

SENATE AMENDMENTS

2nd Printing

By: King of Parker

H.B. No. 4728

A BILL TO BE ENTITLED

AN ACT

relating to the Parker County Utility District No. 1.

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

SECTION 1. Section 7208.001, Special District Local Laws Code, is amended by amending Subdivisions (3), (7), and (8) and adding Subdivisions (5-a), (7-a), and (8-a) to read as follows:

(3) "Customer" means a wholesale or direct retail user of water, wastewater, or other services provided by the district.

(5-a) "Enterprise fund" means a fund used to account for operations:

(A) that are financed and operated in a manner similar to a private business enterprise and for which the intent of the board is that the costs, including depreciation, of providing goods or services to the public on a continuing basis be financed or recovered primarily through user charges; or

(B) for which the board has decided that periodic determination of revenues earned, expenses incurred, or net income earned is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

(7) "Member entity" means a public entity or private utility entity that:

(A) provides retail utility service or regulates water, wastewater, sewage, or solid waste in the district; and

(B) enters into a contract with the district to

1 provide or receive wholesale [~~for~~] service.

2 (7-a) "Operating unit" means a separately run unit
3 established by action of the board that runs as an enterprise fund
4 separate from other enterprise funds owned or operated by the
5 district.

6 (8) "Participant entity" means a public entity or
7 private utility entity that:

8 (A) provides utility service inside the
9 boundaries of the entity; and

10 (B) contracts with the district for the
11 construction of and payment for water, wastewater, or other utility
12 service projects to be financed or provided by the district.

13 (8-a) "Retail unit" means any unit in which the
14 district provides retail service for a given certificate of public
15 convenience and necessity or bounded service area. Each retail
16 unit shall be considered an operating unit.

17 SECTION 2. Section 7208.003, Special District Local Laws
18 Code, is amended to read as follows:

19 Sec. 7208.003. PURPOSE. The district is created to:

20 (1) purchase, own, hold, lease, or otherwise acquire
21 water distribution facilities, wastewater collection facilities,
22 or other facilities required to facilitate the district's
23 operations;

24 (2) build, operate, and maintain facilities to treat,
25 [and] transport, and store water, wastewater, or other products
26 necessary for district operations;

27 (3) protect, preserve, and restore the purity and

sanitary condition of water in the district; and

(4) provide other utilities in the district if the utilities are not otherwise provided.

SECTION 3. Section 7208.005, Special District Local Laws Code, is amended to read as follows:

Sec. 7208.005. DISTRICT TERRITORY. ~~[(a)]~~ The boundaries of the district are coextensive with the boundaries of Parker County ~~[is composed of the territory described by Section 1.04, Chapter 1273, Acts of the 75th Legislature, Regular Session, 1997, as that territory may have been modified under:~~

~~[(1) Subchapter B or its predecessor statutes, Sections 2.17 and 6.01, Chapter 1273, Acts of the 75th Legislature, Regular Session, 1997,~~

~~[(2) Subchapter J, Chapter 49, Water Code,~~

~~[(3) Subchapter H, Chapter 54, Water Code,~~

~~[(4) Subchapter H, Chapter 65, Water Code, or~~

~~[(5) other law.~~

~~[(b) The boundaries and field notes of the district form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect:~~

~~[(1) the district's organization, existence, or validity, or~~

~~[(2) the legality or operation of the district or its board].~~

SECTION 4. Section 7208.116, Special District Local Laws Code, is amended to read as follows:

Sec. 7208.116. CUSTOMER ADVISORY COUNCILS ~~[COUNCIL]~~. (a)

1 For each operating unit, the ~~[The]~~ board may establish a customer
2 advisory council that consists of one representative of each
3 wholesale customer or retail unit of the district.

4 (b) For each retail unit, the board may establish a customer
5 advisory council that consists of five members appointed by the
6 retail customers of the unit in accordance with the laws applicable
7 to and rules of the district. An advisory council member must
8 reside in the service area of the retail unit.

9 (c) ~~[(b)]~~ A representative serving on a ~~[the]~~ customer
10 advisory council:

11 (1) has the powers and duties provided in the bylaws
12 and rules of the district; and

13 (2) may not vote on any matter considered by the board.

