

By: Leach

H.B. No. 1615

A BILL TO BE ENTITLED

AN ACT

relating to the nonsubstantive revision of certain local laws concerning water and wastewater special districts, including a conforming amendment.

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

ARTICLE 1. NONSUBSTANTIVE REVISION OF LOCAL LAWS

SECTION 1.01. NAVIGATION DISTRICT. Subtitle A, Title 5, Special District Local Laws Code, is amended by adding Chapter 5008 to read as follows:

CHAPTER 5008. WILLACY COUNTY NAVIGATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 5008.0101. DEFINITIONS

Sec. 5008.0102. FINDINGS OF PURPOSE

SUBCHAPTER B. DISTRICT ADMINISTRATION

Sec. 5008.0201. BOARD OF COMMISSIONERS; TERM

Sec. 5008.0202. ELECTION OF COMMISSIONERS

Sec. 5008.0203. PRESIDING OFFICER

Sec. 5008.0204. GENERAL MANAGER OR PORT DIRECTOR

SUBCHAPTER C. POWERS AND DUTIES

Sec. 5008.0301. AUTHORITY TO ACQUIRE AND LEASE LAND;

EMINENT DOMAIN

Sec. 5008.0302. AUTHORITY TO SELL LAND

Sec. 5008.0303. AUTHORITY TO LEASE OR GRANT EASEMENTS

FOR CERTAIN PURPOSES

1 Sec. 5008.0304. CONVEYANCE AND ACQUISITION OF CERTAIN

2 PROPERTY

3 Sec. 5008.0305. ENTRY ON PROPERTY

4 Sec. 5008.0306. POWERS REGARDING PUBLIC AIRPORTS

5 Sec. 5008.0307. LAW ENFORCEMENT AND SECURITY SERVICES

6 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

7 Sec. 5008.0401. AD VALOREM TAX FOR MAINTENANCE AND

8 OPERATIONS

9 SUBCHAPTER E. BONDS

10 Sec. 5008.0501. APPLICABILITY OF SUBCHAPTER

11 Sec. 5008.0502. NOTICE OF ELECTION

12 Sec. 5008.0503. FORM OF BONDS

13 Sec. 5008.0504. TAXES FOR BONDS

14 CHAPTER 5008. WILLACY COUNTY NAVIGATION DISTRICT

15 SUBCHAPTER A. GENERAL PROVISIONS

16 Sec. 5008.0101. DEFINITIONS. In this chapter:

17 (1) "Board" means the district's board of navigation
18 and canal commissioners.

19 (2) "Commissioner" means a board member.

20 (3) "District" means the Willacy County Navigation
21 District. (Acts 53rd Leg., R.S., Ch. 404, Sec. 1A.)

22 Sec. 5008.0102. FINDINGS OF PURPOSE. The creation of the
23 district is essential to accomplish the purposes of Section 59,
24 Article XVI, Texas Constitution. (Acts 53rd Leg., R.S., Ch. 404,
25 Sec. 8 (part).)

26 SUBCHAPTER B. DISTRICT ADMINISTRATION

27 Sec. 5008.0201. BOARD OF COMMISSIONERS; TERM. (a) The

1 board consists of five elected commissioners.

2 (b) Commissioners serve staggered four-year terms. (Acts
3 53rd Leg., R.S., Ch. 404, Secs. 1B(c) (part), (d).)

4 Sec. 5008.0202. ELECTION OF COMMISSIONERS. (a) The
5 district is divided into four numbered single-member districts for
6 electing commissioners.

7 (b) The board may revise the single-member districts as
8 necessary or appropriate.

9 (c) One commissioner is elected from each single-member
10 district, and one commissioner is elected from the district at
11 large.

12 (d) The board shall hold an election on the uniform election
13 date in November of each even-numbered year to elect the
14 appropriate number of commissioners. (Acts 53rd Leg., R.S., Ch.
15 404, Secs. 1B(a), (b), (c) (part), 1C.)

16 Sec. 5008.0203. PRESIDING OFFICER. The commissioner
17 elected from the district at large serves as the board's presiding
18 officer. (Acts 53rd Leg., R.S., Ch. 404, Sec. 1B(e).)

19 Sec. 5008.0204. GENERAL MANAGER OR PORT DIRECTOR. (a) The
20 board may:

21 (1) employ a general manager or port director; and

22 (2) give the manager or director full administrative
23 authority to manage and operate the district's affairs, subject
24 only to the board's supervision.

25 (b) The board shall set the term of office and compensation
26 of the general manager or port director. (Acts 53rd Leg., R.S., Ch.
27 404, Sec. 6.)

SUBCHAPTER C. POWERS AND DUTIES

Sec. 5008.0301. AUTHORITY TO ACQUIRE AND LEASE LAND;
EMINENT DOMAIN. (a) The district may own land adjacent or
accessible to the navigable water in the district, whether acquired
by gift, purchase, or exercise of the power of eminent domain.

(b) The district may:

(1) lease all or any part of land the district owns for
any term the board considers prudent or advisable to:

(A) an individual;

(B) a corporation; or

(C) a government or governmental agency,
including this state or the United States; and

(2) charge a reasonable toll, fee, rent, or other
charge for the lease.

(c) This section does not prevent the district from granting
a revocable license or permit for the use of a limited portion of a
waterfront facility or land the district owns for a purpose
consistent with the development of the district's property.

(d) The district's authority under this section to exercise
the power of eminent domain expired on September 1, 2013, unless the
district submitted a letter to the comptroller in accordance with
Section 2206.101(b), Government Code, not later than December 31,
2012. (Acts 53rd Leg., R.S., Ch. 404, Sec. 1 (part); Acts 55th
Leg., R.S., Ch. 141, Sec. 1 (part); New.)

Sec. 5008.0302. AUTHORITY TO SELL LAND. The district may
sell any part of land the district owns to any government or
governmental agency, including this state or the United States, for

any amount of money the board considers prudent and advisable if the board considers the sale necessary and advisable for the proper development of the port. (Acts 55th Leg., R.S., Ch. 141, Sec. 2.)

Sec. 5008.0303. AUTHORITY TO LEASE OR GRANT EASEMENTS FOR CERTAIN PURPOSES. The district may, for causeway, road, or public utility purposes, lease, or grant an easement over or along, any real property the district owns or holds in fee simple or by patent, easement, or otherwise to:

- (1) an individual;
- (2) a corporation; or
- (3) a government or governmental entity, including this state or the United States. (Acts 55th Leg., R.S., Ch. 141, Sec. 1a.)

Sec. 5008.0304. CONVEYANCE AND ACQUISITION OF CERTAIN PROPERTY. (a) This section applies only to property, including land or an interest in land, that:

- (1) the district owns;
- (2) the United States desires to enable a United States department or establishment to carry out the provisions of an act of Congress in aid of navigation, flood control, or improvement of water courses in aid of navigation; and
- (3) may be necessary for the construction, operation, and maintenance of works required for a purpose described by Subdivision (2).

(b) The district may:

- (1) on the request of the United States, convey title or an easement to property, including land or an interest in land,

1 to the United States with or without monetary consideration; and

2 (2) acquire land or a right-of-way necessary to carry
3 out the provisions or meet the conditions of an act of Congress
4 described by Subsection (a). (Acts 53rd Leg., R.S., Ch. 404, Sec.
5 2.)

6 Sec. 5008.0305. ENTRY ON PROPERTY. District commissioners,
7 engineers, and employees may enter any land in the district to
8 attend to any district business, including to examine the land and
9 to make plans, surveys, maps, and profiles for improvements
10 contemplated by the district. (Acts 53rd Leg., R.S., Ch. 404, Sec.
11 3.)

12 Sec. 5008.0306. POWERS REGARDING PUBLIC AIRPORTS. (a) The
13 district, in carrying out the district's powers and functions under
14 the constitution and statutes of this state, may:

15 (1) plan, acquire, own, control, protect, develop,
16 maintain, and operate, or arrange by lease or contract for the
17 operation of, a public airport; and

18 (2) exercise for a purpose described by Subdivision
19 (1) any powers granted to the district for other port purposes.

20 (b) The district may:

21 (1) enter into grant agreements with the United States
22 to obtain federal grant-in-aid money for public airport purposes;
23 and

24 (2) accept, receive, disburse, and spend the money for
25 the purposes, and in accordance with the time and conditions,
26 provided by the applicable grant agreements. (Acts 56th Leg.,
27 R.S., Ch. 392, Secs. 1, 2.)

1 Sec. 5008.0307. LAW ENFORCEMENT AND SECURITY SERVICES. The
2 board may:

3 (1) employ and set the compensation of security
4 personnel to protect the district's property; or

5 (2) pay all or a part of the compensation of a deputy
6 sheriff of Willacy County or a deputy constable of any precinct in
7 which the district owns navigation facilities for special services
8 provided to the district in policing the district's property and
9 enforcing state laws in the district's territory. (Acts 53rd Leg.,
10 R.S., Ch. 404, Sec. 7.)

11 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

12 Sec. 5008.0401. AD VALOREM TAX FOR MAINTENANCE AND
13 OPERATIONS. (a) The board may impose an ad valorem tax at a rate
14 not to exceed 20 cents on each \$100 valuation of taxable property in
15 the district for the maintenance and operation of the district and
16 the district's properties.

17 (b) The tax at its authorized rate must be imposed in the
18 manner prescribed for bond taxes under Subchapter E, subject to the
19 limit prescribed by Subsection (a). (Acts 53rd Leg., R.S., Ch. 404,
20 Sec. 5 (part).)

21 SUBCHAPTER E. BONDS

22 Sec. 5008.0501. APPLICABILITY OF SUBCHAPTER. This
23 subchapter applies only to bonds payable from both ad valorem taxes
24 and district revenue. (New.)

25 Sec. 5008.0502. NOTICE OF ELECTION. (a) Instead of any
26 other notice required by law, notice of an election to issue bonds
27 must be published once a week for two consecutive weeks in a

1 newspaper of general circulation in the district and must state:

2 (1) the date of the election;

3 (2) the place at which the election will be held; and

4 (3) the proposition to be voted on at the election.

5 (b) The first publication under Subsection (a) must be at
6 least 14 days before the date of the election. (Acts 53rd Leg.,
7 R.S., Ch. 404, Sec. 4 (part).)

8 Sec. 5008.0503. FORM OF BONDS. Bonds authorized at an
9 election must be:

10 (1) issued by board order; and

11 (2) signed by the board's presiding officer and
12 secretary. (Acts 53rd Leg., R.S., Ch. 404, Sec. 4 (part).)

13 Sec. 5008.0504. TAXES FOR BONDS. (a) If bonds are issued,
14 the board shall impose an ad valorem tax on all taxable property in
15 the district in each year during which the bonds are outstanding and
16 unpaid.

17 (b) The board shall impose the tax at the rate necessary to
18 generate an amount of revenue which, together with the net revenue
19 in the interest and sinking fund for the bonds at that time, is
20 sufficient to pay the principal of and interest on the bonds that
21 will be due during the next fiscal year.

22 (c) The board shall certify to the Willacy County tax
23 assessor-collector the rate of the tax imposed for the bonds.

24 (d) The Willacy County tax assessor-collector shall:

25 (1) collect the bond taxes in the same manner provided
26 by law for the collection of other district taxes; and

27 (2) remit all taxes collected to:

(A) the county treasurer of Willacy County; or

(B) the district's account. (Acts 53rd Leg.,

R.S., Ch. 404, Sec. 4 (part).)

SECTION 1.02. RIVER AUTHORITIES. Subtitle G, Title 6, Special District Local Laws Code, is amended by adding Chapters 8512 and 8515 to read as follows:

CHAPTER 8512. GUADALUPE-BLANCO RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8512.0101. DEFINITIONS

Sec. 8512.0102. CREATION AND NATURE OF AUTHORITY

Sec. 8512.0103. REVIEW SCHEDULE UNDER SUNSET ACT

Sec. 8512.0104. TERRITORY

Sec. 8512.0105. LIBERAL CONSTRUCTION OF CHAPTER

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Sec. 8512.0201. NATURE OF BOARD

Sec. 8512.0202. MEMBERSHIP OF BOARD

Sec. 8512.0203. TERMS

Sec. 8512.0204. REMOVAL

Sec. 8512.0205. VACANCY

Sec. 8512.0206. VOTING REQUIREMENT

Sec. 8512.0207. OFFICERS, AGENTS, AND EMPLOYEES

Sec. 8512.0208. SURETY BONDS

Sec. 8512.0209. AUTHORITY'S DOMICILE AND OFFICE

Sec. 8512.0210. DIRECTOR TRAINING PROGRAM

Sec. 8512.0211. SEPARATION OF POLICYMAKING AND

MANAGEMENT FUNCTIONS

Sec. 8512.0212. COMPLAINTS

1 Sec. 8512.0213. ALTERNATIVE DISPUTE RESOLUTION
2 PROCEDURES
3 Sec. 8512.0214. PUBLIC TESTIMONY
4 Sec. 8512.0215. SEAL
5 SUBCHAPTER C. POWERS AND DUTIES
6 Sec. 8512.0301. GENERAL POWERS
7 Sec. 8512.0302. POWERS RELATED TO WATER OF RIVERS AND
8 STREAMS
9 Sec. 8512.0303. POWERS RELATED TO GROUNDWATER
10 Sec. 8512.0304. ACQUISITION OF WATER, WATER SUPPLY
11 FACILITIES, AND CONSERVATION STORAGE
12 CAPACITY
13 Sec. 8512.0305. USE, DISTRIBUTION, AND SALE OF WATER
14 OUTSIDE AUTHORITY
15 Sec. 8512.0306. DEVELOPMENT, GENERATION, DISTRIBUTION,
16 AND SALE OF WATER POWER AND ELECTRIC
17 ENERGY
18 Sec. 8512.0307. PREVENTION OF DAMAGE TO PERSONS OR
19 PROPERTY
20 Sec. 8512.0308. FORESTATION AND REFORESTATION;
21 PREVENTION OF SOIL EROSION AND
22 FLOODS
23 Sec. 8512.0309. DEVELOPMENT OF NAVIGATION AND RELATED
24 FACILITIES
25 Sec. 8512.0310. DEVELOPMENT OF RECLAMATION AND
26 DRAINAGE OF CERTAIN LAND AND RELATED
27 FACILITIES

- 1 Sec. 8512.0311. WASTE MANAGEMENT
- 2 Sec. 8512.0312. CONSERVATION AND DEVELOPMENT FOR
- 3 RECREATION
- 4 Sec. 8512.0313. ACQUISITION OR OPERATION OF PROPERTY
- 5 Sec. 8512.0314. EMINENT DOMAIN
- 6 Sec. 8512.0315. SALE, LEASE, OR OTHER DISPOSITION OF
- 7 PROPERTY
- 8 Sec. 8512.0316. OVERFLOW OR INUNDATION OF PUBLIC
- 9 PROPERTY; RELOCATION OF FACILITIES
- 10 Sec. 8512.0317. CONSTRUCTION, MAINTENANCE, AND
- 11 OPERATION OF FACILITIES
- 12 Sec. 8512.0318. GENERAL CONTRACT POWERS
- 13 Sec. 8512.0319. JOINT PROJECTS RELATED TO PROPERTY
- 14 Sec. 8512.0320. STATE SUPERVISION AND APPROVAL
- 15 Sec. 8512.0321. ADDITIONAL POWERS RELATING TO
- 16 CONTRACTS, RULES, AND REGULATIONS
- 17 Sec. 8512.0322. PUBLIC USE OF AUTHORITY'S SURPLUS LAND
- 18 Sec. 8512.0323. EFFECT OF CHAPTER ON WATER RIGHTS AND
- 19 GROUNDWATER REGULATION
- 20 Sec. 8512.0324. APPLICABILITY OF CERTAIN STATUTES
- 21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
- 22 Sec. 8512.0401. DISBURSEMENT OF MONEY
- 23 Sec. 8512.0402. ACCOUNTS, CONTRACTS, AND OTHER
- 24 RECORDS; PUBLIC INSPECTION
- 25 Sec. 8512.0403. FILING OF AUDIT REPORT
- 26 Sec. 8512.0404. ASSET MANAGEMENT PLAN
- 27 Sec. 8512.0405. RATES AND OTHER CHARGES

1 Sec. 8512.0406. USE OF EXCESS REVENUE
2 Sec. 8512.0407. PAYMENTS UNDER AGREEMENTS FOR USE OR
3 SALE OF PROPERTY
4 Sec. 8512.0408. TAX, ASSESSMENT, OR PLEDGE OF CREDIT
5 OF STATE NOT AUTHORIZED BY CHAPTER
6 SUBCHAPTER E. BORROWED MONEY AND GRANTS
7 Sec. 8512.0501. LOANS AND GRANTS
8 Sec. 8512.0502. STATE PLEDGE REGARDING RIGHTS AND
9 REMEDIES OF BONDHOLDERS
10 Sec. 8512.0503. OBLIGATION PAYABLE FROM REVENUE
11 Sec. 8512.0504. POWER TO ISSUE BONDS
12 Sec. 8512.0505. TERMS OF ISSUANCE
13 Sec. 8512.0506. DEPOSIT OF PROCEEDS
14 Sec. 8512.0507. RESOLUTION PROVISIONS
15 Sec. 8512.0508. DEFAULT PROCEDURES
16 Sec. 8512.0509. INTERIM BONDS
17 Sec. 8512.0510. TEMPORARY BONDS
18 Sec. 8512.0511. REFUNDING BONDS
19 Sec. 8512.0512. POWER OF AUTHORITY TO PURCHASE BONDS
20 ISSUED BY AUTHORITY
21 Sec. 8512.0513. BONDS EXEMPT FROM TAXATION
22 CHAPTER 8512. GUADALUPE-BLANCO RIVER AUTHORITY
23 SUBCHAPTER A. GENERAL PROVISIONS
24 Sec. 8512.0101. DEFINITIONS. In this chapter:
25 (1) "Authority" means the Guadalupe-Blanco River
26 Authority.
27 (2) "Board" means the authority's board of directors.

(3) "Bond" means a bond or note.

(4) "Commission" means the Texas Commission on Environmental Quality.

(5) "Director" means a board member. (Acts 43rd Leg., 1st C.S., Ch. 75, Secs. 1 (part), 4(a) (part), 11 (part); New.)

Sec. 8512.0102. CREATION AND NATURE OF AUTHORITY. (a) The authority is a conservation and reclamation district.

(b) The authority's creation is essential to the accomplishment of the purposes of Section 59, Article XVI, Texas Constitution. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 1 (part).)

Sec. 8512.0103. REVIEW SCHEDULE UNDER SUNSET ACT. A review of the authority under Section 325.025, Government Code, shall be conducted as if the authority were a state agency scheduled to be abolished September 1, 2031, and every 12th year after that year. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 1A(a) (part).)

Sec. 8512.0104. TERRITORY. (a) The authority is composed of the territory described by Subsection (b) as that territory may have been modified under:

(1) Subchapter J, Chapter 49, Water Code; or

(2) other law.

(b) The authority's territory consists of that part of this state included in Caldwell, Calhoun, Comal, DeWitt, Guadalupe, Gonzales, Hays, Kendall, Refugio, and Victoria Counties. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 1 (part); New.)

Sec. 8512.0105. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed to effectuate the chapter's purposes. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 18.)

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Sec. 8512.0201. NATURE OF BOARD. The board is a state board of a state agency as contemplated by Section 30a, Article XVI, Texas Constitution. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 4(a) (part).)

Sec. 8512.0202. MEMBERSHIP OF BOARD. (a) The board consists of nine directors appointed by the governor with the advice and consent of the senate from a list of nominations provided to the governor by the commission.

(b) Each director must:

(1) be a freehold property tax payer of this state; and
(2) reside in one of the counties included in the authority.

(c) Only one director may be appointed from any county. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 4(a) (part).)

Sec. 8512.0203. TERMS. Directors serve staggered six-year terms, with three directors' terms expiring February 1 of each odd-numbered year. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 4(a) (part).)

Sec. 8512.0204. REMOVAL. The governor may remove a director for inefficiency, neglect of duty, or misconduct in office, after:

(1) at least 10 days' written notice of the charge against the director; and

(2) an opportunity for the director to be heard in person or by counsel at a public hearing. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 4(a) (part).)

Sec. 8512.0205. VACANCY. The governor shall fill a vacancy

1 on the board for the unexpired term. (Acts 43rd Leg., 1st C.S., Ch.
2 75, Sec. 4(a) (part).)

3 Sec. 8512.0206. VOTING REQUIREMENT. (a) Except as provided
4 by this chapter or the bylaws, the board may take action by the
5 affirmative vote of a majority of the directors present at a
6 meeting.

7 (b) The following are valid only if authorized or ratified
8 by the affirmative vote of at least five directors:

9 (1) a contract that involves an amount greater than
10 \$100,000 or has a duration of more than one year;

11 (2) a bond or other evidence of indebtedness; or

12 (3) an amendment of the bylaws. (Acts 43rd Leg., 1st
13 C.S., Ch. 75, Sec. 4(b) (part).)

14 Sec. 8512.0207. OFFICERS, AGENTS, AND EMPLOYEES. (a) The
15 governor shall designate a director as the board's presiding
16 officer, who serves at the will of the governor.

17 (b) The board shall select a secretary, a general manager,
18 and a treasurer.

19 (c) The secretary shall keep accurate and complete records
20 of all board proceedings.

21 (d) Until the board selects a secretary, or if the secretary
22 is absent or unable to act, the board shall select a secretary pro
23 tem.

24 (e) The general manager is the authority's chief executive
25 officer.

26 (f) The secretary, secretary pro tem, general manager, and
27 treasurer have the powers and duties, hold office for the term, and

are subject to removal in the manner provided by the bylaws.

(g) The board shall set the compensation of the secretary, secretary pro tem, general manager, and treasurer.

(h) The board may appoint other officers, agents, and employees, set their compensation and term of office, prescribe their duties and the method by which they may be removed, and delegate to them any of the board's powers and duties as the board considers proper. (Acts 43rd Leg., 1st C.S., Ch. 75, Secs. 2(u), 5.)

Sec. 8512.0208. SURETY BONDS. (a) The general manager, the treasurer, and any other authority officer, agent, or employee who is charged with the collection, custody, or payment of authority money shall give bond conditioned on:

(1) the faithful performance of the person's duties; and

(2) an accounting for all authority money and property coming into the person's possession.

(b) The bond must be in a form and amount and with a surety company approved by the board that is authorized to do business in this state.

(c) The authority shall pay the premium on the bond and charge the premium as an operating expense. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 6 (part).)

Sec. 8512.0209. AUTHORITY'S DOMICILE AND OFFICE. (a) The authority's domicile is in the city of New Braunfels, Comal County.

(b) The authority shall maintain an office in the city of New Braunfels, Comal County.

1 (c) The general manager is in charge of the authority's
2 office. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 7 (part).)

3 Sec. 8512.0210. DIRECTOR TRAINING PROGRAM. (a) A person
4 who is appointed to and qualifies for office as a director may not
5 vote, deliberate, or be counted as a director in attendance at a
6 board meeting until the person completes a training program that
7 complies with this section.

8 (b) The training program must provide the person with
9 information regarding:

10 (1) the law governing the authority's operations;

11 (2) the authority's programs, functions, rules, and
12 budget;

13 (3) the results of the authority's most recent formal
14 audit;

15 (4) the requirements of:

16 (A) laws relating to open meetings, public
17 information, administrative procedure, and the disclosure of
18 conflicts of interest; and

19 (B) other laws applicable to members of a river
20 authority's governing body in performing their duties; and

21 (5) any applicable ethics policies adopted by the
22 authority or the Texas Ethics Commission.

23 (c) A person appointed to the board is entitled to
24 reimbursement for the travel expenses incurred in attending the
25 training program regardless of whether the attendance at the
26 program occurs before or after the person qualifies for office.

27 (d) The general manager shall create a training manual that

1 includes the information required by Subsection (b). The general
2 manager shall distribute a copy of the training manual annually to
3 each director. Each director shall sign and submit to the general
4 manager a statement acknowledging that the director has received
5 and reviewed the training manual. (Acts 43rd Leg., 1st C.S., Ch.
6 75, Sec. 4A.)

7 Sec. 8512.0211. SEPARATION OF POLICYMAKING AND MANAGEMENT
8 FUNCTIONS. The board shall develop and implement policies that
9 clearly separate the board's policymaking responsibilities and the
10 general manager's and staff's management responsibilities. (Acts
11 43rd Leg., 1st C.S., Ch. 75, Sec. 5A.)

12 Sec. 8512.0212. COMPLAINTS. (a) The authority shall
13 maintain a system to promptly and efficiently act on complaints
14 filed with the authority.

15 (b) The authority shall maintain information about the
16 parties to and subject matter of the complaint, a summary of the
17 results of the review or investigation of the complaint, and the
18 disposition of the complaint.

19 (c) The authority shall periodically notify the parties to
20 the complaint of the complaint's status until final disposition.

21 (d) The authority shall make information available
22 describing the authority's procedures for complaint investigation
23 and resolution. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 25.)

