

1-1 By: Eltife S.B. No. 1223  
1-2 (In the Senate - Filed March 2, 2009; April 17, 2009, read  
1-3 first time and referred to Committee on Natural Resources;  
1-4 April 2, 2009, reported favorably by the following vote: Yeas 9,  
1-5 Nays 0; April 2, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the creation, administration, powers, duties, and  
1-9 operation of the Riverbend Water Resources District; providing  
1-10 authority to issue bonds and exercise the power of eminent domain.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Title 6, Special District Local Laws Code, is  
1-13 amended by adding Subtitle L to read as follows:

1-14 SUBTITLE L. MUNICIPAL WATER DISTRICTS

1-15 CHAPTER 9601. RIVERBEND WATER RESOURCES DISTRICT

1-16 SUBCHAPTER A. GENERAL PROVISIONS

1-17 Sec. 9601.001. DEFINITIONS. In this chapter:

1-18 (1) "Board" means the board of directors of the  
1-19 district.

1-20 (2) "Bond" has the meaning assigned to the term  
1-21 "public security" by Section 1202.001, Government Code.

1-22 (3) "Director" means a person appointed to the board.

1-23 (4) "District" means the Riverbend Water Resources  
1-24 District.

1-25 (5) "Member" means a municipality, county, or other  
1-26 political subdivision that is a member of the district as provided  
1-27 by Section 9601.005.

1-28 Sec. 9601.002. NATURE OF DISTRICT. The district is a  
1-29 conservation and reclamation district created under and essential  
1-30 to accomplish the purposes of Section 59, Article XVI, Texas  
1-31 Constitution.

1-32 Sec. 9601.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-33 (a) The district is created to serve a public use and benefit.

1-34 (b) All land and other property included in the boundaries  
1-35 of the district will benefit from the works and projects  
1-36 accomplished by the district under the powers conferred by Section  
1-37 59, Article XVI, Texas Constitution.

1-38 (c) The accomplishment of the purposes stated in this  
1-39 chapter is for the benefit of the people of this state and the  
1-40 improvement of their property and industries and will foster and  
1-41 encourage economic development in this state.

1-42 (d) The district, in carrying out the purposes of this  
1-43 chapter, will be performing an essential public function under the  
1-44 constitution.

1-45 Sec. 9601.004. LIBERAL CONSTRUCTION OF CHAPTER. This  
1-46 chapter shall be liberally construed to effect the purposes,  
1-47 powers, rights, and functions stated in this chapter.

1-48 Sec. 9601.005. DISTRICT MEMBERS. (a) The district is  
1-49 composed of the following members:

1-50 (1) the City of Annona;

1-51 (2) the City of Avery;

1-52 (3) the City of DeKalb;

1-53 (4) the City of Hooks;

1-54 (5) the City of Maud;

1-55 (6) the City of New Boston;

1-56 (7) the City of Texarkana, Texas;

1-57 (8) the City of Wake Village; and

1-58 (9) the Red River Redevelopment Authority.

1-59 (b) After receipt of a petition from the governing body of a  
1-60 municipality, county, or other political subdivision that desires  
1-61 to join the district, the board may add a member to the district on  
1-62 terms determined by the board to be in the best interests of the  
1-63 district.

1-64 (c) A member's withdrawal from the district or the cessation

2-1 of existence of a member does not affect the validity of the  
2-2 district or any of the district's powers or duties.

2-3 Sec. 9601.006. DISTRICT TERRITORY. (a) The territory of  
2-4 the district is composed of all the territory contained in:

2-5 (1) the cities of Annona, Avery, DeKalb, Hooks, Maud,  
2-6 New Boston, Texarkana, Texas, and Wake Village; and

2-7 (2) the Red River Redevelopment Authority, the  
2-8 boundaries of which are described by Section 3503.004, including  
2-9 territory that may be added under Section 3503.005.

