

Bryan W. Shaw, Ph.D., P.E., *Chairman*
Toby Baker, *Commissioner*
Jon Niermann, *Commissioner*
Richard A. Hyde, P.E., *Executive Director*



TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Protecting Texas by Reducing and Preventing Pollution

April 20, 2017

The Honorable Joe Straus
Texas House of Representatives
Capitol Station
PO Box 2910
Austin, Texas 78768-2910

Re: Responsibility of the Texas Commission on Environmental Quality (TCEQ) Pursuant to Article XVI, Section 59(d), Texas Constitution

House Bill (HB) 4268, as Filed by Representative Scott Sanford - Relating to the creation of the Celina Municipal Management District No. 2; providing a limited authority of eminent domain; providing authority to impose taxes, levy assessments, and issue bonds.

Dear Speaker Straus:

The following comments are provided pursuant to the Constitutional requirements referenced above. Under those requirements, the TCEQ must submit, to the Governor, Lieutenant Governor and Speaker of the House of Representatives, the TCEQ's recommendations on specific legislation affecting water districts. We recommend that these comments be considered in the evaluation of the proposed legislation.

Sincerely,

A handwritten signature in cursive script that reads "Cari-Michel LaCaille".

Cari-Michel LaCaille, Director
Water Supply Division

cc: Honorable Jim Murphy, Chairman, House Special Purpose Districts Committee
Representative Scott Sanford, Texas House of Representatives

Enclosure

**HB 4268, as Filed by Representative Scott Sanford
Texas Commission on Environmental Quality's Comments**

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

This bill amends the Special District Local Laws code by adding Chapter 3947 which creates the Celina Municipal Management District No. 2 (District) with the following specificities.

Comments on Powers/Duties Different from Similar Types of Districts: This bill also: grants the District the powers and duties of a standard municipal management district under Local Government Code Chapter 375; the board may not hold an election to authorize the issuance of bonds until the City of Celina (City) has consented by ordinance or resolution to the creation of the District and to the inclusion of land in the District; this bill specifies that if all of the territory of the District is annexed by the City into the City's corporate limits, the District retains all of the District's outstanding debt and obligations and continues to operate under this chapter until the District is dissolved; the District is governed by a board of five directors. The bill requires the TCEQ to appoint four of the five directors upon receipt of a petition from the owners of a majority of the assessed value of the real property in the District. One director is appointed by the City; the board may not create an executive committee to exercise the powers of the board; the District may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the District, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service; the District may not construct or finance an improvement project, other than a water, sewer, or drainage facility or road, without obtaining the written consent of the City; the District may not provide retail water or sewer services; the board may add or remove territory, up to a total of 100 acres, as provided by Subchapter J, Chapter 49, Water Code; the District may not exercise the power of eminent domain unless the District obtains written consent from the City; the bill allows the District to divide only if the District has no outstanding bonded debt; the District may not impose an assessment on a municipality, county, or other political subdivision; the City may dissolve the District by ordinance; and, if the bill does not receive

a two-thirds vote of all members elected to each house, the District may not exercise the power of eminent domain.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

HB 4268
Bill Number

TO: The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Commission on Environmental Quality copies of a bill relating to a conservation and reclamation district and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Commission on Environmental Quality, under Section 59(d), Article XVI, Constitution of the State of Texas.

3/14/2017

Date transmitted to
Governor's Office


Chief Clerk
House of Representatives

TO: Texas Commission on Environmental Quality
SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to forward to you a copy of a bill relating to conservation and reclamation district and a copy of the notice of intention to introduce the bill.

March 24, 2017

Date transmitted to
Texas Commission on Environmental Quality


Governor

TO: The Honorable Speaker of the House
The Honorable President of the Senate
The Honorable Governor of Texas
SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are recommendations of the Texas Commission on Environmental Quality in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.


Texas Commission on Environmental Quality