24 Sec. 8512.0213. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.

25 (a) The board shall develop a policy to encourage the use of
26 appropriate alternative dispute resolution procedures under
27 Chapter 2009, Government Code, to assist in the resolution of

1 internal and external disputes under the authority's jurisdiction.

2 (b) The authority's procedures relating to alternative
3 dispute resolution must conform, to the extent possible, to any
4 model guidelines issued by the State Office of Administrative
5 Hearings for the use of alternative dispute resolution by state
6 agencies.

7 (c) The authority shall:

8 (1) coordinate the implementation of the policy
9 adopted under Subsection (a);

10 (2) provide training as needed to implement the
11 procedures for alternative dispute resolution; and

12 (3) collect data concerning the effectiveness of those
13 procedures. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 23.)

14 Sec. 8512.0214. PUBLIC TESTIMONY. (a) The board shall
15 develop and implement policies that provide the public with a
16 reasonable opportunity to appear before the board and to speak on
17 any issue under the authority's jurisdiction.

18 (b) At each regular board meeting, the board shall include
19 public testimony as a meeting agenda item and allow members of the
20 public to comment on other agenda items and other matters under the
21 authority's jurisdiction. The board may not deliberate on or
22 decide a matter not included in the meeting agenda, except that the
23 board may discuss including the matter on the agenda for a
24 subsequent meeting. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 24.)

25 Sec. 8512.0215. SEAL. The authority may adopt and use a
26 corporate seal. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(r).)

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8512.0301. GENERAL POWERS. The authority has:

(1) the powers of government and the authority to exercise the rights, privileges, and functions specified by this chapter; and

(2) all powers, rights, privileges, and functions conferred by general law on any district, other than a groundwater conservation district, created under Section 59, Article XVI, Texas Constitution, except as expressly limited by this chapter. (Acts 43rd Leg., 1st C.S., Ch. 75, Secs. 1 (part), 2 (part).)

Sec. 8512.0302. POWERS RELATED TO WATER OF RIVERS AND STREAMS. The authority may:

(1) control, store, and preserve, in or adjoining the authority's boundaries, the water of any rivers and streams, including the Guadalupe and Blanco Rivers and their tributaries, for all useful purposes; and

(2) use, distribute, and sell the water described by Subdivision (1), in the authority, for all useful purposes. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(a).)

Sec. 8512.0303. POWERS RELATED TO GROUNDWATER. The authority may:

(1) conserve, preserve, and develop groundwater in the authority, subject to any applicable regulation by this state or any political subdivision, for all useful purposes; and

(2) use, distribute, and sell groundwater, in the authority, for all useful purposes. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(b).)

1 Sec. 8512.0304. ACQUISITION OF WATER, WATER SUPPLY
2 FACILITIES, AND CONSERVATION STORAGE CAPACITY. The authority may
3 acquire water, water supply facilities, and conservation storage
4 capacity inside or outside the authority from any person. (Acts
5 43rd Leg., 1st C.S., Ch. 75, Sec. 2(c).)

6 Sec. 8512.0305. USE, DISTRIBUTION, AND SALE OF WATER
7 OUTSIDE AUTHORITY. (a) The authority may use, distribute, and
8 sell, outside the authority, any water the authority controls,
9 stores, preserves, conserves, develops, or acquires if the board
10 determines that adequate provision can be made to continue to serve
11 the water requirements inside the authority.

12 (b) Notwithstanding Subsection (a), the authority may not
13 enter into any agreement that contemplates or results in the
14 removal from the watershed of the Guadalupe and Blanco Rivers and
15 their tributaries of any surface water of the authority necessary
16 to supply the reasonably foreseeable future water requirements for
17 municipal uses inside the watershed during the next 50 years,
18 except on a temporary, interim basis. (Acts 43rd Leg., 1st C.S.,
19 Ch. 75, Sec. 2(d).)

20 Sec. 8512.0306. DEVELOPMENT, GENERATION, DISTRIBUTION, AND
21 SALE OF WATER POWER AND ELECTRIC ENERGY. The authority may:

22 (1) develop and generate water power and electric
23 energy inside the authority; and

24 (2) distribute and sell water power and electric
25 energy inside or outside the authority. (Acts 43rd Leg., 1st C.S.,
26 Ch. 75, Sec. 2(e).)

27 Sec. 8512.0307. PREVENTION OF DAMAGE TO PERSONS OR

1 PROPERTY. The authority may prevent or aid in the prevention of
2 damage to persons or property from the water of the Guadalupe and
3 Blanco Rivers and their tributaries. (Acts 43rd Leg., 1st C.S., Ch.
4 75, Sec. 2(f).)

5 Sec. 8512.0308. FORESTATION AND REFORESTATION; PREVENTION
6 OF SOIL EROSION AND FLOODS. In the watershed of the Guadalupe and
7 Blanco Rivers and their tributaries, the authority may:

8 (1) forest, reforest, or aid in foresting or
9 reforesting; and

10 (2) prevent or aid in the prevention of soil erosion
11 and floods. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(g).)

12 Sec. 8512.0309. DEVELOPMENT OF NAVIGATION AND RELATED
13 FACILITIES. The authority may develop the navigation of inland
14 water in the authority and any facility in aid of that navigation.
15 (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(h).)

16 Sec. 8512.0310. DEVELOPMENT OF RECLAMATION AND DRAINAGE OF
17 CERTAIN LAND AND RELATED FACILITIES. The authority may develop the
18 reclamation and drainage of overflowed land and other land needing
19 drainage, other than coastal wetlands or inland marshes, in the
20 authority and any facility in aid of that reclamation and drainage.
21 (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(i).)

22 Sec. 8512.0311. WASTE MANAGEMENT. (a) The authority may
23 develop the collection, transportation, treatment, disposal, and
24 handling of any waste, as that term is defined by general law, and
25 any facility in aid of those activities.

26 (b) The authority may construct or acquire sanitary sewer
27 facilities for the collection, treatment, and disposal of sewage in

a municipality's boundaries only with the municipality's consent.
(Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(j).)

Sec. 8512.0312. CONSERVATION AND DEVELOPMENT FOR
RECREATION. The authority may conserve and develop water and land
for recreational purposes and any facility in aid of those
purposes. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(k).)

Sec. 8512.0313. ACQUISITION OR OPERATION OF PROPERTY. (a)
The authority may acquire, maintain, use, and operate property of
any kind or any property interest, inside or outside the authority,
necessary or convenient to the exercise of the powers, rights,
privileges, and functions conferred on the authority by this
chapter.

(b) The authority may acquire property or a property
interest as provided by Subsection (a) by purchase, lease, gift, or
any other manner, other than by the exercise of the power of eminent
domain. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(l).)

Sec. 8512.0314. EMINENT DOMAIN. (a) The authority may
acquire by the exercise of the power of eminent domain property of
any kind or a property interest inside or outside the authority that
is necessary or convenient to the exercise of the powers, rights,
privileges, and functions conferred on the authority by this
chapter.

(b) The authority must exercise the power of eminent domain
in the manner provided by:

- (1) Chapter 21, Property Code; or
- (2) the statutes relating to the exercise of the power
of eminent domain by districts organized under general law under

Section 59, Article XVI, Texas Constitution.

(c) The authority may not exercise the power of eminent domain to acquire property or a property interest that is:

(1) located outside the authority; and

(2) owned by a body politic.

(d) The authority's authority under this section to exercise the power of eminent domain expired on September 1, 2013, unless the authority submitted a letter to the comptroller in accordance with Section 2206.101(b), Government Code, not later than December 31, 2012. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(m); New.)

Sec. 8512.0315. SALE, LEASE, OR OTHER DISPOSITION OF PROPERTY. Subject to the provisions of this chapter, the authority may sell, lease, or otherwise dispose of property of any kind or any property interest:

(1) that is not necessary authority business; or

(2) the sale, lease, or disposition of which, in the board's judgment, is necessary or convenient to the exercise of the powers, rights, privileges, and functions conferred on the authority by this chapter or general law. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(n).)

Sec. 8512.0316. OVERFLOW OR INUNDATION OF PUBLIC PROPERTY; RELOCATION OF FACILITIES. (a) In this section, "sole expense" means the actual cost of relocating, raising, lowering, rerouting, or changing the grade of or altering the construction of a facility to provide comparable replacement without enhancement of the facility, after deducting the net salvage value derived from the

1 old facility.

2 (b) The authority may overflow and inundate any public
3 property and require the relocation of a road, pipeline,
4 transmission line, railroad, cemetery, or highway in the manner and
5 to the extent permitted to a district organized under general law
6 under Section 59, Article XVI, Texas Constitution.

7 (c) If in the exercise of the power of eminent domain or any
8 other power the authority requires relocating, raising, lowering,
9 rerouting, or changing the grade of or altering the construction of
10 any railroad, transmission line, conduit, pole, property,
11 facility, or pipeline, the action shall be the authority's sole
12 expense. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 2(o).)

13 Sec. 8512.0317. CONSTRUCTION, MAINTENANCE, AND OPERATION
14 OF FACILITIES. The authority may construct, extend, improve,
15 maintain, reconstruct, and use and operate facilities of any kind
16 necessary or convenient to the exercise of the authority's powers,
17 rights, privileges, and functions. (Acts 43rd Leg., 1st C.S., Ch.
18 75, Sec. 2(p).)

19 Sec. 8512.0318. GENERAL CONTRACT POWERS. (a) The
20 authority may enter into a contract or execute an instrument
21 necessary or convenient to the exercise of the powers, rights,
22 privileges, and functions conferred on the authority by this
23 chapter or general law, including a contract with any person as the
24 board considers necessary or proper for, or in connection with, any
25 corporate purpose to provide for the construction, acquisition,
26 ownership, financing, operation, maintenance, sale, leasing to or
27 from, or other use or disposition of any facility authorized to be

1 developed, preserved, conserved, acquired, or constructed under
2 this chapter or general law.

3 (b) The power to enter into a contract regarding a facility
4 under Subsection (a) includes the power to enter into a contract
5 regarding:

6 (1) any improvements, structures, facilities,
7 equipment, and other property of any kind in connection with the
8 contract's subject;

9 (2) any land, leaseholds, and easements; and

10 (3) any interests in property described by this
11 subsection.

12 (c) A contract entered into or instrument executed under
13 this section may be for the term and contain the provisions the
14 board determines to be in the authority's best interests. (Acts
15 43rd Leg., 1st C.S., Ch. 75, Sec. 2(v).)

16 Sec. 8512.0319. JOINT PROJECTS RELATED TO PROPERTY. The
17 authority may:

18 (1) authorize any person to participate with the
19 authority in the joint construction, acquisition, ownership,
20 financing, operation, and maintenance of improvements, structures,
21 facilities, equipment, and any other property in connection with
22 the subject of the authorization, and all land, leaseholds,
23 easements, and interests in the property that the board determines
24 to be necessary or proper for, or in connection with, any corporate
25 purpose; and

26 (2) allow a joint participant to receive the portion
27 of the revenue derived from the property that the board considers

1 just, equitable, and proper. (Acts 43rd Leg., 1st C.S., Ch. 75,
2 Sec. 2(w).)

3 Sec. 8512.0320. STATE SUPERVISION AND APPROVAL. The
4 commission shall consider the adequacy of, and approve or refuse to
5 approve, any flood control or conservation improvement plan that:

6 (1) the authority devises to achieve a plan or purpose
7 for which the authority was created; and

8 (2) contemplates an improvement that the commission
9 would supervise under general law. (Acts 43rd Leg., 1st C.S., Ch.
10 75, Sec. 3 (part).)

11 Sec. 8512.0321. ADDITIONAL POWERS RELATING TO CONTRACTS,
12 RULES, AND REGULATIONS. The authority may enter into and carry out
13 contracts or establish or comply with rules and regulations
14 concerning labor and materials and other related matters in
15 connection with any project the authority considers desirable or as
16 requested by this state, the United States, or any corporation or
17 agency created, designated, or established by this state or the
18 United States, that may assist in financing the project. (Acts 43rd
19 Leg., 1st C.S., Ch. 75, Sec. 13.)

20 Sec. 8512.0322. PUBLIC USE OF AUTHORITY'S SURPLUS LAND.
21 The authority may not prevent free public use of the authority's
22 surplus land for recreational purposes, hunting, or fishing except
23 to the extent to which, in the board's opinion, the use would
24 interfere with the proper conduct of the business. (Acts 43rd Leg.,
25 1st C.S., Ch. 75, Sec. 15.)

26 Sec. 8512.0323. EFFECT OF CHAPTER ON WATER RIGHTS AND
27 GROUNDWATER REGULATION. (a) This chapter does not confer any water

1 rights on the authority or set any priority of rights. The
2 authority must obtain its water rights by application to and permit
3 from the commission as provided by general statute.

4 (b) This chapter does not authorize the authority to
5 regulate the withdrawal of groundwater. (Acts 43rd Leg., 1st C.S.,
6 Ch. 75, Sec. 2(y) (part).)

7 Sec. 8512.0324. APPLICABILITY OF CERTAIN STATUTES. The
8 rights, powers, privileges, and functions granted to the authority
9 under this chapter, and the authority itself, are expressly subject
10 to Chapters 5, 7, 11, 12, 17, 26, and 30, Water Code, and Chapter
11 366, Health and Safety Code. (Acts 43rd Leg., 1st C.S., Ch. 75,
12 Sec. 2(y) (part).)

13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

14 Sec. 8512.0401. DISBURSEMENT OF MONEY. The authority may
15 disburse the authority's money only by a check, draft, order, or
16 other instrument signed by a person authorized to sign the
17 instrument by the bylaws or a resolution in which at least five
18 directors concur. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 6
19 (part).)

20 Sec. 8512.0402. ACCOUNTS, CONTRACTS, AND OTHER RECORDS;
21 PUBLIC INSPECTION. (a) The authority shall keep complete and
22 accurate accounts conforming to approved methods of bookkeeping.

23 (b) The accounts and all contracts, documents, and records
24 of the authority shall be kept at an official authority office.

25 (c) The contracts shall be open to public inspection at all
26 reasonable times. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 7
27 (part).)

1 Sec. 8512.0403. FILING OF AUDIT REPORT. Copies of the audit
2 report prepared under Subchapter G, Chapter 49, Water Code, shall
3 be certified to by the accountant who performed the audit and filed:

- 4 (1) as required by Section 49.194, Water Code; and
5 (2) with the comptroller. (Acts 43rd Leg., 1st C.S.,
6 Ch. 75, Sec. 7 (part); New.)

7 Sec. 8512.0404. ASSET MANAGEMENT PLAN. (a) In this
8 section, "system" means a system for the:

- 9 (1) provision of water to the public for human
10 consumption; or
11 (2) collection and treatment of wastewater.

12 (b) The authority shall adopt an asset management plan by:

- 13 (1) preparing an asset inventory that identifies the
14 assets of each system and the asset's condition;

15 (2) developing criteria to prioritize assets for
16 repair or replacement, including:

17 (A) the date by which the asset will need to be
18 repaired or replaced;

19 (B) the importance of the asset in providing safe
20 drinking water and complying with regulatory standards;

21 (C) the importance of the asset to the effective
22 operation of the system; and

23 (D) other criteria the authority determines;

24 (3) estimating asset repair and replacement costs;

25 (4) identifying and evaluating potential financing
26 options; and

27 (5) prioritizing systems that are not in compliance

1 with federal or state regulatory standards, including water quality
2 standards.

3 (c) The authority shall review and revise the asset
4 management plan annually to account for regulatory changes and
5 other developments.

6 (d) The board shall approve the asset management plan
7 annually as part of its budgeting process.

8 (e) The asset management plan's findings must be posted on
9 the authority's publicly accessible Internet website. (Acts 43rd
10 Leg., 1st C.S., Ch. 75, Sec. 26.)

11 Sec. 8512.0405. RATES AND OTHER CHARGES. (a) The board
12 shall impose rates and other charges for the sale or use of water,
13 water connections, power, electric energy, or other services the
14 authority sells, provides, or supplies.

15 (b) The rates and other charges must be reasonable,
16 nondiscriminatory, and sufficient to provide revenue adequate to:

17 (1) pay all expenses necessary to the operation,
18 maintenance, and replacement of and the making of additions to the
19 authority's properties and facilities;

20 (2) pay the principal of, the interest on, and any
21 premium on all bonds issued under this chapter when they become due
22 and payable;

23 (3) pay all sinking fund or reserve fund payments
24 agreed to be made with respect to any of those bonds and payable out
25 of that revenue when and as they become due and payable;

26 (4) fulfill the terms of any agreements made with the
27 holders of those bonds or with any person in their behalf; and

1 (5) discharge all other lawful obligations of the
2 authority when they become due.

3 (c) The rates and other charges may not exceed the amount
4 that may be necessary to fulfill the obligations imposed on the
5 authority by this chapter. (Acts 43rd Leg., 1st C.S., Ch. 75, Secs.
6 9(a), (b), (c), (d), (e), (g) (part).)

7 Sec. 8512.0406. USE OF EXCESS REVENUE. If the authority
8 receives revenue in excess of that required for the purposes
9 specified by Sections 8512.0405(b)(1), (2), (3), and (5), the board
10 may:

11 (1) use the excess revenue to:

12 (A) establish a reasonable depreciation and
13 emergency fund; or

14 (B) retire bonds issued under this chapter by
15 purchase and cancellation or redemption; or

16 (2) apply the excess revenue to any corporate purpose.
17 (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 9(f).)

18 Sec. 8512.0407. PAYMENTS UNDER AGREEMENTS FOR USE OR SALE
19 OF PROPERTY. (a) If the authority enters into an agreement to
20 lease, sell, or otherwise dispose of any property or facilities to
21 any person, the person is subject to the regulations and control of
22 rates or other charges by this state as may be provided by agreement
23 or general law.

24 (b) Notwithstanding Subsection (a), the board shall set
25 payments under a lease or other contract or agreement for the use or
26 sale of any property so that the payments, together with any other
27 pledged revenue, will be sufficient to:

1 (1) pay the principal of, the interest on, and any
2 premium on all bonds to which the payments are pledged when they
3 become due and payable;

4 (2) pay all sinking fund or reserve fund payments
5 agreed to be made with respect to any bonds described by Subdivision
6 (1), and payable out of those payments, when they become due and
7 payable;

8 (3) fulfill the terms of any agreement made with the
9 holders of bonds described by Subdivision (1) or any person in their
10 behalf; and

11 (4) discharge all other obligations of the authority
12 in connection with bonds described by Subdivision (1) when they
13 become due. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 9(h).)

14 Sec. 8512.0408. TAX, ASSESSMENT, OR PLEDGE OF CREDIT OF
15 STATE NOT AUTHORIZED BY CHAPTER. This chapter does not authorize
16 the authority to:

17 (1) impose a tax or assessment;

18 (2) create any debt payable out of taxes or
19 assessments; or

20 (3) pledge this state's credit. (Acts 43rd Leg., 1st
21 C.S., Ch. 75, Sec. 1 (part).)

22 SUBCHAPTER E. BORROWED MONEY AND GRANTS

23 Sec. 8512.0501. LOANS AND GRANTS. The authority may:

24 (1) borrow money for the authority's corporate
25 purposes;

26 (2) borrow money or accept a grant from any person,
27 including this state, the United States, or a corporation or agency

1 created or designated by this state or the United States;

2 (3) in connection with a loan or grant described by
3 Subdivision (2), enter into any agreement this state, the United
4 States, or the corporation or agency requires;

5 (4) make and issue the authority's bonds for money
6 borrowed, in the manner and to the extent provided by this chapter;
7 and

8 (5) refund or refinance any outstanding bonds and make
9 and issue the authority's bonds for those purposes in the manner and
10 to the extent provided by this chapter. (Acts 43rd Leg., 1st C.S.,
11 Ch. 75, Sec. 2(x) (part).)

12 Sec. 8512.0502. STATE PLEDGE REGARDING RIGHTS AND REMEDIES
13 OF BONDHOLDERS. This chapter does not deprive this state of its
14 power to regulate and control rates or other charges to be imposed
15 for the use of water, water connections, power, electric energy, or
16 another service. This state pledges to and agrees with the
17 purchasers and successive holders of the bonds issued under this
18 chapter that this state will not limit or alter the power this
19 chapter gives the authority to impose rates and other charges that
20 will produce revenue sufficient to pay the items specified by
21 Section 8512.0405(b) or in any way impair the rights or remedies of
22 the bondholders, or of any person in their behalf, until the
23 following are fully discharged:

24 (1) the bonds;

25 (2) the interest on the bonds;

26 (3) any premium;

27 (4) interest on unpaid installments of interest;

1 (5) all costs and expenses in connection with any
2 action or proceeding by or on behalf of the bondholders; and

3 (6) all other authority obligations in connection with
4 the bonds. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 9(g) (part).)

5 Sec. 8512.0503. OBLIGATION PAYABLE FROM REVENUE. An
6 authority debt, liability, or obligation for the payment of money,
7 however entered into or incurred and whether arising from an
8 express or implied contract or otherwise, is payable:

9 (1) out of the revenue the authority receives with
10 respect to the authority's properties, subject to any prior lien on
11 the revenue conferred by any resolution previously adopted as
12 provided by this chapter authorizing the issuance of bonds; or

13 (2) if the board so determines, out of the proceeds of
14 sale by the authority of bonds payable solely from revenue
15 described by Subdivision (1). (Acts 43rd Leg., 1st C.S., Ch. 75,
16 Sec. 10.)

17 Sec. 8512.0504. POWER TO ISSUE BONDS. (a) The authority
18 may issue bonds for any corporate purpose.

19 (b) The bonds must be authorized by a board resolution.
20 (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 11 (part).)

21 Sec. 8512.0505. TERMS OF ISSUANCE. Authority bonds may be:

22 (1) sold for cash;

23 (2) issued on terms the board determines in exchange
24 for property of any kind, or any property interest, that the board
25 considers necessary or convenient for the corporate purpose for
26 which the bonds are issued; or

27 (3) issued in exchange for like principal amounts of

1 other matured or unmatured authority obligations. (Acts 43rd Leg.,
2 1st C.S., Ch. 75, Sec. 11 (part).)

3 Sec. 8512.0506. DEPOSIT OF PROCEEDS. The proceeds of sale
4 of authority bonds shall be deposited in one or more banks or trust
5 companies, and shall be paid out according to the terms, on which
6 the authority and the purchasers of the bonds agree. (Acts 43rd
7 Leg., 1st C.S., Ch. 75, Sec. 11 (part).)

8 Sec. 8512.0507. RESOLUTION PROVISIONS. (a) A resolution
9 authorizing bonds may contain provisions:

10 (1) reserving the right to redeem the bonds or
11 requiring the redemption of the bonds, at the time, in the amount,
12 and at the price, not exceeding 105 percent of the principal amount
13 of the bonds, plus accrued interest, as may be provided;

14 (2) providing for the setting aside of sinking funds
15 or reserve funds and the regulation and disposition of those funds;

16 (3) pledging, to secure the payment of the principal
17 of and interest on the bonds and of the sinking fund or reserve fund
18 payments agreed to be made with respect to the bonds:

19 (A) all or any part of the gross or net revenue
20 subsequently received by the authority with respect to the property
21 to be acquired or constructed with the bonds or the proceeds of the
22 bonds; or

23 (B) all or any part of the gross or net revenue
24 subsequently received by the authority from any source;

25 (4) prescribing the purposes to which the bonds or any
26 bonds subsequently to be issued, or the proceeds of the bonds, may
27 be applied;

1 (5) agreeing to impose rates and other charges
2 sufficient to produce revenue adequate to pay the items specified
3 by Section 8512.0405(b) and prescribing the use and disposition of
4 all revenue;

5 (6) prescribing limitations on the issuance of
6 additional bonds and subordinate lien bonds and on the agreements
7 that may be made with the purchasers and successive holders of those
8 bonds;

9 (7) with regard to the construction, extension,
10 improvement, reconstruction, operation, maintenance, and repair of
11 the authority's properties and the carrying of insurance on all or
12 any part of those properties covering loss or damage or loss of use
13 and occupancy resulting from specified risks;

14 (8) setting the procedure, if any, by which the
15 authority may change the terms of a contract with the bondholders,
16 the amount of bonds the holders of which must consent to that
17 change, and the manner in which the consent may be given;

18 (9) providing for the execution and delivery by the
19 authority to a bank or trust company authorized by law to accept
20 trusts, or to the United States or any officer of the United States,
21 of indentures and agreements for the benefit of the bondholders
22 setting forth any or all of the agreements authorized by this
23 chapter to be made with or for the benefit of the bondholders and
24 any other provisions that are customary in such indentures or
25 agreements; and

26 (10) approved by the board that are not inconsistent
27 with this chapter.

1 (b) A provision authorized by this section that is contained
2 in a bond resolution is part of the contract between the authority
3 and the bondholders. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 11
4 (part).)

5 Sec. 8512.0508. DEFAULT PROCEDURES. (a) This section
6 applies only to a default in:

7 (1) the payment of the principal of bonds as they
8 become due and payable, whether at maturity, by call for
9 redemption, or otherwise;

10 (2) the payment of the interest on bonds as the
11 interest becomes due and payable; or

12 (3) the performance of an agreement made with the
13 purchasers or successive holders of bonds.

14 (b) A resolution authorizing bonds and any indenture or
15 agreement entered into under the resolution may provide that in the
16 event of a default described by Subsection (a) that continues for a
17 period, if any, prescribed by the resolution, the trustee under the
18 indenture entered into with respect to the bonds authorized by the
19 resolution, or, if there is no indenture, a trustee appointed in the
20 manner provided by the resolution by the holders of 25 percent in
21 aggregate principal amount of the bonds authorized by the
22 resolution and then outstanding, and on the written request of the
23 holders of 25 percent in aggregate principal amount of the bonds
24 authorized by the resolution then outstanding, shall, in the
25 trustee's own name, but for the equal and proportionate benefit of
26 the holders of all of the bonds, and with or without having
27 possession of the bonds:

1 (1) enforce by mandamus or other action or proceeding
2 at law or in equity all rights of the bondholders;

3 (2) bring an action on the bonds or the related
4 coupons;

5 (3) require by action in equity the authority to
6 account as if it were the trustee of an express trust for the
7 bondholders;

8 (4) enjoin by action in equity any acts or things that
9 may be unlawful or in violation of the rights of the bondholders; or

10 (5) after such notice to the authority as the
11 resolution may provide, declare the principal of all of the bonds
12 due and payable, and if all defaults have been satisfied, then with
13 the written consent of the holders of 25 percent in aggregate
14 principal amount of the bonds then outstanding, annul the
15 declaration and its consequences.

16 (c) Notwithstanding Subsection (b), the holders of more
17 than a majority in principal amount of the bonds authorized by the
18 resolution and then outstanding, by written instrument delivered to
19 the trustee, are entitled to direct and control any and all action
20 taken or to be taken by the trustee under this section.

21 (d) A resolution, indenture, or agreement relating to bonds
22 may provide that in an action or proceeding under this section, the
23 trustee, whether or not all of the bonds have been declared due and
24 payable and with or without possession of any of the bonds, is
25 entitled to the appointment of a receiver who may:

26 (1) enter and take possession of all or any part of the
27 properties of the authority;

1 (2) operate and maintain the properties;

2 (3) impose rates and other charges sufficient to
3 provide revenue adequate to pay the items specified by Section
4 8512.0405(b) and the costs and disbursements of the action or
5 proceeding; and

6 (4) apply the revenue in accordance with this chapter
7 and the resolution authorizing the bonds.

8 (e) In an action or proceeding by a trustee under this
9 section, the reasonable fees, attorney's fees, and expenses of the
10 trustee and of the receiver, if any, constitute taxable
11 disbursements, and all costs and disbursements allowed by the court
12 are a first charge on any revenue pledged to secure the payment of
13 the bonds.

14 (f) The courts of Comal County have jurisdiction of an
15 action or proceeding by a trustee on behalf of the bondholders and
16 of all property involved in the action or proceeding.

17 (g) In addition to the powers specifically provided by this
18 section, a trustee has all powers necessary or appropriate for the
19 exercise of the powers specifically provided or incident to the
20 general representation of the bondholders in the enforcement of
21 their rights. (Acts 43rd Leg., 1st C.S., Ch. 75, Secs. 11(j)(1),
22 (2).)

23 Sec. 8512.0509. INTERIM BONDS. (a) Before issuing
24 definitive bonds, the authority may make and issue interim bonds.

25 (b) The interim bonds issued shall be taken up with the
26 proceeds of the definitive bonds, or the definitive bonds may be
27 issued and delivered in exchange for the interim bonds.

1 (c) After an exchange of definitive bonds for interim bonds,
2 the authority shall file certificates with the comptroller as to
3 the exchange and cancellation, and the comptroller shall register
4 the certificates in the same manner as the proceedings authorizing
5 the issuance of the bonds are registered. (Acts 43rd Leg., 1st
6 C.S., Ch. 75, Sec. 11(j)(3) (part).)

7 Sec. 8512.0510. TEMPORARY BONDS. The authority may make
8 and issue temporary bonds for the purpose of interim financing and
9 make agreements or other provision to refinance the temporary bonds
10 with bonds to provide permanent financing at the time, in the
11 manner, and on the conditions the board determines. (Acts 43rd
12 Leg., 1st C.S., Ch. 75, Sec. 11(j)(3) (part).)

13 Sec. 8512.0511. REFUNDING BONDS. (a) The authority may
14 make and issue refunding bonds for the purpose of refunding or
15 refinancing outstanding bonds authorized and issued by the
16 authority under this chapter or other law and the interest and
17 premium, if any, on the bonds to maturity or on any earlier
18 redemption date specified in the resolution authorizing the
19 issuance of the refunding bonds.

20 (b) Refunding bonds may:

21 (1) be issued to refund more than one series of
22 outstanding bonds;

23 (2) combine the pledges of the outstanding bonds for
24 the security of the refunding bonds; or

25 (3) be secured by other or additional revenue.

26 (c) The provisions of this chapter regarding the issuance of
27 bonds, the terms and provisions of bonds, and the remedies of the

1 bondholders apply to refunding bonds.

2 (d) The comptroller shall register the refunding bonds on
3 the surrender and cancellation of the bonds to be refunded.

4 (e) Instead of issuing bonds to be registered on the
5 surrender and cancellation of the bonds to be refunded, the
6 authority, in the resolution authorizing the issuance of refunding
7 bonds, may provide for the sale of the refunding bonds and the
8 deposit of the proceeds at the places at which the bonds to be
9 refunded are payable. In that case, the refunding bonds may be
10 issued in an amount sufficient to pay the interest and premium, if
11 any, on the bonds to be refunded to their maturity date or specified
12 earlier redemption date, and the comptroller shall register the
13 refunding bonds without the concurrent surrender and cancellation
14 of the bonds to be refunded.

15 (f) The authority may also refund outstanding bonds in the
16 manner provided by any applicable general law. (Acts 43rd Leg., 1st
17 C.S., Ch. 75, Sec. 11(j)(7).)

18 Sec. 8512.0512. POWER OF AUTHORITY TO PURCHASE BONDS ISSUED
19 BY AUTHORITY. (a) Using any money available for the purpose, the
20 authority may purchase bonds issued by the authority at a price not
21 exceeding the redemption price applicable at the time of the
22 purchase, or, if the bonds are not redeemable, at a price not
23 exceeding the principal amount of the bonds plus accrued interest.

24 (b) All bonds purchased under this section shall be
25 cancelled, and bonds may not be issued in lieu of those bonds.
26 (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 14.)

27 Sec. 8512.0513. BONDS EXEMPT FROM TAXATION. A bond issued

under this chapter and the interest on the bond are exempt from taxation, except inheritance taxes, by this state or by any political subdivision of this state. (Acts 43rd Leg., 1st C.S., Ch. 75, Sec. 16 (part).)

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CHAPTER 8515. UPPER GUADALUPE RIVER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8515.0101. DEFINITIONS. In this chapter:

(1) "Authority" means the Upper Guadalupe River Authority.

(2) "Board" means the authority's board of directors.

(3) "Director" means a board member. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 1 (part); New.)

Sec. 8515.0102. NATURE OF AUTHORITY. The authority is a conservation and reclamation district in Kerr County created under Section 59, Article XVI, Texas Constitution. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 1 (part), 10(b)(d) (part).)

Sec. 8515.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The authority is created to serve a public use and benefit.

(b) All property in the authority will benefit from the works and projects the authority will accomplish under the powers conferred by Section 59, Article XVI, Texas Constitution.

(c) The authority's creation is essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

(d) The authority performs an essential public function under the Texas Constitution in carrying out the purposes of this chapter because the accomplishment of those purposes is for the benefit of the people of this state and the improvement of their properties and industries. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 1 (part), 4, 22 (part).)

Sec. 8515.0104. REVIEW SCHEDULE UNDER SUNSET ACT. A review

1 of the authority under Section 325.025, Government Code, shall be
2 conducted as if the authority were a state agency scheduled to be
3 abolished September 1, 2035, and every 12th year after that year.
4 (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 1A(a) (part).)

5 Sec. 8515.0105. TERRITORY. (a) The authority is composed
6 of the territory described by Subsection (b) as that territory may
7 have been modified under:

- 8 (1) Subchapter J, Chapter 49, Water Code;
- 9 (2) Subchapter O, Chapter 51, Water Code; or
- 10 (3) other law.

11 (b) The authority includes all territory in the boundaries
12 of Kerr County. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 2;
13 New.)

14 Sec. 8515.0106. CERTAIN STATUTES NOT APPLICABLE TO
15 AUTHORITY. (a) The authority is created notwithstanding the
16 provisions of Chapter 160, Acts of the 58th Legislature, Regular
17 Session, 1963 (former Article 970a, Vernon's Texas Civil Statutes),
18 as those provisions existed on June 17, 1965, and those provisions
19 do not apply to the authority.

20 (b) Any conflict between this section and subsequent
21 amendments to provisions described by Subsection (a) or the
22 subsequent codification of provisions described by Subsection (a)
23 in the Local Government Code is governed by the rules of statutory
24 construction, including Sections 311.025(a) and 311.026,
25 Government Code (Code Construction Act). (Acts 46th Leg., R.S., p.
26 1062, S.L., Ch. 5, Sec. 13; New.)

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Sec. 8515.0201. MEMBERSHIP OF BOARD. (a) The board consists of nine directors appointed by the governor.

(b) To be appointed as a director, a person must:

(1) be 18 years of age or older; and

(2) reside and own land in Kerr County. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 9(a) (part), (b) (part).)

Sec. 8515.0202. TERMS. Directors serve staggered four-year terms, with four or five directors' terms expiring on February 1 of each odd-numbered year. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 9(a) (part), (b) (part).)

Sec. 8515.0203. REMOVAL. (a) It is a ground for removal from the board that a director:

(1) does not have at the time of taking office the qualifications required by Sections 8515.0201 and 8515.0205;

(2) does not maintain during service on the board the qualifications required by Sections 8515.0201 and 8515.0205;

(3) is ineligible for directorship under Chapter 171, Local Government Code;

(4) cannot, because of illness or disability, discharge the director's duties for a substantial part of the director's term; or

(5) is absent from more than half of the regularly scheduled board meetings that the director is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.

(b) The validity of a board action is not affected by the

1 fact that it is taken when a ground for removal of a director
2 exists.

3 (c) If the general manager has knowledge that a potential
4 ground for removal exists, the general manager shall notify the
5 board president of the potential ground. The president shall then
6 notify the governor and the attorney general that a potential
7 ground for removal exists. If the potential ground for removal
8 involves the president, the general manager shall notify the next
9 highest ranking director, who shall then notify the governor and
10 the attorney general that a potential ground for removal exists.
11 (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 9A.)

12 Sec. 8515.0204. VACANCY. The governor shall fill a vacancy
13 on the board by appointing a person for the unexpired term. (Acts
14 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 9(b) (part).)

15 Sec. 8515.0205. OATH AND BOND REQUIREMENT FOR DIRECTORS.
16 (a) Each director shall:

17 (1) take the constitutional oath of office; and
18 (2) execute a bond for \$5,000, conditioned on the
19 faithful performance of the director's duties.

20 (b) The authority shall pay the cost of the bond. (Acts 46th
21 Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 9(a) (part).)

22 Sec. 8515.0206. OFFICERS. (a) The governor shall
23 designate a director as president to serve in that capacity at the
24 will of the governor. The president is the authority's chief
25 executive officer and the board's presiding officer.

26 (b) The board shall elect from the board's membership a vice
27 president, a secretary, and any other officers the board determines

1 necessary. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 9(b)
2 (part), (c) (part).)

3 Sec. 8515.0207. VOTE BY PRESIDENT. The president has the
4 same right to vote as any other director. (Acts 46th Leg., R.S., p.
5 1062, S.L., Ch. 5, Sec. 9(c) (part).)

6 Sec. 8515.0208. ABSENCE OR INACTION OF PRESIDENT. When the
7 president is absent or fails or declines to act, the vice president
8 shall perform all duties and exercise all powers this chapter or
9 general law confers on the president. (Acts 46th Leg., R.S., p.
10 1062, S.L., Ch. 5, Sec. 9(c) (part).)

11 Sec. 8515.0209. DUTY OF SECRETARY; ABSENCE OF SECRETARY
12 FROM BOARD MEETING. (a) The secretary shall keep and sign the
13 minutes of each board meeting and is the custodian of the
14 authority's minutes and records.