2-10 (b) The territory of the district also includes all of the  
2-11 territory:

2-12 (1) of any municipality, county, or other political  
2-13 subdivision that joins the district as a member; and

2-14 (2) added to the territory of a member by annexation or  
2-15 other means.

2-16 (c) A defect in the description of the boundaries of a  
2-17 member or in any past or future proceedings for the annexation of  
2-18 territory by a member does not affect the validity, powers, or  
2-19 duties of the district.

2-20 Sec. 9601.007. CONFIRMATION ELECTION NOT REQUIRED.

2-21 (a) The board is not required to hold an election to confirm the  
2-22 district's creation.

2-23 (b) Sections 49.101-49.105, Water Code, do not apply to the  
2-24 district.

2-25 [Sections 9601.008-9601.050 reserved for expansion]

2-26 SUBCHAPTER B. BOARD OF DIRECTORS

2-27 Sec. 9601.051. COMPOSITION OF BOARD; TERMS. (a) The  
2-28 district is governed by its board.

2-29 (b) The governing body of each member shall appoint a  
2-30 director to represent the member on the board and shall promptly  
2-31 fill a vacancy in that board position in accordance with the  
2-32 member's policies, resolutions, and procedures.

2-33 (c) Except as provided by Subsection (d), directors serve  
2-34 staggered terms of four years.

2-35 (d) A director who is also an elected official of a  
2-36 political subdivision serves for a term coinciding with the term of  
2-37 the elected office.

2-38 (e) The board shall determine the method of staggering the  
2-39 terms of the directors.

2-40 (f) A director may serve consecutive terms.

2-41 Sec. 9601.052. QUALIFICATIONS FOR OFFICE. To be eligible  
2-42 to be appointed or to serve as a director, a person must be a  
2-43 resident, qualified voter of the district.

2-44 Sec. 9601.053. BOARD RESOLUTIONS; VOTING REQUIREMENTS.

2-45 (a) The district shall act through orders or resolutions adopted  
2-46 by the board.

2-47 (b) All directors are entitled to vote.

2-48 Sec. 9601.054. OFFICERS AND ASSISTANTS. (a) The board  
2-49 shall elect a president, vice president, secretary, and treasurer.

2-50 (b) The board shall elect the president and vice president  
2-51 from among the directors.

2-52 (c) The president and vice president serve for a one-year  
2-53 term.

2-54 (d) The offices of secretary and treasurer:

2-55 (1) may be held by one person; and

2-56 (2) are not required to be held by a director.

2-57 (e) The board may appoint one or more assistant officers who  
2-58 are not required to be directors.

2-59 (f) A person may not concurrently hold the offices of board  
2-60 president and secretary.

2-61 Sec. 9601.055. MEETINGS. The board shall have regular  
2-62 meetings at times specified by board resolution or bylaws and shall  
2-63 have special meetings when called by the board president or by a  
2-64 number of directors that is equal to or greater than the number of  
2-65 directors that is one less than a majority of the board.

2-66 Sec. 9601.056. TELEPHONE CONFERENCE CALL MEETINGS.

2-67 (a) The board may hold an open or closed meeting by telephone  
2-68 conference call only if:

2-69 (1) the meeting is a special called meeting;

3-1 (2) immediate action is required; and  
3-2 (3) convening a quorum of the board at one location is  
3-3 difficult or impossible.

3-4 (b) A telephone conference call meeting is subject to the  
3-5 notice requirements applicable to other meetings of the board.

3-6 (c) Each part of a telephone conference call meeting that is  
3-7 required to be open to the public shall be made audible to the  
3-8 public at the location specified in the notice of the meeting as the  
3-9 location of the meeting.

3-10 (d) The location designated in the notice as the location of  
3-11 the meeting shall provide two-way communication during the entire  
3-12 telephone conference call meeting, and the identification of each  
3-13 party to the telephone conference shall be clearly stated prior to  
3-14 speaking.

