

SENATE AMENDMENTS

2nd Printing

By: Flores

H.B. No. 479

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the succession of the La Joya Water Supply Corporation
3 by the La Joya Special Utility District.

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

5 SECTION 1. Section 7201.001, Special District Local Laws
6 Code, is amended by adding Subdivision (2-a) to read as follows:

7 (2-a) "Director" means a member of the board.

8 SECTION 2. Section 7201.002(c), Special District Local Laws
9 Code, is amended to read as follows:

10 (c) The [~~On the effective date of the Act enacting this~~
11 ~~chapter, the~~] corporation shall be dissolved and succeeded without
12 interruption by the district as provided by Subchapter A1.

13 SECTION 3. Section 7201.021, Special District Local Laws
14 Code, is amended by amending Subsections (a), (b), and (d) and
15 adding Subsection (f) to read as follows:

16 (a) After the temporary directors listed under Section
17 7201.051 have qualified for office under Section 49.055, Water
18 Code, the receiver for the corporation [~~On the effective date of the~~
19 ~~Act enacting this chapter, the corporation~~] shall transfer the
20 assets, debts, and contractual rights and obligations of the
21 corporation to the district and provide notices and make recordings
22 of the transfer required by the Water Code and general law.

23 (b) In accordance with the orders of the receivership court
24 and not [~~Not~~] later than the 30th day after the date of the transfer

1 under Subsection (a), the receiver for [~~board of directors of~~] the
2 corporation shall commence dissolution proceedings of the
3 corporation.

4 (d) The receiver for [~~board of directors of~~] the corporation
5 shall notify the Texas Commission on Environmental Quality of the
6 dissolution of the corporation and its succession in interest by
7 [~~the creation of~~] the district in order [~~to replace it~~] to effect
8 the transfer of Certificates of Convenience and Necessity Nos.
9 10559 and 20785 to the district.

10 (f) After the Texas Commission on Environmental Quality
11 takes the action required by Subsection (e), the court shall
12 terminate the receivership.

13 SECTION 4. Section 7201.022, Special District Local Laws
14 Code, is amended to read as follows:

15 Sec. 7201.022. EXPIRATION OF SUBCHAPTER. This subchapter
16 expires September 1, 2010 [~~2008~~].

17 SECTION 5. Sections 7201.051(a) and (b), Special District
18 Local Laws Code, are amended to read as follows:

19 (a) The temporary board consists of seven [~~The directors of~~
20 ~~the corporation who hold office on the effective date of the Act~~
21 ~~enacting this chapter shall serve as the temporary~~] directors who
22 shall serve [~~of the district~~] until successor directors are elected
23 and qualify for office.

24 (b) The temporary directors of the district consist of the
25 following persons, who are assigned position numbers as follows:

26 (1) Position 1, Janie G. Ramirez [~~Jose Luis Trigo~~];

27 (2) Position 2, Ricardo Perez [~~Jose Guadalupe Reyna~~];

- 1 (3) Position 3, Efren Garza [~~George Barreiro~~];
2 (4) Position 4, Jerry Bell [~~Froilan Ramirez~~];
3 (5) Position 5, Alton Moore [~~Russell Wicker~~];
4 (6) Position 6, Marilou Prudencio [~~Benito Salinas~~];
5 and
6 (7) Position 7, Everado Torres [~~Manuel Ricardo~~
7 ~~Garcia,~~]
8 [~~(8) Position 8, Valente Alaniz, Jr., and~~
9 [~~(9) Position 9, Juan Lino Garza~~].

10 SECTION 6. Subchapter B, Chapter 7201, Special District
11 Local Laws Code, is amended by adding Sections 7201.0512 and
12 7201.0513 to read as follows:

13 Sec. 7201.0512. TEMPORARY BOARD TRAINING. (a) Before
14 December 31, 2007, each temporary director shall complete at least
15 12 hours of training on district management and compliance with
16 laws applicable to the district as determined by the receiver for
17 the corporation.

18 (b) The district shall reimburse a temporary director for
19 the reasonable expenses incurred by the director in attending the
20 training.

21 Sec. 7201.0513. EDUCATION PROGRAM. (a) Before the first
22 election of directors, the temporary board shall establish a
23 program of education for directors that includes information on:

- 24 (1) the history of the district;
25 (2) the district's enabling legislation;
26 (3) Chapters 49 and 65, Water Code, and other laws that
27 apply to the district, including the requirements of the:

1 (A) open meetings law, Chapter 551, Government
2 Code; and

3 (B) public information law, Chapter 552,
4 Government Code;

5 (4) relevant legal developments related to water
6 district governance;

7 (5) the legal duties and responsibilities of the
8 board;

9 (6) the requirements of conflict of interest laws and
10 other laws relating to public officials; and

11 (7) any applicable ethics policies adopted by the
12 Texas Commission on Environmental Quality or the Texas Ethics
13 Commission.

14 (b) The district shall pay any costs associated with the
15 development of the education program from district revenue.

16 (c) The education program may include training provided by
17 an organization offering courses that have been approved by the
18 Texas Commission on Environmental Quality.

19 (d) The board may adopt bylaws modifying the education
20 program as necessary to meet district needs.

21 SECTION 7. Section 7201.052, Special District Local Laws
22 Code, is amended by amending Subsections (a), (f), (g), and (h) and
23 adding Subsections (i), (j), and (k) to read as follows:

24 (a) The district shall be governed by a board of seven [~~not~~
25 ~~fewer than nine and not more than 11~~] directors[~~, elected in~~
26 ~~accordance with Section 49.103, Water Code, notwithstanding~~
27 ~~Subsection (f)(2) of that section].~~

1 (f) On the uniform election date in May 2008, or in May 2009,
2 if the election is postponed under Subsection (i) [2006], and on
3 that uniform election date every third year after that date, the
4 district shall hold an election to elect two [three] directors to
5 serve in positions 1[4] and 2 [7].

6 (g) On the uniform election date in May 2009, or in May 2010,
7 if the election is postponed under Subsection (i) [2007], and on
8 that uniform election date every third year after that date, the
9 district shall hold an election to elect two [three] directors to
10 serve in positions [2] 3[7] and 4 [5].

11 (h) On the uniform election date in May 2010, or in May 2011,
12 if the election is postponed under Subsection (i) [2008], and on
13 that uniform election date every third year after that date, the
14 district shall hold an election to elect three directors to serve in
15 positions 5, 6, [8] and 7 [9].

16 (i) The temporary board by order may postpone until the
17 uniform election date in May of the following year the first
18 election for directors under each of Subsections (f), (g), and (h)
19 if the temporary board determines that there is not sufficient time
20 to comply with the requirements of law and to order the first
21 election of directors to be held on the first uniform date specified
22 by Subsection (f).

23 (j) A director may not serve consecutive terms.

24 (k) A person who has served as a member of the board of
25 directors of the corporation is not eligible to serve as a district
26 director.

27 SECTION 8. Subchapter B, Chapter 7201, Special District

1 Local Laws Code, is amended by adding Sections 7201.053 and
2 7201.054 to read as follows:

3 Sec. 7201.053. DISTRICT TREASURER. (a) The board shall
4 elect from among its members one director to serve as district
5 treasurer.

6 (b) The district treasurer shall comply with the training
7 requirements provided by Section 49.1571, Water Code, for an
8 investment officer of a district.

9 Sec. 7201.054. EDUCATION FOR DIRECTORS. (a) Each elected
10 director shall complete the education program established under
11 Section 7201.0513 before the first anniversary of the date on which
12 the director was elected.

13 (b) The district shall reimburse a director for the
14 reasonable expenses incurred by the director in attending the
15 education program.

16 (c) A director who is elected to serve a subsequent term
17 shall fulfill the education requirements specified by district
18 bylaws.

19 SECTION 9. (a) Except as otherwise provided by Chapter
20 7201, Special District Local Laws Code, as amended by this Act, the
21 La Joya Special Utility District is subject to:

22 (1) any judicial or administrative order imposing an
23 injunction against the La Joya Water Supply Corporation that is in
24 effect on the date of the transfer under Section 7201.021, Special
25 District Local Laws Code, as amended by this Act; or

26 (2) any judicial or administrative order imposing
27 liability for monetary damages or a civil or administrative penalty

1 against the La Joya Water Supply Corporation that is unsatisfied on
2 the date of the transfer under Section 7201.021, Special District
3 Local Laws Code, as amended by this Act.

4 (b) This section does not relieve a person who served on the
5 board of directors of the La Joya Water Supply Corporation of any
6 individual or joint and several liability imposed by a court of this
7 state for actions taken by that person on behalf of the corporation
8 or prevent the La Joya Special Utility District from filing a claim
9 for damages against that person.

10 (c) If the La Joya Special Utility District pays a claim of a
11 person against the La Joya Water Supply Corporation, the district
12 is subrogated to any rights of that person against the corporation
13 to the extent of the amount paid to that person.

14 SECTION 10. (a) The legal notice of the intention to
15 introduce this Act, setting forth the general substance of this
16 Act, has been published as provided by law, and the notice and a
17 copy of this Act have been furnished to all persons, agencies,
18 officials, or entities to which they are required to be furnished
19 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
20 Government Code.

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

23 (c) The Texas Commission on Environmental Quality has filed
24 its recommendations relating to this Act with the governor,
25 lieutenant governor, and speaker of the house of representatives
26 within the required time.

