

BILL ANALYSIS

S.B. 1635
By: Deuell
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Dallas County Water Control and Improvement District No. 6 (district) was created in 1951 to provide water and sewer services to an unincorporated area of Dallas County. The City of Balch Springs was incorporated in 1953. Normally, such districts remain in existence until the water and sewer infrastructure has been constructed to serve a material portion of the land in the district and then the city with jurisdiction takes over operations. Eventual dissolution of a district by a city is part of the normal life cycle of a district. The vast majority of the land within the district is also now within the corporate limits of Balch Springs, and the district only serves customers within Balch Springs. However, over time the district has continued to retain within its boundaries approximately 17 acres within the corporate limits of the City of Mesquite and approximately 12 acres within the corporate limits of the City of Dallas. Under a 1960 agreement with Mesquite, the district agreed to allow Mesquite to serve the 17 acres and to exclude the 17 acres from the district, which it never did. The district has never served the 12 acres in Dallas, which is owned and served by Dallas.

If the district were located only in Balch Springs, the city would have the authority to dissolve it under existing general law, Section 43.075 (Abolition of, or Division of Functions of, Water-Related Special District That Becomes Part of Not More Than One Municipality), Local Government Code. Because the district includes area in three cities, it can only be dissolved with the agreement of all three cities and the district under Section 43.076 (Abolition of Water-Related Special District That Becomes Part of More Than One Municipality), Local Government Code.

S.B. 1635 authorizes Balch Springs to adopt a resolution to dissolve the district and transfer all assets, debts, and contractual rights and obligations of the district to the city. The bill will reduce overlapping governments and therefore reduce costs, and will improve service to existing and prospective residents and developments in Balch Springs by having all municipal services coordinated through one entity. Neither Mesquite nor Dallas will be affected because the district has no facilities or customers in those cities.

As proposed, S.B. 1635 amends current law relating to the transfer of the assets of and the dissolution of the Dallas County Water Control and Improvement District No. 6.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. DEFINITIONS. Defines, in this Act:

- (1) "City" to mean the City of Balch Springs; and
- (2) "District" to mean the Dallas County Water Control and Improvement District No. 6.

SECTION 2. TRANSFER OF ASSETS AND DISSOLUTION OF DISTRICT. (a) Provides that on the date the city council of the City of Balch springs (city) passes a resolution accepting

the assets, debts, and contractual rights and obligations of the Dallas County Water Control and Improvement District (district):

(1) all assets, debts, and contractual rights and obligations of the district are property of the city; and

(2) the district is dissolved.

(b) Requires the city to notify the Texas Commission on Environmental Quality of the dissolution of the district.

SECTION 3. NOTICE. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. EFFECTIVE DATE. Provides for the effective date of this Act.

EFFECTIVE DATE

This Act takes effect October 1, 2013.