

1 AN ACT

2 relating to the creation, administration, powers, duties,
3 operation, and financing of the Zapata County Municipal Utility
4 District No. 2.

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

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

8 CHAPTER 8152. ZAPATA COUNTY MUNICIPAL UTILITY DISTRICT NO. 2

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 8152.001. 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 Zapata County Municipal
15 Utility District No. 2.

16 Sec. 8152.002. NATURE OF DISTRICT. The district is a
17 municipal utility district in Zapata County created under and
18 essential to accomplish the purposes of Section 59, Article XVI,
19 Texas Constitution.

20 Sec. 8152.003. CONFIRMATION ELECTION REQUIRED. If the
21 creation of the district is not confirmed at a confirmation
22 election held under Section 8152.023 before September 1, 2007:

23 (1) the district is dissolved 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 Zapata 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 September 1, 2010.

8 Sec. 8152.004. INITIAL DISTRICT TERRITORY. The initial
9 territory of the district is coextensive with the service areas
10 covered by Certificates of Convenience and Necessity Nos. 12877 and
11 20850, as identified on the Texas Commission on Environmental
12 Quality official service area maps associated with those
13 certificates.

14 [Sections 8152.005-8152.020 reserved for expansion]

15 SUBCHAPTER A1. TEMPORARY PROVISIONS

16 Sec. 8152.021. TEMPORARY DIRECTORS. (a) On or after
17 September 1, 2005, the commissioners of the Commissioners Court of
18 Zapata County and the county judge of Zapata County shall each
19 appoint one temporary director to serve as one of the five temporary
20 directors of the district.

21 (b) If a temporary director fails to qualify for office, the
22 person who appointed that temporary director shall appoint a person
23 to fill the vacancy.

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

25 (1) the date directors are elected under Section
26 8152.023; or

27 (2) the date this chapter expires under Section

1 8152.003.

2 Sec. 8152.022. ORGANIZATIONAL MEETING OF TEMPORARY
3 DIRECTORS. As soon as practicable after all the temporary
4 directors have qualified under Section 49.055, Water Code, the
5 temporary directors shall meet at a location in the district
6 agreeable to a majority of the directors. If a location cannot be
7 agreed upon, the meeting shall be at the Zapata County Courthouse.
8 At the meeting, the temporary directors shall elect officers from
9 among the temporary directors and conduct any other district
10 business.

11 Sec. 8152.023. CONFIRMATION AND INITIAL DIRECTORS'
12 ELECTION. The temporary directors shall hold an election to
13 confirm the creation of the district and to elect five directors as
14 provided by Section 49.102, Water Code.

15 Sec. 8152.024. INITIAL ELECTED DIRECTORS; TERMS. The
16 directors elected under Section 8152.023 shall draw lots to
17 determine which two shall serve until the first regularly scheduled
18 election of directors under Section 8152.052 and which three shall
19 serve until the second regularly scheduled election of directors.

20 Sec. 8152.025. TRANSFER OF ASSETS. (a) If the district's
21 creation is confirmed under Section 8152.023, Zapata County shall
22 transfer to the district the assets, debts, and contractual rights
23 and obligations of the county associated with the Zapata County
24 Waterworks under Certificate of Convenience and Necessity No. 12877
25 and the sanitary sewer utility under Certificate of Convenience and
26 Necessity No. 20850.

27 (b) Not later than the 30th day after the date of the

1 transfer under Subsection (a), the Zapata County Waterworks and
2 Zapata County Certificates of Convenience and Necessity Nos. 12877
3 and 20850 are considered to be held by the district.

4 (c) The Commissioners Court of Zapata County shall notify
5 the Texas Commission on Environmental Quality of the transfer of
6 Certificates of Convenience and Necessity Nos. 12877 and 20850 to
7 the district.

8 (d) On receipt of notice under Subsection (c), the Texas
9 Commission on Environmental Quality shall note in its records that
10 Certificates of Convenience and Necessity Nos. 12877 and 20850 are
11 held by the district and shall reissue the certificates in the name
12 of the district without further application or notice.

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

15 [Sections 8152.027-8152.050 reserved for expansion]

16 SUBCHAPTER B. BOARD OF DIRECTORS

17 Sec. 8152.051. DIRECTORS; TERMS. (a) The district is
18 governed by a board of five directors.

19 (b) Directors serve staggered four-year terms.

20 Sec. 8152.052. ELECTION OF DIRECTORS. On the uniform
21 election date in November of each even-numbered year, the
22 appropriate number of directors shall be elected.

23 [Sections 8152.053-8152.100 reserved for expansion]

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 8152.101. MUNICIPAL UTILITY DISTRICT POWERS AND
26 DUTIES. The district has the powers and duties provided by the
27 general law of this state, including Chapters 49 and 54, Water Code,

1 applicable to municipal utility districts created under Section 59,
2 Article XVI, Texas Constitution.

3 [Sections 8152.102-8152.150 reserved for expansion]

4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5 Sec. 8152.151. TAX TO REPAY BONDS. The district may impose
6 a tax to pay the principal of or interest on bonds issued under
7 Section 8152.201.

8 [Sections 8152.152-8152.200 reserved for expansion]

9 SUBCHAPTER E. BONDS

10 Sec. 8152.201. AUTHORITY TO ISSUE BONDS AND OTHER
11 OBLIGATIONS. The district may issue bonds or other obligations as
12 provided by Chapters 49 and 54, Water Code, to finance the
13 construction, maintenance, or operation of projects under Section
14 8152.101.

15 SECTION 2. (a) The legal notice of the intention to
16 introduce this Act, setting forth the general substance of this
17 Act, has been published as provided by law, and the notice and a
18 copy of this Act have been furnished to all persons, agencies,
19 officials, or entities to which they are required to be furnished
20 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
21 Government Code.

22 (b) The governor, one of the required recipients, has
23 submitted the notice and Act to the Texas Commission on
24 Environmental Quality.

25 (c) The Texas Commission on Environmental Quality has filed
26 its recommendations relating to this Act with the governor, the
27 lieutenant governor, and the speaker of the house of

1 representatives within the required time.

2 (d) All requirements of the constitution and laws of this
3 state and the rules and procedures of the legislature with respect
4 to the notice, introduction, and passage of this Act are fulfilled
5 and accomplished.

6 SECTION 3. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 3569 was passed by the House on May 20, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 3569 was passed by the Senate on May 24, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor