

By: Hinojosa

S.B. No. 1817

A BILL TO BE ENTITLED

AN ACT

relating to the boundaries, governance, and financing of the Lower Rio Grande Authority.

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

SECTION 1. Chapter 309, Acts of the 52nd Legislature, Regular Session, 1951, is amended by adding Section 1-a to read as follows:

Sec. 1-a. In this Act, "municipal class entity" means any:

(1) municipality;

(2) municipal utility district created and operating under Chapter 54, Water Code;

(3) special utility district created and operating under Chapter 65, Water Code; or

(4) nonprofit water supply corporation created and operating under Chapter 67, Water Code.

SECTION 2. Section 2, Chapter 309, Acts of the 52nd Legislature, Regular Session, 1951, is amended to read as follows:

Sec. 2. (a) Except as provided by Subsection (b) of this section, the ~~[The territory which shall be embraced within the]~~ boundaries of the Lower Rio Grande Authority are coextensive with the boundaries ~~[shall be that part]~~ of Hidalgo, Willacy, and Cameron Counties, Texas ~~[, defined as follows:~~

~~[(a) Beginning at the intersection of the south Right of Way line of Highway No. 83 with the west line of Hidalgo County and~~

1 ~~following the west line of Hidalgo County northerly to its~~
2 ~~intersection with contour 250 feet above sea level;~~

3 ~~[Thence following the contour 250 feet above sea level in a~~
4 ~~north easterly direction to its intersection with the west line of~~
5 ~~Hidalgo County Water Cont. & Imp. Dist. No. 16;~~

6 ~~[Thence along the west line of Hidalgo County Water Cont. &~~
7 ~~Impt. Dist. No. 16 in a northerly direction to the N. W. Cor. of said~~
8 ~~Dist. No. 16;~~

9 ~~[Thence Easterly to the North East Corner of Hidalgo County~~
10 ~~Water Contr. and Impt. Dist. No. 16;~~

11 ~~[Thence North to a point in the center line of the Road from~~
12 ~~Hargill to McCook;~~

13 ~~[Thence easterly along the center line of the road from~~
14 ~~Hargill to McCook to the west line of Willacy County Water Cont. &~~
15 ~~Impt. Dist. No. 1;~~

16 ~~[Thence along the west line of the Willacy County Water~~
17 ~~Contr. & Impt. Dist. No. 1, in a general northerly direction to the~~
18 ~~North West Corner of said Willacy County Water Cont. & Impt. Distr.~~
19 ~~No. 1;~~

20 ~~[Thence Easterly along the north line of said Willacy County~~
21 ~~Water Cont. & Impt. Dist. No. 1, to a point in the West line of~~
22 ~~Willacy County;~~

23 ~~[Thence along the west line of Willacy County to a corner;~~

24 ~~[Thence along a northerly boundary line of Willacy County~~
25 ~~easterly to a corner and following same course easterly along the~~
26 ~~Mrs. J. J. Young Survey to the North East Corner of said Mrs. J. J.~~
27 ~~Young Survey;~~

1 ~~[Thence southerly along the east line of the Mrs. J. J. Young~~
2 ~~Survey and the Teniente League to a corner in the northerly line of~~
3 ~~the Willacy County Water Cont. & Impt. Dist. No. 1;~~

4 ~~[Thence following the meandering northerly boundary line of~~
5 ~~said Willacy County Water Cont. & Impt. Distr. No. 1, in a general~~
6 ~~easterly and northerly direction to the North East corner of said~~
7 ~~Willacy County Water Cont. and Impt. Dist. No. 1;~~

8 ~~[Thence southerly along the East Boundary Line of said~~
9 ~~Willacy County Water Cont. & Impt. Dist. No. 1 to a corner;~~

10 ~~[Thence in a westerly direction with the south boundary line~~
11 ~~of Willacy County Water Contr. & Impt. Dist. No. 1, (and including a~~
12 ~~small tract of approximately 450 acres now in and served by said~~
13 ~~Willacy County Water Cont. & Impt. Dist. No. 1, known locally as~~
14 ~~"Clark Orchards") to intersection of said boundary line with the~~
15 ~~west boundary line of the west R/W of Missouri Pacific Railroad~~
16 ~~south of Raymondville, Texas;~~

17 ~~[Thence with said west Right of Way Line of M. P. R. R.~~
18 ~~Southerly (excluding such portions of towns of Lyford and Sebastian~~
19 ~~as lie west of said line) to intersection with the north line of~~
20 ~~Cameron County, Texas;~~

21 ~~[Thence along the North Boundary Line of Cameron County~~
22 ~~easterly to the center line of the Arroyo Colorado;~~

23 ~~[Thence following the westerly and northerly boundary line of~~
24 ~~Cameron County in a northerly and easterly direction with the~~
25 ~~center line of Arroyo Colorado and across the Laguna Madre to a~~
26 ~~point in the Willacy and Cameron County Line at the shore of the~~
27 ~~Gulf of Mexico;~~

1 ~~[Thence following the west shore line at elevation sea level~~
2 ~~southerly to the Brazos Pass and crossing said Brazos Pass and~~
3 ~~continuing southerly along the above stated shore line to a point~~
4 ~~due east of the end of Highway No. 4, locally known as "Boca Chica~~
5 ~~Road";~~

6 ~~[Thence West to the center line of the east end of Boca Chica~~
7 ~~Road and following the center line of said Boca Chica Road in a~~
8 ~~general south westerly direction to the easterly boundary line of~~
9 ~~Cameron County Water Cont. & Impt. Dist. No. 5;~~

10 ~~[Thence along the easterly boundary line of said Dist. #5 to~~
11 ~~its south east corner;~~

12 ~~[Thence westerly and north westerly along the southerly and~~
13 ~~westerly boundary lines of said Cameron County Water Cont. & Imp.~~
14 ~~Districts Nos. 5, 7 and 6 to the south west corner of west canal R/W~~
15 ~~of Cameron County Water Cont. & Impt. Dist. No. 6;~~

16 ~~[Thence along the westerly R/W line of the Main Canal of said~~
17 ~~Dist. #6; to the Center line of the River Levee of the International~~
18 ~~Boundary and Water Commission;~~

19 ~~[Thence north westerly with the center line of said Levee to a~~
20 ~~point in the easterly line of Cameron County Water Impt. Dist. No.~~
21 ~~16;~~

22 ~~[Thence along the boundary lines of said Dist. No. 16~~
23 ~~southerly, westerly and northerly to its west boundary line in the~~
24 ~~center line of the River Levee of the International Boundary and~~
25 ~~Water Commission;~~

26 ~~[Thence following the center line of River Levee of the~~
27 ~~International Boundary & Water Commission in a westerly direction~~

1 ~~to the easterly boundary line of Cameron County Water Impt. Dist.~~
2 ~~No. 2;~~

3 ~~[Thence following the southerly boundary lines of Cameron~~
4 ~~County Water Impt. Dist. No. 2, and Cameron County Water Control &~~
5 ~~Improvement Districts Nos. 1, 19, La Gloria Canal Co., Cameron~~
6 ~~County Water Cont. and Improvement Districts Nos. 3 and 4, Willacy~~
7 ~~County Water Cont. & Impt. District No. 1, Hidalgo and Cameron~~
8 ~~County Water Cont. & Imp. District No. 9, Hidalgo County Water Cont.~~
9 ~~& Imp. District No. 5, Donna Irrigation District, to the south west~~
10 ~~corner of Donna Irrigation District.~~

11 ~~[Thence along the southerly and westerly boundary of Donna~~
12 ~~Irrigation District westerly and northerly to the south east corner~~
13 ~~of Hidalgo County Water Improvement District No. 2, generally known~~
14 ~~as "Pharr-San Juan District";~~

15 ~~[Thence northerly along the east line of Hidalgo County Water~~
16 ~~Impt. Dist. No. 2, to its north east corner;~~

17 ~~[Thence in a general westerly direction to the north west~~
18 ~~corner of said District No. 2, same point being north of the north~~
19 ~~west corner of Hidalgo County Water Impt. Dist. No. 3, generally~~
20 ~~known as the "McAllen District";~~