3-15 (e) Section 551.125, Government Code, does not apply to a  
3-16 meeting held under this section.

3-17 Sec. 9601.057. RECALL. A director may be recalled at any  
3-18 time by the governing body of the member that appointed the  
3-19 director.

3-20 Sec. 9601.058. COMPENSATION; REIMBURSEMENT. A director is  
3-21 not entitled to compensation for service on the board but is  
3-22 entitled to be reimbursed for necessary expenses incurred in the  
3-23 performance of official duties.

3-24 Sec. 9601.059. BOARD POSITION NOT A CIVIL OFFICE OF  
3-25 EMOLUMENT. (a) A position on the board may not be construed to be  
3-26 a civil office of emolument for any purpose, including a purpose  
3-27 described in Section 40, Article XVI, Texas Constitution.

3-28 (b) An elected official of any county, municipality, or  
3-29 other political subdivision in the territory of the district may be  
3-30 appointed to and serve on the board as a director without penalty or  
3-31 forfeiture of office.

3-32 [Sections 9601.060-9601.100 reserved for expansion]

3-33 SUBCHAPTER C. POWERS AND DUTIES

3-34 Sec. 9601.101. GENERAL POWERS. Except as provided by this  
3-35 chapter, the district may exercise the powers applicable to a  
3-36 district under Chapter 49, Water Code.

3-37 Sec. 9601.102. SPECIFIC POWERS. The district may exercise  
3-38 any power necessary or appropriate to achieve the purposes of this  
3-39 chapter, including the power to:

3-40 (1) adopt and enforce:  
3-41 (A) a trade name or trademark;  
3-42 (B) bylaws and rules for the conduct of the  
3-43 affairs of the district;

3-44 (C) any rule that a water control and improvement  
3-45 district may adopt and enforce in accordance with Sections  
3-46 51.127-51.130, Water Code; and

3-47 (D) specific rates, charges, fees, or rentals,  
3-48 and reasonable rules and regulations, for providing any district  
3-49 commodity, facility, or service;

3-50 (2) in the manner and to the extent permitted by this  
3-51 chapter:

3-52 (A) borrow money for a district purpose;  
3-53 (B) enter into an agreement in connection with

3-54 the borrowing;

3-55 (C) issue bonds for money borrowed;

3-56 (D) provide for and secure the payment of the

3-57 bonds; and

3-58 (E) provide for the rights of the holders of the

3-59 bonds;

3-60 (3) acquire any and all storage rights and storage  
3-61 capacity in a reservoir or other water source inside or outside the  
3-62 boundaries of the district, and acquire the right to take water from  
3-63 that reservoir or source, subject to the rights or permits held by  
3-64 municipalities or other persons, and in accordance with any

3-65 contract or contracts that the district may make with the United  
3-66 States, any state of the United States, or any political  
3-67 subdivision of any state of the United States, in reference to those

3-68 rights;

3-69 (4) construct, acquire, own, finance, operate,

4-1 maintain, sell, lease as lessor or lessee, dispose of, or otherwise  
4-2 use any work, plant, or other district facility as defined by  
4-3 Section 49.001, Water Code, inside or outside the boundaries of the  
4-4 district, that the board determines is necessary or useful for the  
4-5 exercise of a district power; and

4-6 (5) pledge all or part of district revenue to the  
4-7 payment of district obligations under a contract or agreement to  
4-8 the same extent and on the same conditions as the district may  
4-9 pledge revenue to secure district bonds.

4-10 Sec. 9601.103. GENERAL POWERS REGARDING WATER. The  
4-11 district has all rights, powers, and privileges necessary or useful  
4-12 to enable it to acquire, provide, supply, deliver, and sell water,  
4-13 whether processed or unprocessed, raw or potable, inside or outside  
4-14 its boundaries to any person for any beneficial purpose.