27 (d) All requirements of the constitution and laws of this

1 state and the rules and procedures of the legislature with respect
2 to the notice, introduction, and passage of this Act are fulfilled
3 and accomplished.

4 SECTION 11. This Act takes effect immediately if it
5 receives a vote of two-thirds of all the members elected to each
6 house, as provided by Section 39, Article III, Texas Constitution.
7 If this Act does not receive the vote necessary for immediate
8 effect, this Act takes effect September 1, 2007.

ADOPTED

MAY 17 2007

Atty Gen
Secretary of the Senate

By: Hinojosa

H.B. No. 479

Substitute the following for ___B. No. _____:

By: J. J. King

C.S. ___B. No. _____

A BILL TO BE ENTITLED

AN ACT

relating to the succession of the La Joya Water Supply Corporation by the Tabasco Special Utility District.

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

SECTION 1. The heading to Chapter 7201, Special District Local Laws Code, is amended to read as follows:

CHAPTER 7201. TABASCO [~~LA JOYA~~] SPECIAL UTILITY DISTRICT

SECTION 2. Section 7201.001, Special District Local Laws Code, is amended by amending Subdivision (3) and adding Subdivision (4) to read as follows:

(3) "Director" means a member of the board.

(4) "District" means the Tabasco [~~La Joya~~] Special Utility District.

SECTION 3. Section 7201.002(c), Special District Local Laws Code, is amended to read as follows:

(c) The [~~On the effective date of the Act enacting this chapter, the~~] corporation shall be dissolved and succeeded without interruption by the district as provided by Subchapter A1.

SECTION 4. Section 7201.005, Special District Local Laws Code, is amended by amending Subsections (a) and (b) and adding Subsection (d) to read as follows:

(a) The [~~boundaries of the corporation and initial boundaries of the~~] district is composed of the territory described by Section 12 of the Act enacted by the 80th Legislature, Regular

1 Session, 2007, amending this subsection [~~are coextensive with the~~
2 ~~service areas covered by Certificates of Convenience and Necessity~~
3 ~~Nos. 10559 and 20785, as recorded on the Texas Commission on~~
4 ~~Environmental Quality maps associated with those certificates.~~
5 ~~These maps are incorporated in this section by reference].~~

6 (b) The boundaries and field notes contained in Section 12
7 of the Act enacted by the 80th Legislature, Regular Session, 2007,
8 amending this subsection form a closure. A mistake made in the field
9 notes or in copying the field notes in the legislative process
10 [~~preparation, copying, or filing of the maps described by~~
11 ~~Subsection (a) and on file with the Texas Commission on~~
12 ~~Environmental Quality]~~ does not affect:

13 (1) the organization, existence, or validity of the
14 district;

15 (2) the right of the district to issue bonds; or

16 (3) the legality or operation of the district.

17 (d) The territory of the district does not include and the
18 district does not have jurisdiction over land that has never been in
19 the service area of the corporation regardless of any erroneous
20 inclusion of that land in the boundaries and field notes in Section
21 12 of the Act enacted by the 80th Legislature, Regular Session,
22 2007, amending this section.

23 SECTION 5. Section 7201.021, Special District Local Laws
24 Code, is amended by amending Subsections (a), (b), and (d) and
25 adding Subsection (f) to read as follows:

26 (a) Except as provided by this subsection, after the
27 appointment of initial directors under Section 7201.051, the

1 receiver for the corporation [~~On the effective date of the Act~~
2 ~~enacting this chapter, the corporation~~] shall transfer the assets,
3 debts, and contractual rights and obligations of the corporation,
4 including all legal claims against the corporation in effect on the
5 date of the transfer, to the district and provide notices and make
6 recordings of the transfer required by the Water Code and general
7 law. If the transfer of any debt requires the permission of the
8 lender, the receiver shall initiate proceedings to obtain that
9 permission.

10 (b) In accordance with the orders of the receivership court
11 and not [~~Not~~] later than the 30th day after the date of the transfer
12 under Subsection (a), the receiver for [~~board of directors of~~] the
13 corporation shall commence dissolution proceedings of the
14 corporation.

15 (d) The receiver for [~~board of directors of~~] the corporation
16 shall notify the Texas Commission on Environmental Quality of the
17 dissolution of the corporation and its succession in interest by
18 [~~the creation of~~] the district in order [~~to replace it~~] to effect
19 the transfer of Certificates of Convenience and Necessity Nos.
20 10559 and 20785 to the district.

21 (f) After the Texas Commission on Environmental Quality
22 takes the action required by Subsection (e), the court shall
23 terminate the receivership.