21 ~~[Thence in a southerly direction along the westerly boundary~~
22 ~~lines of Hidalgo County Water Impt. Dist. No. 2 and Hidalgo County~~
23 ~~Water Cont. & Impt. Dist. No. 3, to the south east corner of Rio~~
24 ~~Bravo Canal Co.~~

25 ~~[Thence in a general westerly direction along the southerly~~
26 ~~boundary lines Rio Bravo Canal Co., United Irrigation Co. and~~
27 ~~Hidalgo County Water Cont. and Improvement Dist. No. 6, to the south~~

1 ~~west corner of said Dist. No. 6,~~

2 ~~[Thence northerly along the westerly boundary line of said~~
3 ~~Hidalgo County Water Cont. & Impt. District No. 6 to the southerly~~
4 ~~boundary line of the Main Canal Right of Way of Hidalgo County Water~~
5 ~~Cont. & Imp. Dist. No. 1,~~

6 ~~[Thence in a south westerly direction along the southerly~~
7 ~~boundary line of the canal right of way of Hidalgo County Water~~
8 ~~Cont. & Impt. Dist. No. 1, to the north bank of Rio Grande,~~

9 ~~[Thence westerly along the north bank of Rio Grande to the~~
10 ~~west boundary line of the Canal Right of Way of Hidalgo County Water~~
11 ~~Cont. & Impt. Dist. No. 6,~~

12 ~~[Thence in a north easterly direction on the westerly~~
13 ~~boundary line of the Main Canal of Hidalgo County Water Cont. &~~
14 ~~Impt. Dist. No. 6, to the intersection with the center line of the~~
15 ~~Highway No. 83,~~

16 ~~[Thence westerly along the center line of the Highway No. 83~~
17 ~~to the place of beginning].~~

18 (b) ~~[All incorporated cities are expressly excluded from~~
19 ~~the boundaries of the Authority, except such cities and parts~~
20 ~~thereof which constitute a part of the defined territory of any~~
21 ~~established water district. Provided that any territory of the~~
22 ~~Authority which may hereafter become a part of an incorporated city~~
23 ~~and taken out of the boundaries of a water district shall be~~
24 ~~eliminated from the boundaries of the Authority.~~

25 [(c)] The territory ~~[defined area]~~ of the Authority also
26 includes ~~[may be changed to include]~~ the territory in an adjacent
27 county embraced in the boundaries or service area of any Water

1 Improvement District, Water Control and Improvement District, or
2 other Water District, private irrigation corporation, or municipal
3 class entity that has in effect a contract with the Authority under
4 Section 9(a) of this Act and is located wholly or partly ~~[which may~~
5 ~~have been or may hereafter be created]~~ in Cameron, Hidalgo, or
6 Willacy County ~~[, or Starr Counties upon petition of the Board of~~
7 ~~Directors of such districts and a two-thirds (2/3) favorable vote~~
8 ~~of the Conference for such change].~~

9 ~~[Defined areas of territory not embraced within a water~~
10 ~~district and located in an original grant or grants riparian to the~~
11 ~~Rio Grande, in Starr, Hidalgo and Cameron Counties, may be added to~~
12 ~~the area of the Authority in the manner provided in Article~~
13 ~~7880--75b of the Revised Civil Statutes of Texas for annexing~~
14 ~~territory to Water Control and Improvement Districts.]~~

15 SECTION 3. Section 4, Chapter 309, Acts of the 52nd
16 Legislature, Regular Session, 1951, is amended to read as follows:

17 Sec. 4. (a) The management and control of the Authority is
18 hereby vested in a board to be known as the Valley Water Conference
19 (hereinafter referred to as 'Conference') and in a board of
20 directors of 12 ~~[nine (9)]~~ members to be selected by the Conference.
21 The Conference is to be composed of one (1) representative for each
22 defined irrigation district, water improvement district, and water
23 control and improvement district located within the boundaries of
24 the Authority, which enters into contractual relations with the
25 Authority as required in Subsection (b) of this Section
26 (hereinafter referred to as 'districts'); ~~and~~ one (1)
27 representative for each private irrigation corporation engaged in

1 irrigating not less than ten thousand (10,000) acres of land
2 situated within the boundaries of the Authority but not included in
3 any district which owns and is actively operating an irrigation
4 system throughout its boundaries, and which corporation shall have
5 entered into contractual relations with the Authority as
6 required by Subsection (b) of this Section (hereinafter
7 referred to as 'private corporations'); and one (1) representative
8 for each municipal class entity whose territory or service area is
9 located wholly or partly in Cameron, Hidalgo, or Willacy County.