4-15 Sec. 9601.104. AUTHORITY OF PUBLIC AGENCIES AND POLITICAL  
4-16 SUBDIVISIONS TO CONTRACT WITH DISTRICT. (a) A public agency or a  
4-17 county, municipality, or other political subdivision of this state  
4-18 or another state may enter into a contract or agreement with the  
4-19 district, on terms agreed to by the parties, for:

4-20 (1) the purchase or sale of water;

4-21 (2) waste collection, transportation, processing, or  
4-22 disposal; or

4-23 (3) any purpose relating to the district's powers or  
4-24 functions.

4-25 (b) A contract or agreement under this section must comply  
4-26 with Chapter 791, Government Code.

4-27 (c) A provision of district services or facilities to a  
4-28 member or an exercise of district power regarding a member's retail  
4-29 services may only be made through a contract between the district  
4-30 and the member under this section.

4-31 Sec. 9601.105. CONVEYANCE OF PROPERTY TO DISTRICT. A  
4-32 public agency or a county, municipality, or other political  
4-33 subdivision of this state may lease, sell, or otherwise convey to  
4-34 the district, for any consideration that the parties agree is  
4-35 adequate, any of its land, improvements, property, plants, lines,  
4-36 or other facilities related to:

4-37 (1) the supply, delivery, or sale of water;

4-38 (2) waste collection, transportation, processing, or  
4-39 disposal; or

4-40 (3) garbage collection or disposal.

4-41 Sec. 9601.106. ACQUISITION OF EXISTING FACILITIES. If the  
4-42 district acquires existing works, improvements, facilities,  
4-43 plants, equipment, or appliances that are completed, partially  
4-44 created, or under construction, the district may:

4-45 (1) assume the contracts and obligations of the  
4-46 previous owner; and

4-47 (2) perform the obligations of the previous owner in  
4-48 the same manner and to the same extent that any other purchaser or  
4-49 assignee would be bound.

4-50 [Sections 9601.107-9601.150 reserved for expansion]

4-51 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4-52 Sec. 9601.151. PROHIBITION ON ASSESSMENTS OR TAXES.

4-53 (a) The district may not under this chapter or any other law impose  
4-54 an assessment on real property or an ad valorem tax or create a debt  
4-55 payable from an assessment on real property or an ad valorem tax.

4-56 (b) Sections 49.106-49.108, Water Code, do not apply to the  
4-57 district.

4-58 Sec. 9601.152. DEPOSITORY. District money shall be  
4-59 deposited in the depository or depositories designated by the  
4-60 board, except that:

4-61 (1) bond proceeds and money pledged to pay bonds, to  
4-62 the extent provided in the proceedings authorizing the issuance of  
4-63 bonds, or the trust indenture securing the bonds, may be deposited  
4-64 with another depository or trustee named in the proceedings or  
4-65 trust indenture; and

4-66 (2) money shall be remitted to each paying agent for  
4-67 the payment of principal of and interest on the bonds.

4-68 Sec. 9601.153. INVESTMENT OF DISTRICT MONEY. (a) Chapter  
4-69 2256, Government Code, applies to the district and the investment

5-1 of district funds and funds under district control.

5-2 (b) The board may invest bond proceeds in a manner  
5-3 determined by the board or in the manner permitted or required in  
5-4 the proceedings authorizing the issuance of bonds or in the trust  
5-5 indenture securing the bonds.

5-6 Sec. 9601.154. DISTRICT FACILITIES EXEMPT FROM TAXATION AND  
5-7 ASSESSMENT. The district is not required to pay a tax or assessment  
5-8 on its facilities or any part of its facilities.

5-9 [Sections 9601.155-9601.200 reserved for expansion]

5-10 SUBCHAPTER E. BONDS

5-11 Sec. 9601.201. AUTHORITY TO ISSUE BONDS. (a) The district  
5-12 by resolution may authorize the issuance of bonds payable from and  
5-13 secured by revenue or any other available source of district money  
5-14 to carry out a power conferred by this chapter. Bonds issued by the  
5-15 district are not a direct obligation of any member.