24 SECTION 6. Section 7201.022, Special District Local Laws
25 Code, is amended to read as follows:

26 Sec. 7201.022. EXPIRATION OF SUBCHAPTER. This subchapter
27 expires September 1, 2012 [~~2008~~].

1 SECTION 7. Section 7201.051, Special District Local Laws
2 Code, is amended to read as follows:

3 Sec. 7201.051. APPOINTMENT OF INITIAL [TEMPORARY]
4 DIRECTORS. (a) As soon as practicable after the effective date of
5 the Act enacted by the 80th Legislature, Regular Session, 2007,
6 amending this section, seven initial directors shall be appointed
7 as provided by this section [~~The directors of the corporation who~~
8 ~~hold office on the effective date of the Act enacting this chapter~~
9 ~~shall serve as the temporary directors of the district until~~
10 ~~successor directors are elected and qualify for office~~].

11 (b) To be eligible to be appointed as an initial director,
12 an individual must meet the same requirements as a candidate for an
13 elected position as director under Section 7201.052. The initial
14 directors shall be appointed as follows:

15 (1) one director to represent the residents of the
16 district in the city of Mission appointed by the governing body of
17 that city;

18 (2) one director to represent the residents of the
19 district in the city of Palmview appointed by the governing body of
20 that city;

21 (3) one director to represent the residents of the
22 district in the city of Penitas appointed by the governing body of
23 that city;

24 (4) one director to represent the residents of the
25 district in the city of Sullivan City appointed by the governing
26 body of that city; and

27 (5) three directors to represent the residents of the

1 district outside the municipalities listed in Subdivisions (1)-(4)
2 appointed by the Hidalgo County Commissioners Court [~~The temporary~~
3 ~~directors of the district are assigned position numbers as follows:~~

4 [~~(1) Position 1, Jose Luis Trigo,~~

5 [~~(2) Position 2, Jose Guadalupe Reyna,~~

6 [~~(3) Position 3, George Barreiro,~~

7 [~~(4) Position 4, Frolian Ramirez,~~

8 [~~(5) Position 5, Russell Wicker,~~

9 [~~(6) Position 6, Benito Salinas,~~

10 [~~(7) Position 7, Manuel Ricardo Garcia,~~

11 [~~(8) Position 8, Valente Alaniz, Jr., and~~

12 [~~(9) Position 9, Juan Lino Garza].~~

13 (c) An initial director serves a term that expires on June 1
14 of the year in which the director's successor is elected under
15 Section 7201.052 [~~If there is a vacancy on the temporary board of~~
16 ~~directors of the district, the temporary board shall appoint a~~
17 ~~person to fill the vacancy for the remainder of the term for the~~
18 ~~vacated position until the applicable election under Section~~
19 ~~7201.052].~~

20 SECTION 8. Subchapter B, Chapter 7201, Special District
21 Local Laws Code, is amended by adding Sections 7201.0512 and
22 7201.0513 to read as follows:

23 Sec. 7201.0512. INITIAL BOARD TRAINING. (a) Not later than
24 the 60th day after the first date on which all of the initial
25 directors have been appointed, each initial director shall complete
26 at least 12 hours of training on district management and compliance
27 with laws applicable to the district as determined by the receiver

1 for the corporation.

2 (b) The district shall reimburse an initial director for the
3 reasonable expenses incurred by the director in attending the
4 training.

5 Sec. 7201.0513. EDUCATION PROGRAM. (a) Before the first
6 election of directors under Section 7201.052, the initial board
7 shall establish a program of education for directors that includes
8 information on:

9 (1) the history of the district;

10 (2) the district's enabling legislation;

11 (3) Chapters 49 and 65, Water Code, and other laws that
12 apply to the district, including the requirements of the:

13 (A) open meetings law, Chapter 551, Government
14 Code; and

15 (B) public information law, Chapter 552,
16 Government Code;

17 (4) relevant legal developments related to water
18 district governance;

19 (5) the duties and responsibilities of the board;

20 (6) the requirements of conflict of interest laws and
21 other laws relating to public officials; and

22 (7) any applicable ethics policies adopted by the
23 Texas Commission on Environmental Quality or the Texas Ethics
24 Commission.

25 (b) The district shall pay any costs associated with the
26 development of the education program from district revenue.

27 (c) The education program may include training provided by

1 an organization offering courses that have been approved by the
2 Texas Commission on Environmental Quality.

3 (d) The board may adopt bylaws modifying the education
4 program as necessary to meet district needs.

5 SECTION 9. Section 7201.052, Special District Local Laws
6 Code, is amended to read as follows:

7 Sec. 7201.052. BOARD OF DIRECTORS. (a) Except as provided
8 by Subsection (1), the [The] district shall be governed by a board
9 of seven [not fewer than nine and not more than 11] directors,
10 elected as follows:

11 (1) one director elected by the voters of the part of
12 the city of Mission inside the district to represent that part of
13 the city;

14 (2) one director elected by the voters of the city of
15 Palmview to represent that city;

16 (3) one director elected by the voters of the city of
17 Penitas to represent that city;

18 (4) one director elected by the voters of the city of
19 Sullivan City to represent that city; and

20 (5) three directors elected at-large to numbered
21 positions on the board by the district voters who do not reside in
22 any of the municipalities listed in Subdivisions (1)-(4) to
23 represent the part of the district that is not included in those
24 municipalities, unless the number of at-large directors is
25 increased under Subsection (1) [in accordance with Section 49.103,
26 Water Code, notwithstanding Subsection (f)(2) of that section].