10 (b) Provided, that in order for any district, ~~[or]~~ private
11 corporation, or municipal class entity to be entitled to a
12 representative on said Conference, it shall be necessary that such
13 district, ~~[or]~~ private corporation, or municipal class entity shall
14 have executed, and then have in effect, a contract with the
15 Authority as defined and provided for in Subsection (a) of Section 9
16 of this Act denominated CONTRACT A: Provided, further, that the
17 execution of such contract shall not be a prerequisite for having a
18 representative on the Conference until said Conference shall have
19 organized and until the Authority shall have prepared forms of such
20 contract and tendered the same for execution by such district, ~~[or]~~
21 private corporation, or municipal class entity, as the case may be;
22 provided, further, that if any district, ~~[or]~~ private
23 corporation, or municipal class entity which shall have
24 appointed a representative on said Conference shall fail to
25 execute such 'Contract A' within thirty (30) days after such
26 contract shall have been tendered to it for execution by the
27 Authority, the district, ~~[or]~~ private corporation, or municipal

1 class entity so failing shall cease to have any right to
2 representation on said Conference.

3 (c) Each member of said Conference shall, at all meetings
4 thereof, be entitled to [~~one (1)~~] vote[, ~~but representatives of~~
5 ~~districts, and private corporations whose irrigation systems~~
6 ~~extend to, and furnish water for the irrigation of more than twenty~~
7 ~~thousand (20,000) acres of land shall be entitled to one (1)~~
8 ~~additional vote. Such acreage is hereinafter referred to~~
9 ~~as 'qualifying acreage.'~~ Such acreage within districts shall be
10 determined according to the number of acres on the flat rate rolls
11 or ledgers of said districts. In the case of private corporations
12 which make a per annum flat rate charge, such acreage shall be
13 determined by the flat rate rolls or ledgers of such corporations,
14 otherwise, the qualifying acreage shall be ascertained in such
15 manner and upon such basis of proof as may be determined by the
16 Conference]. The number of votes is based on the amount of water
17 rights owned by each member, except that the voting rights of each
18 municipal class entity voting are based on the amount of water
19 rights owned or contracted for. Members and prospective members
20 must submit the amount of water rights they own or contract for to
21 the Conference in accordance with the bylaws. Cumulative voting is
22 not permitted. The Conference shall be the judge of election and
23 qualification of its own members, and the number of votes to which
24 each is entitled under the provisions of this Section.

25 (d) Each [~~Within forty-five (45) days after the effective~~
26 ~~date of this Act, each] district, [~~and~~] private corporation, or
27 municipal class entity authorized under the provisions of this Act~~

1 to have a representative on the Conference, and desiring to do so,
 2 shall by its governing body [~~board of directors~~] designate in
 3 writing a representative to be a member of the Valley Water
 4 Conference and to attend the next scheduled annual [~~first~~] meeting
 5 of the Conference [~~to be held at 10:00 a.m. on the first Monday~~
 6 ~~following the expiration of forty-five (45) days after the~~
 7 ~~effective date of this Act at the office of the Water Conservation~~
 8 ~~Association of the Lower Rio Grande Valley at Weslaco, Texas~~], and
 9 such writing shall also state the amount of water rights
 10 [~~qualifying acreage~~] of such district, or private corporation, or
 11 municipal class entity; which writing shall be supported by the
 12 certificate and affidavit of the governing body [~~president or~~
 13 ~~vice-president and the secretary~~] of such district, or private
 14 corporation, or municipal class entity and shall be delivered to
 15 the Conference at its next annual [~~first~~] meeting.