15 (b) If the secretary is absent from a board meeting, the
16 board shall name a secretary pro tem for the meeting who may:

17 (1) exercise all powers and duties of the secretary
18 for the meeting;

19 (2) sign the minutes of the meeting; and

20 (3) attest all orders passed or other action taken at
21 the meeting. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 9(c)
22 (part).)

23 Sec. 8515.0210. SEPARATION OF POLICY-MAKING AND MANAGEMENT
24 FUNCTIONS. The board shall develop and implement policies that
25 clearly separate the board's policy-making responsibilities and
26 the general manager's and staff's management responsibilities.
27 (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 9(f).)

1 Sec. 8515.0211. DIRECTOR TRAINING PROGRAM. (a) A person
2 who is appointed to and qualifies for office as a director may not
3 vote, deliberate, or be counted as a director in attendance at a
4 board meeting until the person completes a training program that
5 complies with this section.

6 (b) The training program must provide the person with
7 information regarding:

8 (1) the law governing the authority's operations;

9 (2) the authority's programs, functions, rules, and
10 budget;

11 (3) the scope of and limitations on the board's
12 rulemaking authority;

13 (4) the results of the authority's most recent formal
14 audit;

15 (5) the requirements of:

16 (A) laws relating to open meetings, public
17 information, administrative procedure, and disclosing conflicts of
18 interest; and

19 (B) other laws applicable to members of a river
20 authority's governing body in performing their duties; and

21 (6) any applicable ethics policies adopted by the
22 authority or the Texas Ethics Commission.

23 (c) A person appointed to the board is entitled to
24 reimbursement for the travel expenses incurred in attending the
25 training program regardless of whether the attendance at the
26 program occurs before or after the person qualifies for office.

27 (d) The general manager shall create a training manual that

1 includes the information required by Subsection (b). The general
2 manager shall distribute a copy of the training manual annually to
3 each director. Each director shall sign and submit to the general
4 manager a statement acknowledging that the director has received
5 and reviewed the training manual. (Acts 46th Leg., R.S., p. 1062,
6 S.L., Ch. 5, Sec. 9B.)

7 Sec. 8515.0212. GENERAL MANAGER. The board shall appoint a
8 general manager of the authority. (Acts 46th Leg., R.S., p. 1062,
9 S.L., Ch. 5, Sec. 9(d) (part).)

10 Sec. 8515.0213. COMPLAINTS. (a) The authority shall
11 maintain a system to promptly and efficiently act on complaints
12 filed with the authority.

13 (b) The authority shall maintain information about the
14 parties to the complaint, the subject matter of the complaint, a
15 summary of the results of the review or investigation of the
16 complaint, and the complaint's disposition.

17 (c) The authority shall periodically notify the parties to
18 the complaint of the complaint's status until final disposition,
19 unless the notice would jeopardize an investigation.

20 (d) The authority shall make information available
21 describing the authority's procedures for complaint investigation
22 and resolution. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec.
23 9C.)

24 Sec. 8515.0214. PUBLIC TESTIMONY. The board shall develop
25 and implement policies that provide the public with a reasonable
26 opportunity to appear before the board and to speak on any issue
27 under the authority's jurisdiction. (Acts 46th Leg., R.S., p.

1062, S.L., Ch. 5, Sec. 9D.)

SUBCHAPTER C. POWERS AND DUTIES

Sec. 8515.0301. GENERAL POWERS AND DUTIES. (a) The authority has the rights, powers, privileges, and duties provided by general law applicable to a water control and improvement district created under Section 59, Article XVI, Texas Constitution, including those provided by Chapters 49 and 51, Water Code.

(b) The authority may exercise the powers necessary to accomplish the rights and duties specified in Section 59, Article XVI, Texas Constitution, as provided by Chapters 51 and 54, Water Code.

(c) The authority may construct or acquire projects the board determines are needed and incident or related to the performance of the rights and duties described by Subsection (b). (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 5 (part), 10(b)(d) (part); New.)

Sec. 8515.0302. ADDITIONAL POWERS. (a) The authority may:

(1) control, develop, store, and preserve the waters and flood waters of the Upper Guadalupe River and its tributaries inside or outside the authority for a beneficial or useful purpose;

(2) purchase, acquire, build, construct, improve, extend, reconstruct, repair, and maintain any dam, structure, waterworks system, sanitary sewer system, storm sewer system, drainage system, irrigation system, building, waterway, pipeline, distribution system, ditch, lake, pond, reservoir, plant, and recreational facility for public use, and any other facility or equipment in aid of a purpose described by Subdivision (1);

1 (3) purchase or otherwise acquire a necessary site,
2 easement, right-of-way, land, or other property necessary for a
3 purpose described by Subdivision (1); and

4 (4) sell water and other services.

5 (b) The authority may use any practical means to exercise a
6 right, power, privilege, or function of the authority. (Acts 46th
7 Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 16(a).)

8 Sec. 8515.0303. CONSERVATION AND DEVELOPMENT. The
9 authority shall conserve and develop this state's natural resources
10 in the authority. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec.
11 10(b)(d) (part).)

12 Sec. 8515.0304. COST OF RELOCATING OR ALTERING PROPERTY.

13 (a) In this section, "sole expense" means the actual cost of
14 relocating, raising, lowering, rerouting, changing the grade of, or
15 altering the construction of a facility described by Subsection (b)
16 in providing comparable replacement without enhancement of the
17 facility, after deducting from that cost the net salvage value
18 derived from the old facility.

19 (b) If the authority's exercise of the power of eminent
20 domain, police power, or any other power requires relocating,
21 raising, lowering, rerouting, changing the grade of, or altering
22 the construction of a railroad, pipeline, or electric transmission,
23 telegraph or telephone line, conduit, pole, property or facility,
24 the required action shall be accomplished at the authority's sole
25 expense. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 12.)

26 Sec. 8515.0305. POWERS RELATING TO GRANTS AND CONTRACTS.

27 The authority may accept grants or contract with any person in

1 connection with or in aid of the exercise of any right, power,
2 privilege, or function of the authority. (Acts 46th Leg., R.S., p.
3 1062, S.L., Ch. 5, Sec. 3.)

4 Sec. 8515.0306. POWERS RELATING TO WASTE FACILITIES. As a
5 necessary aid to the conservation, control, preservation, and
6 distribution of the water of the Upper Guadalupe River and its
7 tributaries for beneficial use, the authority may:

8 (1) construct, own, and operate sewage collection,
9 transmission, and disposal services;

10 (2) charge for a service described by Subdivision (1);
11 and

12 (3) enter into contracts with municipalities and
13 others in connection with a service described by Subdivision (1).
14 (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 16(b).)

15 Sec. 8515.0307. NOTICE OF ELECTION. Notice of an election
16 may be given under the hand of the president or secretary. (Acts
17 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 20.)

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

19 Sec. 8515.0401. TAX METHOD. The authority shall use the ad
20 valorem plan of taxation. (Acts 46th Leg., R.S., p. 1062, S.L., Ch.
21 5, Sec. 8.)

22 Sec. 8515.0402. DEPOSITORY. (a) The board shall select
23 one or more banks or trust companies in this state to act as a
24 depository of bond proceeds or of revenue derived from the
25 operation of authority facilities.

26 (b) The depository shall, as determined by the board:

27 (1) provide indemnity bonds;

(2) pledge securities; or

(3) meet any other requirements. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 15.)

Sec. 8515.0403. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.

The authority is not required to pay a tax or assessment on:

(1) an authority project or any part of the project; or

(2) an authority purchase. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 22 (part).)

SUBCHAPTER E. NOTES, BONDS, AND BORROWED MONEY

Sec. 8515.0501. REVENUE NOTES. (a) The board, without an election, may borrow money, not to exceed \$55 million in the aggregate, on the authority's negotiable notes, payable solely from the authority's revenue derived from the ownership of all or any designated part of the authority's works, plant, improvements, facilities, equipment, or water rights after deduction of the reasonable cost of maintaining and operating the facilities.

(b) The notes may be first or subordinate lien notes at the board's discretion. An obligation may not be a charge on the authority's property or on the taxes imposed by the authority. An obligation may only be a charge on the revenue pledged for the payment of the obligation. No part of the obligation may ever be paid from the taxes imposed by the authority.

(c) The notes may bear interest at a rate not to exceed 10 percent and must mature not later than 40 years after the date of their issuance. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Secs. 10(c)(b), (c), (d), (e).)

Sec. 8515.0502. BORROWING MONEY. The authority may borrow

1 money by any method or procedure provided by this chapter or general
2 law for a corporate purpose or combination of corporate purposes.
3 (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 10(c)(a).)

4 Sec. 8515.0503. AUTHORITY TO ISSUE BONDS. The authority
5 may:

6 (1) issue bonds of any kind to carry out any purpose
7 authorized by this chapter; and

8 (2) provide and make payment for the bonds and for
9 necessary expenses incurred in connection with the issuance of the
10 bonds. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 17.)

11 Sec. 8515.0504. EXCHANGING BONDS FOR PROPERTY OR WORK. The
12 authority may exchange bonds, including refunding bonds:

13 (1) for property acquired by purchase; or

14 (2) in payment of the contract price of work performed
15 or materials or services provided for the authority's use and
16 benefit. (Acts 46th Leg., R.S., p. 1062, S.L., Ch. 5, Sec. 18
17 (part).)

18 Sec. 8515.0505. BOND ELECTION; NOTICE. (a) Except as
19 provided by Subsection (d), the authority may not issue bonds
20 unless a majority of voters voting at an election held in the
21 authority approve the issuance of the bonds.

22 (b) Before issuing bonds, the board must order an election
23 and provide notice in accordance with this section.

24 (c) Notice of the election must be given by:

25 (1) posting a copy of the notice in at least three
26 public places in the authority at least 14 days before the election
27 date; and

1 (2) publishing a copy of the notice in a newspaper of
2 general circulation in the authority at least once a week for two
3 consecutive weeks, the first of which must be published at least 14
4 days before the election date.

5 (d) An election to authorize the issuance of bonds is not
6 required if the bonds are payable from the revenue of an authority
7 system or facility and the board determines that:

8 (1) the proceeds of the bonds will provide less than \$2
9 million for the purpose of acquiring land or acquiring or
10 constructing the facility, not including the cost of issuing the
11 bonds, interest during construction, and any initial deposit from
12 the proceeds to a reserve fund; and

13 (2) the bond proceeds will be used:

14 (A) to acquire land or an interest in land and to
15 construct or acquire a new facility in the nature of a new project
16 or undertaking for the authority, provided that only one series of
17 bonds may be issued to provide for a new project or undertaking for
18 the authority unless additional bonds are approved by a majority of
19 voters voting at an election;

20 (B) to provide money for repairs, expansion, and
21 improvement of existing authority facilities; or

22 (C) to provide for the completion of the
23 construction of a project for which the authority has previously
24 issued bonds approved at an election. (Acts 46th Leg., R.S., p.
25 1062, S.L., Ch. 5, Secs. 10(b)(a) (part), (b), (c) (part).)

26 Sec. 8515.0506. FAILED BOND ELECTION. (a) A general law,
27 including Sections [51.781](#) through [51.791](#), Water Code, that provides

1 for calling a hearing on the dissolution of a water control and
2 improvement district after a failed district bond election does not
3 apply to the authority.

4 (b) After the expiration of 30 days from the date of a failed
5 bond election, the board may call a subsequent bond election.

6 (c) The authority continues to exist and have the
7 authority's full power to function and operate regardless of the
8 outcome of a bond election. (Acts 46th Leg., R.S., p. 1062, S.L.,
9 Ch. 5, Sec. 19.)

10 Sec. 8515.0507. BONDS EXEMPT FROM TAXATION. Bonds issued
11 under this chapter, the transfer of the bonds, and income from the
12 bonds, including profits made on the sale of the bonds, are exempt
13 from taxation in this state. (Acts 46th Leg., R.S., p. 1062, S.L.,
14 Ch. 5, Sec. 22 (part).)