14 (d) ~~[(c)]~~ The board may abolish a ~~[the]~~ customer advisory
15 council.

16 SECTION 5. Section 7208.154, Special District Local Laws
17 Code, is amended to read as follows:

18 Sec. 7208.154. GENERAL WASTE AND WATER POWERS. The
19 district may:

20 (1) provide for:

21 (A) the collection, construction, improvement,
22 maintenance, and operation of wholesale or retail wastewater and
23 water systems and treatment works necessary to provide wholesale or
24 retail service to customers; and

25 (B) the acquisition, construction, improvement,
26 and maintenance of a water supply or reservoir, or an interest in a
27 water supply or reservoir, necessary to exercise and fulfill the

1 powers and duties of the district;

2 (2) supply water for municipal, domestic, and
3 industrial or other beneficial uses or controls;

4 (3) collect, treat, process, dispose of, and control
5 all domestic or industrial wastes, whether in fluid, solid, or
6 composite state;

7 (4) gather, conduct, divert, control, and treat local
8 storm water or local harmful excesses of water in the district; and

9 (5) irrigate and alter land elevations in the district
10 as needed.

11 SECTION 6. The heading to Section 7208.157, Special
12 District Local Laws Code, is amended to read as follows:

13 Sec. 7208.157. CONTRACTS WITH DISTRICT FOR WATER,
14 WASTEWATER, AND OTHER UTILITY SERVICES.

15 SECTION 7. Sections 7208.157(a), (b), and (c), Special
16 District Local Laws Code, are amended to read as follows:

17 (a) Except as provided by Subsection (b), this chapter does
18 not require a customer or prospective customer of the district to
19 secure water, wastewater, or other utility service from the
20 district unless the customer or prospective customer contracts with
21 the district for that purpose.

22 (b) A customer or prospective customer is required to secure
23 water, wastewater, or other utility service from the district if:

24 (1) the customer or prospective customer is not
25 receiving the service from another source; and

26 (2) the district provides the service or determines
27 that the district will make the service available to the customer or

1 prospective customer.

2 (c) If a customer contracts with the district to secure
3 water, wastewater, or other utility service from the district, a
4 user of the service under the contract must connect to the
5 district's service system if:

6 (1) the user is located inside the boundaries of the
7 customer; and

8 (2) the district's system is available for connection
9 at or near the property line of the user.

10 SECTION 8. Section 7208.201, Special District Local Laws
11 Code, is amended to read as follows:

12 Sec. 7208.201. AUDITS. All funds and accounts of the
13 district shall be audited annually by an independent auditor. The
14 district shall maintain a copy of the audit in the district's
15 official records.

16 SECTION 9. (a) The legal notice of the intention to
17 introduce this Act, setting forth the general substance of this
18 Act, has been published as provided by law, and the notice and a
19 copy of this Act have been furnished to all persons, agencies,
20 officials, or entities to which they are required to be furnished
21 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
22 Government Code.

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

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

1 within the required time.

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

6 SECTION 10. This Act takes effect immediately if it
7 receives a vote of two-thirds of all the members elected to each
8 house, as provided by Section 39, Article III, Texas Constitution.
9 If this Act does not receive the vote necessary for immediate
10 effect, this Act takes effect September 1, 2009.

ADOPTED

MAY 26 2009

FLOOR AMENDMENT NO. 1

Leta Spaw
Secretary of the Senate

BY: *Craig Estes*

1 Amend H.B. No. 4728 (senate committee report) by striking
2 SECTION 3 of the bill amending the description of the district
3 territory under Section 7208.005, Special District Local Laws Code,
4 and renumbering subsequent SECTIONS accordingly.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

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

IN RE: HB4728 by King, Phil (Relating to the Parker County Utility District No. 1.), **As Passed 2nd House**

No 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:

LBB Staff: JOB, DB, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 21, 2009

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

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

IN RE: HB4728 by King, Phil (Relating to the Parker County Utility District No. 1.), **As Engrossed**

No 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:

LBB Staff: JOB, DB, SD

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 9, 2009

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

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

IN RE: HB4728 by King, Phil (Relating to the Parker County Utility District No. 1.), **As Introduced**

No 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:

LBB Staff: JOB, DB, SD