16 (e) The term of office of the members of the Conference
 17 shall be two (2) years. One half (1/2) of the members shall serve
 18 until the annual meeting [~~first Tuesday~~] in April of even-numbered
 19 years [~~1952~~], and one half (1/2) shall serve until the annual
 20 meeting [~~first Tuesday~~] in April of odd-numbered years [~~1953~~]. At
 21 the initial meeting of the Conference the members who are to serve
 22 the short term and the members who shall serve the long term shall
 23 be determined by lot; provided, that if the number of members cannot
 24 be divided into equal groups the odd number shall serve the long
 25 term. Any vacancy which may occur in the membership of the
 26 Conference shall be filled by the district, [~~District or~~] private
 27 corporation, or municipal class entity from which the vacancy

1 occurred for the unexpired term of such member. Each member of the
 2 Conference shall qualify by taking the official oath of office
 3 prescribed by law and shall serve until the member's [~~his~~]
 4 successor is qualified. When the term of office of any member of
 5 the Conference expires, the district, [~~or~~] private corporation, or
 6 municipal class entity which designated the member [~~him~~] shall
 7 select the member's [~~his~~] successor in the manner hereinbefore
 8 provided. The president of the Authority shall serve as chairman of
 9 the Conference; the secretary of the Authority shall serve as
 10 Secretary of the Conference, and the Conference shall elect such
 11 other officers as it shall deem necessary. The officers thus
 12 elected shall serve for one (1) year and until their successors
 13 shall have been elected and shall have qualified.

14 (f) At the first meeting following the expiration of the
 15 time herein provided within which districts, [~~and~~] private
 16 corporations, and municipal class entities are required to execute
 17 Contract A and the membership of the Conference has thus been
 18 finally determined, or as soon thereafter as practicable, the
 19 Conference shall select a Board of Directors composed of 12 [~~nine~~
 20 ~~(9)~~] members. Conference representatives who do not represent
 21 municipal class entities shall select nine board members [~~7~~] from
 22 among themselves [~~Conference membership~~], four (4) of whom shall
 23 reside in Cameron County, Texas, and own taxable real property
 24 within the Authority; four (4) of whom shall reside in Hidalgo
 25 County, Texas, and own taxable real property within the Authority;
 26 and one (1) of whom shall reside in Willacy County, Texas, and own
 27 taxable real property within the Authority. The municipal class

1 entity representatives shall select from among themselves one
2 representative from each of Cameron, Hidalgo, and Wallacy Counties
3 to be a member of the Board of Directors. To serve as director, a
4 municipal class entity representative must reside in the territory
5 or service area of the municipal class entity represented or in the
6 county in which the territory or service area of the municipal class
7 entity is primarily located. The [~~, provided, the~~] Conference may
8 increase the number of directors on the Board of Directors to not
9 more than thirteen (13) members and define their qualifications.
10 The term of office of such directors shall be two (2) years. Half
11 [~~Five (5)~~] of the directors shall serve until the annual meeting
12 [~~first Tuesday~~] in April of even-numbered years [~~, 1952~~], and half
13 [~~four (4)~~] shall serve until the annual meeting [~~first Tuesday~~] in
14 April of odd-numbered years, provided that if the number of
15 directors cannot be divided into equal groups, the odd number shall
16 serve until the annual meeting in odd-numbered years [~~, 1953~~]. At
17 the initial meeting of the Board of Directors, the directors who
18 shall serve the short term and those who shall serve the long term
19 shall be determined by lot.

20 (g) The Conference shall, as soon as practicable after it is
21 constituted and organized, and not later than sixty (60) days
22 thereafter, determine the amount of money necessary to cover the
23 expenses of the Authority for the ensuing year, for research,
24 engineering, legal and general administration, and allocate the
25 same ratably on a water rights [~~an acreage~~] basis among the several
26 districts, [~~and~~] private corporations, and municipal class
27 entities having representatives on the Conference, and prepare a