15 SECTION 1.03. WATER CONTROL AND IMPROVEMENT DISTRICT.
16 Subtitle I, Title 6, Special District Local Laws Code, is amended by
17 adding Chapter 9092 to read as follows:

18 CHAPTER 9092. FRANKLIN COUNTY WATER DISTRICT

19 SUBCHAPTER A. GENERAL PROVISIONS

20 Sec. 9092.0101. DEFINITIONS

21 Sec. 9092.0102. NATURE OF DISTRICT

22 Sec. 9092.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

23 Sec. 9092.0104. DISTRICT TERRITORY

24 Sec. 9092.0105. CORRECTION OF INVALID PROCEDURES

25 Sec. 9092.0106. LIBERAL CONSTRUCTION OF CHAPTER

26 SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

27 Sec. 9092.0201. COMPOSITION OF BOARD; BOARD ELECTION

1 Sec. 9092.0202. QUALIFICATIONS
2 Sec. 9092.0203. DIRECTORS' ELECTION
3 Sec. 9092.0204. VACANCIES
4 Sec. 9092.0205. BALLOT PETITION
5 Sec. 9092.0206. QUORUM
6 Sec. 9092.0207. OFFICERS
7 Sec. 9092.0208. VOTE BY BOARD PRESIDENT
8 Sec. 9092.0209. ABSENCE OR INACTION OF BOARD PRESIDENT
9 Sec. 9092.0210. DIRECTOR'S BOND
10 Sec. 9092.0211. BOARD MEETINGS
11 Sec. 9092.0212. DISTRICT RECORDS
12 Sec. 9092.0213. DISTRICT OFFICE
13 Sec. 9092.0214. EMPLOYEES
14 Sec. 9092.0215. EXPENDITURES
15 SUBCHAPTER C. POWERS AND DUTIES
16 Sec. 9092.0301. GENERAL POWERS
17 Sec. 9092.0302. GENERAL WATER SUPPLY POWERS
18 Sec. 9092.0303. CONTRACTS TO SUPPLY WATER SERVICES AND
19 OPERATE FACILITIES
20 Sec. 9092.0304. ACQUISITION OF WATER STORAGE AND
21 STORAGE CAPACITY
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5 CHAPTER 9092. FRANKLIN COUNTY WATER DISTRICT

6 SUBCHAPTER A. GENERAL PROVISIONS

7 Sec. 9092.0101. DEFINITIONS. In this chapter:

8 (1) "Board" means the district's board of directors.

9 (2) "Director" means a board member.

10 (3) "District" means the Franklin County Water
11 District. (Acts 59th Leg., R.S., Ch. 719, Sec. 1 (part); New.)

12 Sec. 9092.0102. NATURE OF DISTRICT. The district is:

13 (1) a conservation and reclamation district created
14 under Section 59, Article XVI, Texas Constitution; and

15 (2) a political subdivision of this state. (Acts 59th
16 Leg., R.S., Ch. 719, Sec. 1 (part); Acts 60th Leg., R.S., Ch. 308,
17 Sec. 1 (part).)

18 Sec. 9092.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

19 (a) The district is:

20 (1) created to serve a public use and benefit; and

21 (2) essential to the accomplishment of the
22 preservation and conservation of this state's natural resources.

23 (b) All land in the district will benefit from the district.

24 (c) This chapter addresses a subject in which this state and
25 the general public are interested.

26 (d) The district performs an essential public function
27 under the Texas Constitution in carrying out the purposes of this

chapter because the accomplishment of those purposes is for the benefit of the people of this state and the improvement of their properties and the industries. (Acts 59th Leg., R.S., Ch. 719, Secs. 2 (part), 14 (part), 17 (part).)

Sec. 9092.0104. DISTRICT TERRITORY. The district's boundaries are coextensive with the boundaries of Franklin County unless the district's territory has been modified under:

(1) Subchapter J, Chapter 49, Water Code; or

(2) other law. (Acts 59th Leg., R.S., Ch. 719, Sec. 1 (part); New.)

Sec. 9092.0105. CORRECTION OF INVALID PROCEDURES. If a court holds that any procedure under this chapter violates the United States Constitution or the Texas Constitution, the district by resolution may provide an alternative procedure that conforms with that constitution. (Acts 59th Leg., R.S., Ch. 719, Sec. 18 (part).)

Sec. 9092.0106. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed to effectuate the chapter's purposes. (Acts 59th Leg., R.S., Ch. 719, Sec. 17 (part).)

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Sec. 9092.0201. COMPOSITION OF BOARD; BOARD ELECTION. The board consists of five directors elected as follows:

(1) one director represents and is elected from each county commissioners precinct in Franklin County by the voters of that precinct; and

(2) one director represents the district as a whole and is elected from the district at large. (Acts 59th Leg., R.S.,

Ch. 719, Secs. 3(a) (part), (b) (part), (c) (part).)

Sec. 9092.0202. QUALIFICATIONS. (a) A candidate for:

(1) the at-large director position must be a qualified voter who resides in the district; and

(2) a precinct director position must be a qualified voter who resides in that precinct.

(b) A director must:

(1) be at least 18 years of age; and

(2) reside in and own land in the district. (Acts 59th Leg., R.S., Ch. 719, Secs. 3(a) (part), (c) (part).)

Sec. 9092.0203. DIRECTORS' ELECTION. (a) A directors' election shall be held on the first Saturday in May of each odd-numbered year to elect the appropriate number of directors.

(b) The election order for the election of directors must state the time, place, and purpose of the election.

(c) Notwithstanding Chapter 32, Election Code:

(1) the board shall appoint presiding judges as necessary; and

(2) each presiding judge shall appoint one assistant judge and at least two clerks to assist in holding the election.

(d) The board shall enter an order declaring the results of the election. (Acts 59th Leg., R.S., Ch. 719, Sec. 3(c) (part).)

Sec. 9092.0204. VACANCIES. If a vacancy occurs in the membership of the board, the remaining directors shall appoint a person to fill the vacancy until the next directors' election. If the vacant position is not regularly scheduled to be filled at that election, the director elected at that election to fill the vacancy

1 shall serve only for the unexpired term. (Acts 59th Leg., R.S., Ch.
2 719, Secs. 3(b) (part), (e).)

3 Sec. 9092.0205. BALLOT PETITION. (a) A person who wants
4 the person's name printed on the ballot as a candidate for director
5 must submit to the board's secretary a petition requesting that
6 action.

7 (b) The petition must be signed by at least 10 residents of
8 the district who are qualified to vote at the election. (Acts 59th
9 Leg., R.S., Ch. 719, Sec. 3(d) (part).)

10 Sec. 9092.0206. QUORUM. Three directors constitute a
11 quorum for the transaction of all business. A favorable vote of a
12 majority of a quorum present is sufficient for the enactment of all
13 measures. (Acts 59th Leg., R.S., Ch. 719, Sec. 3(g) (part).)

14 Sec. 9092.0207. OFFICERS. (a) The board shall elect from
15 the board's membership a president, a vice president, and any other
16 officers as the board determines necessary.

17 (b) The board shall appoint a secretary, who is not required
18 to be a director. (Acts 59th Leg., R.S., Ch. 719, Sec. 3(g)
19 (part).)

20 Sec. 9092.0208. VOTE BY BOARD PRESIDENT. The president has
21 the same right to vote as any other director. (Acts 59th Leg.,
22 R.S., Ch. 719, Sec. 3(g) (part).)

23 Sec. 9092.0209. ABSENCE OR INACTION OF BOARD
24 PRESIDENT. When the president is absent or fails or declines to
25 act, the vice president shall perform all duties and exercise all
26 powers this chapter confers on the president. (Acts 59th Leg.,
27 R.S., Ch. 719, Sec. 3(g) (part).)

1 Sec. 9092.0210. DIRECTOR'S BOND. Each director shall give
2 bond in the amount of \$5,000 conditioned on the faithful
3 performance of the director's duties. (Acts 59th Leg., R.S., Ch.
4 719, Sec. 3(a) (part).)

5 Sec. 9092.0211. BOARD MEETINGS. (a) The board shall hold
6 regular meetings at least once a month at the time and place set by
7 board resolution or board bylaws.

8 (b) The president or any two directors may call a special
9 meeting as necessary in administering district business.

10 (c) At least five days before the date of a special meeting,
11 the secretary shall mail notice of the special meeting to each
12 director. A director may waive the notice in writing. (Acts 59th
13 Leg., R.S., Ch. 719, Sec. 3(g) (part).)

14 Sec. 9092.0212. DISTRICT RECORDS. The board's accounts of
15 its meetings and proceedings and its minutes, contracts, notices,
16 and other records are subject to public inspection. (Acts 59th
17 Leg., R.S., Ch. 719, Sec. 3(h) (part).)

18 Sec. 9092.0213. DISTRICT OFFICE. A regular office shall be
19 established and maintained in the district for conducting district
20 business. (Acts 59th Leg., R.S., Ch. 719, Sec. 3(h) (part).)

21 Sec. 9092.0214. EMPLOYEES. The district may employ a
22 general manager, attorneys, accountants, engineers, financial
23 experts, or other technical or nontechnical employees or assistants
24 and set the amount and manner of their compensation. (Acts 59th
25 Leg., R.S., Ch. 719, Sec. 4(5) (part).)

26 Sec. 9092.0215. EXPENDITURES. The district may provide for
27 the payment of expenditures considered essential to the proper

operation and maintenance of the district and the district's affairs. (Acts 59th Leg., R.S., Ch. 719, Sec. 4(5) (part).)

SUBCHAPTER C. POWERS AND DUTIES

Sec. 9092.0301. GENERAL POWERS. (a) The district has all the rights, powers, and privileges conferred by general law applicable to a water control and improvement district created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 51, Water Code.

(b) The district may exercise all functions and perform any act necessary or proper to carry out the purpose for which the district is created. (Acts 59th Leg., R.S., Ch. 719, Secs. 4 (part), 4(6) (part), (7); New.)

Sec. 9092.0302. GENERAL WATER SUPPLY POWERS. The district may:

(1) control, store, preserve, and distribute the district's waters and flood waters and the waters of the district's rivers and streams for all useful purposes by all practicable means, including the construction, maintenance, and operation of all appropriate improvements, plants, works, and facilities, and the acquisition of water rights and all other properties, lands, tenements, easements, and rights necessary to the purpose of the organization of the district;

(2) process and store such waters and distribute those waters for municipal, domestic, irrigation, and industrial purposes, subject to Subchapters A through D, Chapter 11, and Subchapter B, Chapter 12, Water Code; and

(3) purchase or contract for the purchase of water or a

1 water supply from any person. (Acts 59th Leg., R.S., Ch. 719, Secs.
2 4(1), (2), 16 (part).)

3 Sec. 9092.0303. CONTRACTS TO SUPPLY WATER SERVICES AND
4 OPERATE FACILITIES. (a) The district may contract with a
5 municipality or others to supply water services to them.

6 (b) The district may contract with a municipality for the
7 rental or leasing of or for the operation of the municipality's
8 water production, water supply, water filtration, or purification
9 and water supply facilities.

10 (c) A contract entered into under this section may:

11 (1) be on the terms, for the consideration, and for the
12 time agreed to by the parties; and

13 (2) provide that the contract will continue in effect
14 until bonds specified in the contract and any refunding bonds
15 issued in lieu of the bonds are paid. (Acts 59th Leg., R.S., Ch.
16 719, Sec. 15.)

17 Sec. 9092.0304. ACQUISITION OF WATER STORAGE AND STORAGE
18 CAPACITY. The district may lease or acquire rights in and to
19 storage and storage capacity in any reservoir constructed or to be
20 constructed by any person, or from the United States. (Acts 59th
21 Leg., R.S., Ch. 719, Sec. 16 (part).)

22 Sec. 9092.0305. SURVEYS AND INVESTIGATIONS. The district
23 may conduct a survey or an engineering investigation to provide
24 information for the district to facilitate the accomplishment of a
25 district purpose. (Acts 59th Leg., R.S., Ch. 719, Sec. 4(5)
26 (part).)

27 Sec. 9092.0306. DISPOSAL OR LEASE OF PROPERTY. (a) The

1 district may dispose of property or a property right that is not
2 needed for a purpose for which the district is created.

3 (b) The district may lease property or a property right for
4 a purpose that does not interfere with the use of district property.
5 (Acts 59th Leg., R.S., Ch. 719, Sec. 4(3).)

6 Sec. 9092.0307. ACQUISITION OF PROPERTY; EMINENT DOMAIN.

7 (a) The district, by gift, devise, purchase, lease, or
8 condemnation, may acquire land, an easement, right-of-way, or other
9 property in or outside the district that is incident to or necessary
10 in carrying out a district purpose.

11 (b) The district may exercise the power of eminent
12 domain. Procedures with reference to condemnation, the assessment
13 and estimation of damages, payment, appeal, and entrance on
14 property pending appeal, and other procedures prescribed by Chapter
15 [21](#), Property Code, apply to the district.

16 (c) The district's authority under this section to exercise
17 the power of eminent domain expired on September 1, 2013, unless the
18 district submitted a letter to the comptroller in accordance with
19 Section [2206.101](#)(b), Government Code, not later than December 31,
20 2012. (Acts 59th Leg., R.S., Ch. 719, Sec. 4(6) (part); New.)