5-16 (b) The bonds must be issued in the manner and under the  
5-17 terms of the proceedings authorizing the issuance of the bonds.

5-18 (c) Bonds may be issued by the district without an election.

5-19 (d) Sections 49.181-49.186, Water Code, do not apply to the  
5-20 district.

5-21 Sec. 9601.202. FORM OF BONDS. District bonds must be:

5-22 (1) issued in the district's name; and

5-23 (2) signed by the officers of the district in  
5-24 accordance with the proceedings authorizing the issuance of the  
5-25 bonds.

5-26 Sec. 9601.203. MATURITY. District bonds must mature not  
5-27 later than 50 years after the date of their issuance.

5-28 Sec. 9601.204. BONDS SECURED BY REVENUE; ADDITIONAL BONDS.

5-29 (a) Bonds may be secured by a pledge of all or part of the  
5-30 district's revenue, or by all or part of the payments or rentals  
5-31 under one or more contracts or leases specified by the proceedings  
5-32 authorizing the issuance of the bonds.

5-33 (b) The proceedings authorizing the issuance of bonds  
5-34 secured by a pledge of revenue of all or part of the district's  
5-35 facilities may provide that the district shall first pay the  
5-36 expenses of operating and maintaining all or part of the facilities  
5-37 as the board considers appropriate before paying the principal of  
5-38 and interest on the bonds.

5-39 (c) In the proceedings authorizing the issuance of bonds  
5-40 secured by revenue, contract payments, or lease rentals, the  
5-41 district may reserve the right, under conditions specified by the  
5-42 proceedings, to issue additional bonds that will be on a parity  
5-43 with, superior to, or subordinate to the bonds then being issued.

5-44 Sec. 9601.205. ADDITIONAL SECURITY. (a) At the discretion  
5-45 of the board, bonds may be additionally secured by a deed of trust  
5-46 or mortgage lien on all or part of the district's physical property,  
5-47 facilities, easements, water rights and appropriation permits,  
5-48 leases, contracts, and all rights appurtenant to the property,  
5-49 vesting in the trustee power to:

5-50 (1) sell the property for the payment of the bonds;

5-51 (2) operate the property; and

5-52 (3) take other action to further secure the bonds.

5-53 (b) A purchaser under a sale under the deed of trust lien, if  
5-54 one is given, is:

5-55 (1) the absolute owner of the property, facilities,  
5-56 and rights purchased; and

5-57 (2) entitled to maintain and operate the property,  
5-58 facilities, and rights.

5-59 Sec. 9601.206. DELEGATION OF AUTHORITY. (a) In connection  
5-60 with the issuance of bonds, the board may:

5-61 (1) prescribe the maximum principal amount of bonds to  
5-62 be issued and the maximum rate of interest the bonds may bear;

5-63 (2) recite the public purpose for which the bonds are  
5-64 to be issued;

5-65 (3) delegate to any officer or employee of the  
5-66 district the authority to effect the sale of the bonds; and

5-67 (4) determine the period during which the delegation  
5-68 authority under Subdivision (3) may be exercised.