1 form of contract (hereinafter referred to as Contract A) for
 2 execution by each such district, ~~and~~ private corporation, and
 3 municipal class entity, conformable to the provisions of Subsection
 4 (a) of Section 9 of this Act~~[, provided, however, that no such~~
 5 ~~contract shall provide for payment for said expenses by any such~~
 6 ~~district, or private corporation in an amount exceeding ten cents~~
 7 ~~(10¢) per acre for the irrigated land served by such district or~~
 8 ~~private corporation determined as herein provided]~~. All districts
 9 are authorized to enter into contracts with the Authority, and to
 10 make the payment therein provided for, out of its Maintenance and
 11 Operation funds, and such contracts shall be tendered to said
 12 respective districts, ~~and~~ private corporations, and municipal
 13 class entities for execution promptly and as nearly simultaneously
 14 as practicable. Each such Contract A having been prepared in a form
 15 approved by the Conference, shall be executed on the part of Lower
 16 Rio Grande Valley Authority by the officers of the Conference.

17 (h) The Conference shall hold annual meetings to select
 18 Directors of the Authority and fix the amount of money required for
 19 administrative expenses for the ensuing year and allocate the same
 20 ratably on a water rights ~~[an acreage]~~ basis among the districts,
 21 private corporations, and municipal class entities, as determined
 22 by the bylaws. A quorum of the Conference shall be two-thirds (2/3)
 23 of its membership. The Conference shall also be called by the Board
 24 of Directors to consider the approval of any ~~[the]~~ final plans and
 25 specifications for the construction or maintenance of or
 26 improvements to a water distribution system and the general
 27 contract for such construction. The plans and specifications and

1 the contract must be approved by a vote of two-thirds (2/3) of the
2 members of the Conference who are present at a meeting at which a
3 quorum is present and by a vote of two-thirds (2/3) of the members
4 of the Board of Directors who are present at a meeting at which a
5 quorum is present [~~A two-thirds (2/3) favorable vote for such~~
6 ~~construction and contract by both the Conference and the Board of~~
7 ~~Directors shall be required~~]. Special meetings may be called from
8 time to time to consider any matter pertaining to the business of
9 the Authority at the discretion of the Board of Directors or upon
10 written request of twenty-five per cent (25%) of the Conference
11 membership.

12 SECTION 4. Section 5(a), Chapter 309, Acts of the 52nd
13 Legislature, Regular Session, 1951, is amended to read as follows:

14 (a) Each member of the Board of Directors shall qualify by
15 taking the official oath of office prescribed by law and shall serve
16 until his successor is qualified. The Board of Directors shall have
17 general control of the business of the Authority, determine the
18 domicile of the Authority and establish a general office.
19 Two-thirds (2/3) of the [~~Seven (7)~~] members shall constitute a
20 quorum of the Board, and a favorable vote of two-thirds (2/3) of the
21 members of the Board present at a Board meeting at which a quorum is
22 present [~~six (6) members~~] shall be required on all decisions made by
23 it.

24 SECTION 5. Section 9, Chapter 309, Acts of the 52nd
25 Legislature, Regular Session, 1951, is amended to read as follows:

26 Sec. 9. In furtherance of the purposes for which it is
27 created and to provide funds for general administrative expenses

1 and for construction, improvement, repair, replacement of works to
2 divert and distribute the waters of the Rio Grande, and other
3 facilities deemed necessary to accomplish the purposes of this Act,
4 the Authority shall have the power to enter into contracts with any
5 district created or operating under Section 52 of Article III or
6 Section 59 of Article XVI of the Constitution of Texas,
7 municipalities, political subdivisions of the State, private
8 corporations, municipal class entities, and other water users as
9 follows:

10 (a) CONTRACT "A". The Authority may enter into contracts
11 with the governing boards of any such duly constituted political
12 subdivision of the State, private corporations, municipal class
13 entities, and other water users within the outer boundaries of the
14 Authority, to provide for payments to the Authority to cover
15 expenses for research, engineering, legal and general
16 administration[~~; provided, that no payment under any contract with~~
17 ~~a Water Improvement District or Water Control and Improvement~~
18 ~~District, other water district, or with any private corporation~~
19 ~~shall exceed the amount equivalent to ten cents (10¢) per acre per~~
20 ~~annum of the lands under irrigation by such districts or private~~
21 ~~corporations, determined in the manner provided in Subsection (c)~~
22 ~~of Section 4 hereof]. All [water districts, all] water control and~~
23 improvement districts and other water districts and municipal class
24 entities whose source of water supply is the Rio Grande below the
25 site of the Falcon Dam are hereby authorized to enter into such
26 contracts with the Authority and charge the same to their
27 respective operation and maintenance funds or to raise and pay such

1 assessment in any manner which the individual district or municipal
2 class entity may adopt.

