district whose territory is located wholly or partly in the  
20 district's territory, the rule of the district controls.

21 [Sections 8808.104-8808.150 reserved for expansion]

22 SUBCHAPTER D. MERGER WITH WATER CONTROL AND IMPROVEMENT DISTRICT

23 Sec. 8808.151. DEFINITIONS. In this subchapter:

24 (1) "Commission" means the Texas Commission on  
25 Environmental Quality.

26 (2) "Directors" means the board of directors of a  
27 water control and improvement district.

1       Sec. 8808.152. AUTHORITY FOR AGREEMENT FOR MERGER;  
2 PROVISIONS. (a) Subject to Sections 8808.153, 8808.154, and  
3 8808.155, the district may enter into a merger agreement with a  
4 water control and improvement district in Duval County.

5       (b) The merger agreement must include provisions for:

6           (1) the district's assumption of the debts,  
7 liabilities, and obligations of the water control and improvement  
8 district;

9           (2) the district's assumption of the ownership of the  
10 assets and facilities of the water control and improvement  
11 district;

12           (3) the assignment to the district of the certificate  
13 of public convenience and necessity obtained by the water control  
14 and improvement district under Subchapter G, Chapter 13, Water  
15 Code, and any right obtained under the certificate;

16           (4) the district's performance of the functions and  
17 services previously provided by the water control and improvement  
18 district; and

19           (5) the dissolution of the water control and  
20 improvement district.

21       Sec. 8808.153. BOARD AND DIRECTORS APPROVAL OF MERGER  
22 AGREEMENT. Before an election to confirm a proposed merger  
23 agreement described by Section 8808.152 may be held, the board and  
24 the directors must each approve the proposed merger agreement in  
25 accordance with the laws, rules, and procedures applicable to the  
26 district and the water control and improvement district.

27       Sec. 8808.154. COMMISSION DETERMINATION OF DISTRICT



1 CAPABILITY FOR SERVICE. Before an election to confirm a proposed  
2 merger agreement described by Section 8808.152 may be held, the  
3 commission must determine that the district is capable of rendering  
4 adequate and continuous service as required by Section 13.251,  
5 Water Code.

6 Sec. 8808.155. ELECTION TO CONFIRM MERGER AGREEMENT. (a)  
7 Before a proposed merger agreement described by Section 8808.152  
8 may take effect, the board shall hold an election to confirm the  
9 agreement.

10 (b) The election must be held on the first authorized  
11 uniform election date after the board and the directors approve the  
12 proposed merger agreement that allows sufficient time for the board  
13 to comply with all applicable provisions of the Election Code.

14 Sec. 8808.156. BALLOTS FOR ELECTION. The ballot for an  
15 election under Section 8808.155 shall read as follows:

16 "By voting YES on this ballot, you are voting in favor of the  
17 proposed merger agreement between the (name of water control and  
18 improvement district) and the Duval County Groundwater  
19 Conservation District under which the debts, liabilities,  
20 obligations, assets, and facilities of (name of water control and  
21 improvement district) are to be transferred to the district, the  
22 district is to perform the functions and services previously  
23 provided by the (name of water control and improvement district),  
24 and the (name of water control and improvement district) is to be  
25 dissolved. By voting NO on this ballot, you are voting against the  
26 proposed merger agreement."

27 Sec. 8808.157. ELECTION RESULTS FOR MERGER WITH WATER

1 CONTROL AND IMPROVEMENT DISTRICT. (a) If a majority of the voters  
2 voting in an election under Section 8808.155 both in the area of the  
3 water control and improvement district and in the territory of the  
4 district outside that area vote in favor of the ballot proposition,  
5 the proposed merger agreement takes effect.

6 (b) If a majority of the voters voting in an election under  
7 Section 8808.155 either in the area of the water control and  
8 improvement district or in the territory of the district outside  
9 that area do not vote in favor of the ballot proposition:

10 (1) the proposed merger agreement does not take  
11 effect; and

12 (2) the board may not hold a subsequent election to  
13 confirm a proposed merger agreement between the same water control  
14 and improvement district and the district before the first  
15 anniversary of the election date.

16 Sec. 8808.158. FILING REQUIREMENT. If a proposed merger  
17 agreement is confirmed at an election under Section 8808.155, not  
18 later than the 15th day after the date of the election the board  
19 shall file with the commission and in the deed records of Duval  
20 County a copy of:

21 (1) the merger agreement;

22 (2) the resolutions or other actions taken by the  
23 board and the directors approving the merger agreement under  
24 Section 8808.153; and

25 (3) the election results.

26 SECTION 2. (a) The legal notice of the intention to  
27 introduce this Act, setting forth the general substance of this

1 Act, has been published as provided by law, and the notice and a  
2 copy of this Act have been furnished to all persons, agencies,  
3 officials, or entities to which they are required to be furnished  
4 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
5 Government Code.

6 (b) The governor has submitted the notice and Act to the  
7 Texas Commission on Environmental Quality.

8 (c) The Texas Commission on Environmental Quality has filed  
9 its recommendations relating to this Act with the governor,  
10 lieutenant governor, and speaker of the house of representatives  
11 within the required time.

12 (d) All requirements of the constitution and laws of this  
13 state and the rules and procedures of the legislature with respect  
14 to the notice, introduction, and passage of this Act are fulfilled  
15 and accomplished.

16 SECTION 3. This Act takes effect immediately if it receives  
17 a vote of two-thirds of all the members elected to each house, as  
18 provided by Section 39, Article III, Texas Constitution. If this  
19 Act does not receive the vote necessary for immediate effect, this  
20 Act takes effect September 1, 2005.