27 (b) A [Except for a temporary director under Section

1 ~~7201.051, a]~~ candidate for one of the numbered [a position as]
2 director positions:

3 (1) [~~is elected at large to represent the entire~~
4 ~~service area of the district,~~

5 [~~2~~] must reside in the part of the service area of
6 the district that is not included in any of the municipalities
7 listed in Subsections (a)(1)-(4); and

8 (2) [~~3~~] must be eligible to hold office under
9 Section 141.001, Election Code.

10 (c) A candidate for one of the director positions
11 representing a municipality listed in Subsection (a)(1), (2), (3),
12 or (4):

13 (1) must reside in the municipality the candidate
14 seeks to represent; and

15 (2) must be eligible to hold office under Section
16 141.001, Election Code.

17 (d) It is the policy of the district that the directors
18 shall represent and reside in as broad a cross-section of the
19 geographic area of the district as possible.

20 (e) [~~d~~] The district shall fill a vacancy on the board in
21 accordance with Section 49.105, Water Code.

22 (f) [~~e~~] Except for the initial [temporary] directors
23 appointed [listed] under Section 7201.051 or elected at the first
24 election under Subsection (g), directors serve staggered terms of
25 four [three] years.

26 (g) [~~f~~] On the uniform election date in May 2008, or in
27 May 2010, if the election is postponed under Subsection (h), the

1 district shall hold an election to elect seven directors. On the
2 [2006, and on that] uniform election date in May of each
3 even-numbered [every third] year after that date, the district
4 shall hold an election to elect the appropriate number of [three]
5 directors [to serve in positions 1, 4, and 7].

6 (h) The initial board by order may postpone until the
7 uniform election date in May 2010 the first election for directors
8 under Subsection (g) if the initial board determines that there is
9 not sufficient time to comply with the requirements of law and to
10 order the election of directors to be held on the first uniform
11 election date specified by that subsection.

12 (i) The directors elected at the first election under
13 Subsection (g) shall cast lots to determine which three directors
14 shall serve terms expiring June 1 of the first even-numbered year
15 after the year in which the directors are elected and which four
16 directors shall serve terms expiring June 1 of the second
17 even-numbered year after the year in which the directors are
18 elected.

19 (j) A director may not serve consecutive terms.

20 (k) A person who has served as a member of the board of
21 directors of the corporation is not eligible to serve as a district
22 director.

23 (l) If, before the expiration of the term of a director
24 elected to represent a municipality under Subsection (a)(1), (2),
25 (3), or (4), the district determines that all of the incorporated
26 territory of the municipality is outside the boundaries of the
27 district, the position immediately becomes an at-large numbered

1 position to be filled at the next general election of the district
2 in accordance with Subsections (a)(5) and (b) [(g) On the uniform
3 election date in May 2007, and on that uniform election date every
4 third year after that date, the district shall hold an election to
5 elect three directors to serve in positions 2, 3, and 5.

6 ~~[(h) On the uniform election date in May 2008, and on that~~
7 ~~uniform election date every third year after that date, the~~
8 ~~district shall hold an election to elect three directors to serve in~~
9 ~~positions 6, 8, and 9].~~

10 SECTION 10. Subchapter B, Chapter 7201, Special District
11 Local Laws Code, is amended by adding Sections 7201.053 and
12 7201.054 to read as follows:

13 Sec. 7201.053. DISTRICT TREASURER. (a) The board shall
14 elect from among its members one director to serve as district
15 treasurer.

16 (b) The district treasurer shall comply with the training
17 requirements provided by Section 49.1571, Water Code, for an
18 investment officer of a district.

19 Sec. 7201.054. EDUCATION FOR DIRECTORS. (a) Except for an
20 initial director whose term expires in 2008, each director shall
21 complete the education program established under Section 7201.0513
22 before the first anniversary of the date on which the director was
23 appointed or elected.

24 (b) The district shall reimburse a director for the
25 reasonable expenses incurred by the director in attending the
26 education program.

27 (c) A director who is elected to serve a subsequent term

1 shall fulfill the education requirements specified by district
2 bylaws.