5-69 (b) In exercising the authority delegated by the board to an

6-1 officer or employee, the officer or employee may establish the  
6-2 terms and details related to the issuance and sale of the bonds,  
6-3 including:  
6-4       (1) the form and designation of the bonds;  
6-5       (2) the principal amount of the bonds and the amount of  
6-6 the bonds to mature in each year;  
6-7       (3) the dates, price, interest rates, interest payment  
6-8 dates, principal payment dates, and redemption features of the  
6-9 bonds;  
6-10       (4) the execution of agreements determined by the  
6-11 officer or employee to be necessary in connection with the issuance  
6-12 of the bonds; and  
6-13       (5) any other details relating to the issuance and  
6-14 sale of the bonds as specified by the board in the proceedings  
6-15 authorizing the issuance of the bonds.  
6-16       (c) A finding or determination made by an officer or  
6-17 employee acting under the authority delegated to the officer or  
6-18 employee has the same force and effect as a finding or determination  
6-19 made by the board.  
6-20       Sec. 9601.207. TRUST INDENTURE. District bonds authorized  
6-21 by this chapter, including refunding bonds, may be additionally  
6-22 secured by a trust indenture. The trustee may be a bank with trust  
6-23 powers that is located inside or outside the state.  
6-24       Sec. 9601.208. CREDIT AGREEMENT. In connection with the  
6-25 issuance of bonds under this chapter, the board may exercise the  
6-26 authority granted to the governing body of an issuer with regard to  
6-27 the execution and delivery of a credit agreement under Chapter  
6-28 1371, Government Code.  
6-29       Sec. 9601.209. CHARGES FOR DISTRICT SERVICES. If bonds  
6-30 payable wholly from revenue are issued, the board shall set and  
6-31 revise the rates, fees, and charges assessed for water sold, waste  
6-32 collection and treatment services provided, and garbage collection  
6-33 services provided by the district. The rates, fees, and charges  
6-34 must be sufficient to:  
6-35       (1) pay the expense of operating and maintaining the  
6-36 district facilities that generate the revenue from which the bonds  
6-37 may or will be paid;  
6-38       (2) pay the principal of and interest on the bonds when  
6-39 due; and  
6-40       (3) maintain the reserve fund and other funds as  
6-41 provided in the proceedings authorizing the issuance of bonds or  
6-42 the trust indenture securing the bonds.  
6-43       Sec. 9601.210. STATE PLEDGE REGARDING RIGHTS AND REMEDIES  
6-44 OF BONDHOLDERS. Without depriving this state of its power to  
6-45 regulate and control the rates, fees, and charges assessed for  
6-46 water sold and waste collection and treatment services provided by  
6-47 the district, the state pledges to and agrees with the holders of  
6-48 district bonds that the state will not exercise its power to  
6-49 regulate and control the rates, fees, and charges in any way that  
6-50 would impair the rights or remedies of the holders of the bonds.  
6-51       Sec. 9601.211. USE OF BOND PROCEEDS. In addition to the  
6-52 permitted use of bond proceeds provided by general law, the  
6-53 district may use proceeds from the sale of bonds:  
6-54       (1) for the payment of interest on the bonds while the  
6-55 project or facility is being acquired or constructed and for the  
6-56 year after it is acquired or constructed;  
6-57       (2) for the operation and maintenance of the project  
6-58 or facility during the estimated period of acquisition or  
6-59 construction of the project or facility and for one year after it is  
6-60 acquired or constructed;  
6-61       (3) for a debt service reserve fund;  
6-62       (4) for other funds as may be provided in the  
6-63 proceedings authorizing the issuance of bonds or in the trust  
6-64 indenture securing the bonds;  
6-65       (5) to pay any expense necessarily incurred in  
6-66 accomplishing the purpose of the district, including any expense of  
6-67 issuing and selling the bonds; and  
6-68       (6) to pay any costs incurred under the terms of a  
6-69 credit agreement.

7-1 Sec. 9601.212. ADDITIONAL AUTHORITY TO PROVIDE DEBT SERVICE  
 7-2 RESERVE. (a) The board may provide that in lieu of or in addition  
 7-3 to providing for the funding of a debt service reserve fund with  
 7-4 cash, a line or letter of credit or an insurance policy may be used  
 7-5 for the debt service reserve fund.

7-6 (b) Any agreement under which a line or letter of credit or  
 7-7 insurance policy is provided must be submitted to the attorney  
 7-8 general for examination and approval. After approval, the  
 7-9 agreement is incontestable in any court or other forum for any  
 7-10 reason and is a valid and binding obligation of the district in  
 7-11 accordance with its terms for all purposes.