3 (b) CONTRACT "B". To pay for the construction, operation
4 and maintenance of works to divert and distribute the waters of the
5 Rio Grande and other facilities necessary and useful in furtherance
6 of the purposes for which it is created, the Authority may enter
7 into contracts with any district created or operating under Section
8 52 of Article III or Section 59 of Article XVI of the Constitution
9 of Texas and all other water districts which may have been or may
10 hereafter be created under any law, any municipalities within the
11 outer boundaries of the Authority, private corporations, and other
12 water users under which any such contracting district,
13 municipality, private corporation or other user agrees either to
14 pay installments of the construction cost of such works or to make
15 stated payments to the Authority to be used by the Authority to pay
16 the principal of and interest on bonds issued by Authority to
17 construct such facilities and to defray the expense of maintaining
18 and operating such facilities; provided that the rates and charges
19 fixed and the installment payments required by Authority shall be
20 equitably determined and to the extent practicable, shall be
21 uniform throughout the territory served by Authority, taking into
22 consideration the type and class of service and the times, places
23 and circumstances under which it is rendered; provided further,
24 that every contract by any such district involving either the
25 payment of installments of construction costs and for maintenance
26 and operation expenses or payments to Authority for its bond
27 service, maintenance and operation expenses, shall be voted upon by

1 the electors of the district, and the questions shall be submitted
2 to the voters substantially in the manner provided by Sections
3 51.156-51.165 or 51.166-51.171, Water Code [~~in Article 7880-53 or~~
4 ~~in Article 7880-141 of the Revised Civil Statutes of Texas~~
5 ~~(Vernon's, Volume 21, 1937 Edition)~~]. After any such election has
6 been carried favorably to such contract, and after affirmative
7 action by its Board of Directors, the district shall be authorized
8 to execute such contract and thereafter the district shall be
9 obligated to perform its obligations, including the collection of
10 any taxes authorized thereunder, to the extent necessary to meet
11 such obligations.

12 (c) CONTRACT "C". The Authority may enter into contracts
13 with such districts, municipalities, political subdivisions or
14 other water users, to act as their agent in connection with the
15 release and distribution of waters stored by the Falcon Dam in
16 accordance with Section 20 of this Act.

17 SECTION 6. (a) In this section, "municipal class entity"
18 has the meaning assigned by Section 1-a, Chapter 309, Acts of the
19 52nd Legislature, Regular Session, 1951, as added by this Act.

20 (b) Each municipal class entity that plans to participate in
21 the Lower Rio Grande Authority shall execute a contract with the
22 authority as required by Section 4(b), Chapter 309, Acts of the 52nd
23 Legislature, Regular Session, 1951, as amended by this Act, and
24 shall designate a representative to attend the annual meeting of
25 the Valley Water Conference in the manner provided by Section 4(d)
26 of that chapter, as amended by this Act. The municipal class entity
27 representatives designated shall, by mutual agreement or by lot,

1 determine which half of their number shall serve the long term and
2 which the short, in the manner described by Section 4(e), Chapter
3 309, Acts of the 52nd Legislature, Regular Session, 1951, as
4 amended by this Act.

5 (c) At the first annual meeting of the Valley Water
6 Conference occurring after the effective date of this Act, the
7 municipal class entity representatives shall select three
8 representatives to be members of the board of directors of the Lower
9 Rio Grande Authority, in accordance with Section 4(f), Chapter 309,
10 Acts of the 52nd Legislature, Regular Session, 1951, as amended by
11 this Act. The municipal class entity representatives selected as
12 board members shall, by mutual agreement or by lot, determine which
13 one shall serve a term that expires at the next annual meeting in an
14 even-numbered year, and which two shall serve terms that expire at
15 the next annual meeting in an odd-numbered year.

16 SECTION 7. This Act takes effect September 1, 2005.