3 SECTION 11. Section 7201.206, Special District Local Laws
4 Code, is amended to read as follows:

5 Sec. 7201.206. RATES AND FEES FOR SERVICES. (a) The
6 district, in connection with water or sewer retail public utility
7 services, shall establish lifeline, senior citizen, or minimum
8 consumption level rates for services. The rate impact of such
9 services shall be allocated on the basis of costs of services to
10 achieve conservation principles, while securing necessary reserves
11 for the payment of operating expenses, sinking funds, principal,
12 interest, and debt coverage factors, and any other objective
13 established by the district's annual budget.

14 (b) Chapter 395, Local Government Code, does not apply to
15 any fee, charge, or assessment that, before the corporation's
16 dissolution and conversion to a district, is adopted by the
17 receiver for the purpose of generating revenue to fund or recoup the
18 costs of capital improvements or facility expansions necessitated
19 by and attributable to new developments.

20 (c) Notwithstanding Subsection (b), beginning on December
21 31, 2009, the district may not impose any fee, charge, or assessment
22 that, before the corporation's dissolution and conversion to a
23 district, is adopted by the receiver for the purpose of generating
24 revenue to fund or recoup the costs of capital improvements or
25 facility expansions necessitated by and attributable to new
26 developments unless the district readopts the fee, charge, or
27 assessment or adopts a new fee, charge, or assessment in accordance

1 with Chapter 395, Local Government Code. This subsection does not
2 apply to a retail water or sewer rate adopted by the receiver or the
3 district.

4 SECTION 12. (a) Except for the areas excluded under
5 Subsection (b) of this section, the boundaries of the Tabasco
6 Special Utility District are as follows:

7 Beginning at a point in the centerline of FM 495 (Mile 1 Road)
8 a distance of approximately .18 miles west of the intersection of FM
9 495 and Inspiration Road.

10 Thence due north approximately 1.0 miles to a point
11 approximately 166 feet south of the centerline of Mile 2 Road and
12 approximately .18 miles west of the intersection of Mile 2 Road and
13 Inspiration Road

14 Thence follow west along a straight westerly line
15 approximately 180 feet south of Mile 2 Road approximately .51 miles
16 to a point in the centerline of Schubach Road.

17 Following westerly in a straight line approximately .78 miles
18 to the centerline of Bentsen Palm Drive.

19 From the point at the centerline of Bentsen Palm Road
20 continue westerly approximately .78 miles to a point at 26 15 00
21 latitude and -98 22 10 longitude.

22 Turn right and due north and follow approximately 7.0 miles
23 in a northerly direction .10 miles west and parallel to Bentsen Palm
24 Drive to a point at 226 21 04 latitude and -98 21 06 longitude.

25 Turn left and follow westerly along a straight line a
26 distance of approximately 1.66 miles to the intersection of Abram
27 Road and 9 Mile Road.

1 Follow along the centerline of 9 Mile Road westerly
2 approximately 1.65 miles to its intersection with Iowa Avenue.
3 (Latitude: 26 21 31, Longitude: -98 24 16)

4 Continue westerly along a straight line from latitude 26 21
5 31, longitude -98 24 16 approximately 3.79 miles to the center line
6 of FM 2221 (Jara Chinas Road)

7 Thence due south along FM 2221 (Jara Chinas Road)
8 approximate distance of 8.02 Miles to a point approximately .75
9 miles north of the Intersection of Expressway 83 and FM 2221(Jara
10 Chinas Road)

11 Thence at a distance of approximately .75 miles north of the
12 centerline of Expressway 83 due west to northwest approximately 4
13 miles following along the same contour as Expressway 83 to the
14 centerline of El Faro Road from a point .62 miles east of the
15 intersection of El Faro Road and Expressway 83.

16 Turn right and follow due north down the centerline of El Faro
17 Road until its end and continue northerly for a total of
18 approximately 2.79 miles to a point at latitude 26 19 13 and
19 longitude -98 32 40.

20 Turn left and follow northwesterly in a straight line along
21 the east side of 16 Mile Road (Starr County) approximately 1.87
22 miles to a point located at 26 19 30 latitude and -98 34 27
23 longitude.

24 Turn right and follow northeasterly in a straight line
25 approximately 1.02 miles to a point located at 26 20 22 latitude and
26 -98 34 17 longitude.

27 Turn right and follow southeasterly in a straight line

1 approximately 1.26 miles to a point located at 26 20 22 latitude and
2 -98 33 05 longitude.

3 Turn right and follow northeasterly in a straight line along
4 the west side of County Line Road (Starr County) approximately .61
5 miles to a point located at 26 20 43 latitude and -98 32 60
6 longitude.

7 Turn left and follow northwesterly in a straight line
8 approximately 1.26 miles to a point located at 26 20 53 latitude and
9 -98 34 12 longitude.

10 Turn right and follow northeasterly in a straight line along
11 the east side of 16 Mile Road (Starr County) approximately 1.32
12 miles to a point located at 26 22 02 latitude and -98 33 59
13 longitude.