7-12 Sec. 9601.213. REFUNDING BONDS. (a) The district may  
 7-13 issue refunding bonds to refund all or part of its outstanding bonds  
 7-14 issued under this chapter, including matured but unpaid interest  
 7-15 and obligations incurred under a credit agreement.

7-16 (b) Refunding bonds may be issued in the manner provided by  
 7-17 Chapter 1207, Government Code.

7-18 Sec. 9601.214. REMEDIES AND COVENANTS. The proceedings  
 7-19 authorizing the issuance of any bonds authorized under this  
 7-20 chapter, including refunding bonds, the execution of a trust  
 7-21 indenture securing the bonds, and the execution of a credit  
 7-22 agreement, may provide other remedies and covenants the board  
 7-23 considers necessary to issue the bonds on terms the board  
 7-24 determines to be most favorable to the district.

7-25 Sec. 9601.215. LIMITATION ON RIGHTS OF BONDHOLDERS. The  
 7-26 proceedings authorizing the issuance of bonds or the trust  
 7-27 indenture securing the bonds may limit or qualify the rights of the  
 7-28 holders of less than all of the outstanding bonds payable from the  
 7-29 same source to institute or prosecute litigation affecting the  
 7-30 district's property or income.

7-31 Sec. 9601.216. BONDS EXEMPT FROM TAXATION. Payments made  
 7-32 by the district in connection with the issuance of bonds, the  
 7-33 transfer of any bond, and the income from any bond, including  
 7-34 profits made on the sale of any bond, are exempt from taxation in  
 7-35 this state.

7-36 Sec. 9601.217. APPOINTMENT OF RECEIVER. (a) On default or  
 7-37 threatened default in the payment of the principal of or interest on  
 7-38 obligations incurred by the district in connection with the  
 7-39 issuance of bonds that are payable wholly or partly from revenue, a  
 7-40 court may, on petition of the holders of at least 25 percent of the  
 7-41 district's outstanding revenue bonds, or the party to a credit  
 7-42 agreement, appoint a receiver for the district.

7-43 (b) The receiver may collect and receive all district  
 7-44 revenue, employ and discharge district agents and employees, take  
 7-45 charge of money on hand, and manage the district's proprietary  
 7-46 affairs without the consent of or hindrance by the board.

7-47 (c) The receiver may be authorized to sell or contract for  
 7-48 the sale of water, the collection or treatment of waste, or the  
 7-49 provision of garbage collection or disposal services, or to renew  
 7-50 contracts with the approval of the court that appointed the  
 7-51 receiver.

7-52 (d) The court may vest the receiver with any other power or  
 7-53 duty the court finds necessary to protect the holders of the bonds  
 7-54 or the party to a credit agreement.

7-55 SECTION 2. (a) The legal notice of the intention to  
 7-56 introduce this Act, setting forth the general substance of this  
 7-57 Act, has been published as provided by law, and the notice and a  
 7-58 copy of this Act have been furnished to all persons, agencies,  
 7-59 officials, or entities to which they are required to be furnished  
 7-60 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
 7-61 Government Code.

7-62 (b) The governor has submitted the notice and Act to the  
 7-63 Texas Commission on Environmental Quality.

7-64 (c) The Texas Commission on Environmental Quality has filed  
 7-65 its recommendations relating to this Act with the governor,  
 7-66 lieutenant governor, and speaker of the house of representatives  
 7-67 within the required time.

7-68 (d) All requirements of the constitution and laws of this  
 7-69 state and the rules and procedures of the legislature with respect

8-1 to the notice, introduction, and passage of this Act are fulfilled  
8-2 and accomplished.

8-3 SECTION 3. This Act takes effect immediately if it receives  
8-4 a vote of two-thirds of all the members elected to each house, as  
8-5 provided by Section 39, Article III, Texas Constitution. If this  
8-6 Act does not receive the vote necessary for immediate effect, this  
8-7 Act takes effect September 1, 2009.

8-8

\* \* \* \* \*