14 Turn left and follow northwesterly in a straight line
15 approximately .55 miles to a point located at 26 22 07 latitude and
16 -98 34 30 longitude.

17 Turn left and follow southwesterly in a straight line
18 approximately 6.17 miles to a point located at 26 16 48 latitude and
19 -98 35 29 longitude.

20 Turn left and follow southeasterly in a straight line
21 approximately .91 miles to a point located at 26 16 30 latitude and
22 -98 34 40 longitude, near the Hidalgo-Starr County line.

23 Turn right and follow southwesterly along the Hidalgo-Starr
24 County line approximately 1.28 miles to its intersection with the
25 Rio Grande River (U.S. side).

26 Thence due south approximately 7.77 miles to the northern
27 winding banks (U.S. side) of the Rio Grande River

1 Thence east along the northern winding banks (US side) of
2 the Rio Grande River approximately 22 miles to a point
3 approximately 1.16 miles south of Greene Road

4 Thence from that center line on Bentsen Park Road
5 approximately .82 miles east northeast to the centerline of
6 Breyfogle/Shuerbach Road

7 Turn left and follow westerly in a straight line
8 approximately .56 miles to a point located 26 11 20 latitude and -98
9 22 30 longitude.

10 Turn left and follow southerly in a straight line
11 approximately .50 miles to the centerline of Military Road.

12 Turn right and follow northerly and then northwesterly along
13 the north side of Military Road approximately .36 miles to its
14 intersection with Farm-to-Market Road 2062.

15 Turn left and follow southerly along Farm-to-Market Road 2062
16 approximately .16 miles to a point located at 26 11 02 latitude and
17 -98 22 46 longitude.

18 Turn right and follow northerly, westerly, southerly,
19 southwesterly, northerly, westerly and then southwesterly for
20 approximately 1.27 miles to a point located at 26 11 11 latitude and
21 -98 23 38 longitude running just north of Park Road 43.

22 Turn right and follow northeasterly along a straight line for
23 approximately .71 miles to the north side of Military Road.

24 Turn left and follow along westerly approximately .44 miles
25 along the north side of Military Road to its intersection with
26 Goodwin Road.

27 Turn right and follow northerly along the centerline of

1 Goodwin Road approximately .33 miles to a point located at 26 12 07
2 latitude and -98 23 53 longitude.

3 Turn right and follow easterly, northerly, easterly and then
4 southeasterly approximately .78 miles to the intersection with
5 Green Road.

6 Turn left and follow northerly along the centerline of Green
7 Road approximately .32 miles.

8 Turn right and follow easterly and then southwesterly
9 approximately 1.16 miles to the north side of Military Road at
10 points 26 11 42 latitude and -98 23 16 longitude.

11 Turn left and follow southeasterly along the north side of
12 Military Road approximately 0.07 miles to a point located at 26 11
13 40 latitude and -98 23 13 longitude.

14 Turn left and follow northeasterly, northerly,
15 northeasterly, northerly, northeasterly, easterly, southerly and
16 then easterly approximately 2.04 miles to the centerline of
17 Shuebach Road/Airfield Road

18 Turn left and follow northeasterly along the centerline of
19 Airfield Road approximately 1.48 miles to its intersection with
20 U.S. Highway 83 Business.

21 Turn right and follow easterly along the centerline of U.S.
22 Highway 83 Business approximately .27 miles to its intersection
23 with Moorefield Road.

24 Turn left and follow northerly along the centerline of
25 Moorefield Road approximately .32 miles to a point located at 26 13
26 23 latitude and -98 21 21 longitude.

27 Make a slight right and follow northeasterly and then

1 northerly along the west banks of the Edinburg Main Canal
2 approximately .66 miles to that point on the centerline of FM 495
3 the beginning (Mile 1 Road) a distance of approximately .18 miles
4 west of the intersection of FM 495 and Inspiration Road to Close.

5 (b) The territory of the Tabasco Special Utility District
6 does not include the area within the city limits of La Joya, Texas,
7 as it existed on January 1, 1991; the area within the Certificate of
8 Convenience and Necessity of Hidalgo County Municipal Utility
9 District No. 1 as reflected on the records of the Texas Commission
10 on Environmental Quality as of January 1, 2007; and the area within
11 the following boundary lines, which lie wholly within the district:

12 Beginning at a point located at 26 14 57 Latitude and -98 25
13 55 Longitude follow in a northwesterly direction along an unnamed
14 creek approximately .23 Miles to a point located at 26 15 03
15 Latitude and -98 26 05 Longitude.

16 From the point located at 26 15 03 Latitude and -98 26 05
17 Longitude follow in a westerly direction along an unnamed creek
18 approximately .24 Miles to a point located at 26 15 04 Latitude and
19 -98 26 19 Longitude.

20 From the point located at 26 15 04 Latitude and -98 26 19
21 Longitude turn right and follow in a straight line northeasterly
22 approximately .97 Miles to a point located at 26 15 54 Latitude and
23 -98 26 09 Longitude.

24 From the point located at 26 15 54 Latitude and -98 26 09
25 Longitude turn right and follow in a straight line
26 easterly-southeasterly approximately .43 Miles to a point located
27 at 26 15 50 Latitude and -98 25 45 Longitude.

1 From a point located at 26 15 50 Latitude and -98 25 45
2 Longitude turn right and follow in a straight line southwesterly
3 approximately 1.03 Miles to a point located at 26 14 57 Latitude and
4 -98 25 55 Longitude and Place of Beginning.

5 SECTION 13. Initial directors of the board of the Tabasco
6 Special Utility District shall be appointed in accordance with
7 Section 7201.051, Special District Local Laws Code, as amended by
8 this Act, as soon as practicable after the effective date of this
9 Act.

10 SECTION 14. Except as otherwise provided by Chapter 7201,
11 Special District Local Laws Code, as amended by this Act, the
12 Tabasco Special Utility District is subject to:

13 (1) any judicial or administrative order imposing an
14 injunction against the La Joya Water Supply Corporation that is in
15 effect on the date of the transfer under Section 7201.021, Special
16 District Local Laws Code, as amended by this Act; or

17 (2) any judicial or administrative order imposing
18 liability for monetary damages or a civil or administrative penalty
19 against the La Joya Water Supply Corporation that:

20 (A) results from a legal proceeding that is
21 pending on the date of the transfer under Section 7201.021, Special
22 District Local Laws Code, as amended by this Act; or

23 (B) is unsatisfied on the date of the transfer
24 under Section 7201.021, Special District Local Laws Code, as
25 amended by this Act.

26 SECTION 15. (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 16. This Act takes effect immediately if it
17 receives a vote of two-thirds of all the members elected to each
18 house, as provided by Section 39, Article III, Texas Constitution.
19 If this Act does not receive the vote necessary for immediate
20 effect, this Act takes effect September 1, 2007.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 8, 2007

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB479** by Flores (Relating to the succession of the La Joya Water Supply Corporation by the Tabasco Special Utility District.), **Committee Report 2nd House, Substituted**

No significant fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, WK, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 1, 2007

TO: Honorable Kip Averitt, Chair, Senate Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: **HB479** by Flores (Relating to the succession of the La Joya Water Supply Corporation by the La Joya Special Utility District.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality
LBB Staff: JOB, WK, DB

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

February 19, 2007

TO: Honorable Robert Puente, Chair, House Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB479 by Flores (Relating to the succession of the La Joya Water Supply Corporation by the La Joya Special Utility District.), **As Introduced**

No significant fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: JOB, WK, DB

LEGISLATIVE BUDGET BOARD

Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

80TH LEGISLATIVE REGULAR SESSION

February 20, 2007

TO: Honorable Robert Puente, Chair, House Committee on Natural Resources

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB479 by Flores (Relating to the succession of the La Joya Water Supply Corporation by the La Joya Special Utility District.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

The bill amends La Joya Special Utility District (District) in Hidalgo and Starr Counties with the powers and duties of Water Code Chapters 49 and 65 related to general law special utility districts. The purpose of the District includes: providing works and projects under powers conferred by Article XVI, Section 59 of the Texas Constitution to benefit the property within the District and the power of eminent domain.

1) Population - As existing, the current La Joya Water Supply Corporation had an estimated population of 41,117 in 2005. The population is projected to increase to 73,747 by 2020.

2) Location - The district is located primarily within Hidalgo County, with a small portion within Starr County.

3) Comments on Powers/Duties Different from Similar Types of Districts-Texas Water Code Chapter 65, on "Special Utility District" applies to this District. The District would have the power to provide water, wastewater, drainage, irrigation and fire fighting services.

4) Overlapping Services- The District's boundaries include the area of the La Joya Water Supply Corporation which currently holds Certificates of Convenience and Necessity (CCN) Nos. 10559 and 20785. There are overlapping CCNs with Hidalgo County Municipal Utility District No. 1, Sharyland Water Supply Corporation, and the City of Mission for water service and the City of Penitas and the City of Mission for wastewater service. The District overlaps the City of Los Ebanos, City of Palm View, City of LaJoya, Sullivan City, Hidalgo County Water Control and Improvement District No. 18 and United Irrigation District.

5) TCEQ's Supervision-As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports. Also, the District is also subject to the TCEQ's regulatory authority of Water Code Chapter 13 for the areas within the CCNs boundaries.

6) Water Use - La Joya WSC currently uses surface water for its municipal supplies, obtained from the Amistad-Falcon Lake Reservoir.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: JOB, WK