21 Sec. 9092.0308. COST OF RELOCATING OR ALTERING PROPERTY.

22 (a) If the district's exercise of the power of eminent domain, the
23 power of relocation, or any other power granted by this chapter
24 makes necessary taking property or relocating, raising, rerouting,
25 changing the grade of, or altering the construction of a highway,
26 railroad, electric transmission line, telephone or telegraph
27 property or facility, or pipeline, the necessary action shall be

1 accomplished at the district's expense.

2 (b) The district's duty to pay under this section is limited
3 to the actual cost, without enhancement, of the property taken or
4 work required, after deducting any net salvage value derived from
5 property taken. (Acts 59th Leg., R.S., Ch. 719, Sec. 4(6) (part).)

6 Sec. 9092.0309. ARRANGEMENTS WITH STATE AND UNITED STATES.
7 The district may cooperate or contract with this state, including a
8 state agency, or the United States to exercise a district power or
9 further a district purpose and to receive a grant, a loan, or an
10 advancement from this state or the United States for those
11 purposes. (Acts 59th Leg., R.S., Ch. 719, Sec. 4(4).)

12 Sec. 9092.0310. AWARDING OF CONTRACTS. For a contract
13 awarded on or after September 1, 1995, the district shall comply
14 with the requirements of Section [49.273](#), Water Code, when awarding
15 the contract. (Acts 59th Leg., R.S., Ch. 719, Sec. 5; Acts 72nd
16 Leg., R.S., Ch. 59, Sec. 2.)

17 Sec. 9092.0311. POWER TO QUALIFY FOR BENEFITS UNDER OTHER
18 LAW. The district has the power necessary to fully qualify for and
19 gain the benefits of all laws that are helpful in carrying out the
20 purposes for which the district is created. (Acts 59th Leg., R.S.,
21 Ch. 719, Sec. 4 (part).)

22 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

23 Sec. 9092.0401. TAX METHOD. The district shall use the ad
24 valorem plan of taxation. (Acts 59th Leg., R.S., Ch. 719, Sec. 2
25 (part).)

26 Sec. 9092.0402. AUTHORITY TO IMPOSE TAX; TAX ELECTION. (a)
27 If the tax is authorized at an election under Section [49.107](#), Water

1 Code, the board annually may impose an ad valorem tax to provide
2 money:

3 (1) necessary to construct or acquire, maintain, and
4 operate works, plants, and facilities considered essential or
5 beneficial to the district and the district's purposes; or

6 (2) adequate to defray the cost of the district's
7 maintenance, operation, and administration.

8 (b) An election for the imposition of taxes authorized by
9 this section must be:

10 (1) ordered by the board; and

11 (2) held and conducted, with notice provided and
12 results determined, in the manner provided by this chapter relating
13 to elections for the authorization of bonds.

14 (c) In ordering a tax election authorized by this section,
15 the board must specify the maximum proposed tax rate. To impose a
16 maintenance tax at a rate that exceeds the maximum rate approved by
17 the voters, the board must submit the question of a tax rate
18 increase to the voters in the manner provided by this section.
19 (Acts 59th Leg., R.S., Ch. 719, Sec. 11 (part).)

20 Sec. 9092.0403. DEPOSITORY. (a) The board shall designate
21 one or more banks in the district to serve as a depository for the
22 district's money.

23 (b) District money shall be deposited in a designated
24 depository, except that sufficient money shall be remitted to the
25 bank or banks of payment to pay the principal of and interest on the
26 district's outstanding bonds on or before the maturity date of the
27 principal and interest.

(c) Membership of a bank officer or director on the board does not disqualify the bank from being designated as a depository. (Acts 59th Leg., R.S., Ch. 719, Sec. 13 (part).)

Sec. 9092.0404. FORM OF RECORDS AND ACCOUNTS. District records and accounts must conform to approved methods of bookkeeping. (Acts 59th Leg., R.S., Ch. 719, Sec. 3(h) (part).)

Sec. 9092.0405. AUDIT REPORT. (a) The audit report prepared under Subchapter G, Chapter 49, Water Code, shall be submitted at the first regular board meeting after the audit is completed.

(b) A copy of the audit report shall be filed:

- (1) as required by Section 49.194, Water Code;
- (2) with the district's depository; and
- (3) in the office of the auditor who performed the audit.

(c) The copies described by Subsection (b) must be open to public inspection, in accordance with Section 49.196, Water Code. (Acts 59th Leg., R.S., Ch. 719, Sec. 3(h) (part); New.)

Sec. 9092.0406. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED. The district is not required to pay a tax or assessment on a district project or any part of the project. (Acts 59th Leg., R.S., Ch. 719, Sec. 14 (part).)

SUBCHAPTER E. BORROWED MONEY; BONDS

Sec. 9092.0501. AUTHORITY TO BORROW MONEY AND ISSUE BONDS. The district may borrow money and issue bonds to carry out any power conferred by this chapter, including to provide money to purchase or otherwise provide works, plants, facilities, or appliances

necessary to accomplish the purposes authorized by this chapter.
(Acts 59th Leg., R.S., Ch. 719, Sec. 6(a) (part).)

Sec. 9092.0502. FORM OF BONDS. District bonds must be:

- (1) issued in the district's name;
- (2) signed by the president; and
- (3) attested by the secretary. (Acts 59th Leg., R.S., Ch. 719, Sec. 6(a) (part).)

Sec. 9092.0503. MATURITY. District bonds must mature not later than 40 years after the date of their issuance. (Acts 59th Leg., R.S., Ch. 719, Sec. 6(a) (part).)

Sec. 9092.0504. ELECTION FOR BONDS PAYABLE FROM AD VALOREM TAXES. (a) District bonds, other than refunding bonds, payable wholly or partly from ad valorem taxes may not be issued unless authorized by an election at which a majority of the votes cast favor the bond issuance.

(b) The board may order an election under this section without a petition. The order must specify:

- (1) the time and places at which the election will be held;
- (2) the purpose for which the bonds will be issued;
- (3) the maximum amount of the bonds;
- (4) the maximum interest rate of the bonds;
- (5) the maximum maturity of the bonds;
- (6) the form of the ballot; and
- (7) the presiding judge for each polling place.

(c) Notice of the election must be given by publishing a substantial copy of the election order in a newspaper of general

1 circulation in the district once each week for at least four
2 consecutive weeks. The first publication must be not later than 28
3 days before the election date.

4 (d) If an election to issue bonds under this section fails,
5 the board may not order an election under this section for a period
6 of six months.

7 (e) The district may issue without an election bonds not
8 payable wholly or partly from ad valorem taxes. (Acts 59th Leg.,
9 R.S., Ch. 719, Secs. 9(a), (b) (part).)

10 Sec. 9092.0505. BONDS PAYABLE FROM REVENUE. (a) In this
11 section, "net revenue" means the district's gross revenue less the
12 amount necessary to pay the reasonable cost of maintaining and
13 operating the district and the district's property.

14 (b) The board may issue bonds payable, as pledged by board
15 resolution, from:

16 (1) all or part of the district's net revenue;

17 (2) the net revenue of one or more contracts made
18 before or after the issuance of the bonds; or

19 (3) other revenue or income specified by board
20 resolution or in the trust indenture.

21 (c) The pledge may reserve the right to issue additional
22 bonds on a parity with, or subordinate to, the bonds being issued,
23 subject to conditions specified by the pledge. (Acts 59th Leg.,
24 R.S., Ch. 719, Secs. 6(a) (part), (c).)

25 Sec. 9092.0506. BONDS PAYABLE FROM AD VALOREM TAXES. The
26 board may issue bonds payable, as pledged by board resolution,
27 from:

1 (1) ad valorem taxes of the district; or

2 (2) ad valorem taxes and revenue of the district.

3 (Acts 59th Leg., R.S., Ch. 719, Sec. 6(a) (part).)

4 Sec. 9092.0507. TAX AND RATE REQUIREMENTS. (a) If the
5 district issues bonds payable wholly or partly from ad valorem
6 taxes, the board shall impose an ad valorem tax sufficient to pay
7 the bonds and the interest on the bonds as the bonds and interest
8 become due. The board shall take into consideration reasonable
9 delinquencies and collection costs in imposing the ad valorem tax.
10 The board may adopt the tax rate for any year after considering the
11 money reasonably to be received from the pledged revenue available
12 for payment of principal and interest and to the extent and in the
13 manner permitted by the resolution authorizing the issuance of the
14 bonds.

15 (b) If the district issues bonds payable wholly or partly
16 from revenue, the board shall impose and, as necessary, revise the
17 rates of compensation for water sold and services provided by the
18 district.

19 (c) For bonds payable wholly from revenue, the rates of
20 compensation must be in an amount sufficient to:

21 (1) pay the expenses of operating and maintaining the
22 district's facilities;

23 (2) pay the bonds as they mature and the interest as it
24 accrues; and

25 (3) maintain the reserve and other funds as provided
26 by the resolution authorizing the issuance of the bonds.

27 (d) For bonds payable partly from revenue, the rates of

1 compensation must be in an amount sufficient to assure compliance
2 with the resolution authorizing the issuance of the bonds. (Acts
3 59th Leg., R.S., Ch. 719, Secs. 6(d), (e).)

4 Sec. 9092.0508. ADDITIONAL SECURITY. (a) District bonds,
5 including revenue bonds, that are not payable wholly from ad
6 valorem taxes may be additionally secured, at the board's
7 discretion, by a deed of trust or mortgage lien on the district's
8 physical property and on all franchises, easements, water rights
9 and appropriation permits, leases, and contracts and rights
10 appurtenant to the property, vesting in the trustee power to:

- 11 (1) sell the property for the payment of the debt;
12 (2) operate the property; and
13 (3) take other action to further secure the bonds.

14 (b) A purchaser under a sale under the deed of trust lien, if
15 one is given:

- 16 (1) is the absolute owner of the property, facilities,
17 and rights purchased; and
18 (2) is entitled to maintain and operate the property,
19 facilities, and rights. (Acts 59th Leg., R.S., Ch. 719, Sec. 8
20 (part).)

21 Sec. 9092.0509. TRUST INDENTURE. (a) District bonds,
22 including revenue bonds, that are not payable wholly from ad
23 valorem taxes may be additionally secured by a trust indenture. The
24 trustee may be a bank with trust powers located inside or outside
25 this state.

26 (b) A trust indenture, regardless of the existence of a deed
27 of trust or mortgage lien on property, may:

1 (1) contain any provisions prescribed by the board for
2 the security of the bonds and the preservation of the trust estate;

3 (2) provide for amendment or modification of the trust
4 indenture;

5 (3) provide for the issuance of bonds to replace lost
6 or mutilated bonds;

7 (4) condition the right to spend district money or
8 sell district property on the approval of a licensed engineer
9 selected as provided by the trust indenture; and

10 (5) provide for the investment of district money.
11 (Acts 59th Leg., R.S., Ch. 719, Sec. 8 (part).)

12 Sec. 9092.0510. INTERIM BONDS OR NOTES. Before issuing
13 definitive bonds, the board may issue interim bonds or notes
14 exchangeable for definitive bonds. (Acts 59th Leg., R.S., Ch. 719,
15 Sec. 6(a) (part).)

16 Sec. 9092.0511. USE OF BOND PROCEEDS. (a) The district may
17 set aside an amount of proceeds from the sale of district bonds for
18 the payment of interest expected to accrue during construction and
19 a reserve interest and sinking fund. The resolution authorizing
20 the bonds may provide for setting aside and using the proceeds as
21 provided by this subsection.

22 (b) The district may use proceeds from the sale of bonds to
23 pay any expense necessarily incurred in accomplishing the
24 district's purpose, including the expense of organizing the
25 district, engineering investigations, and issuing and selling the
26 bonds.

27 (c) The proceeds from the sale of the bonds may be:

1 (1) placed on time deposit with the district's
2 depository bank; or

3 (2) temporarily invested in direct obligations of the
4 United States maturing not later than the first anniversary of the
5 date of investment. (Acts 59th Leg., R.S., Ch. 719, Sec. 6(f).)

6 Sec. 9092.0512. APPOINTMENT OF RECEIVER. (a) On default or
7 threatened default in the payment of principal of or interest on
8 district bonds that are payable wholly or partly from revenue, a
9 court may, on petition of the holders of outstanding bonds, appoint
10 a receiver for the district.

11 (b) The receiver may:

12 (1) collect and receive all district income except
13 taxes;

14 (2) employ and discharge district agents and
15 employees;

16 (3) take charge of money on hand, except money
17 received from taxes, unless commingled; and

18 (4) manage the district's proprietary affairs without
19 the consent of or hindrance by the board.

20 (c) The receiver may be authorized to sell or contract for
21 the sale of water or other services provided by the district or to
22 renew those contracts with the approval of the court that appointed
23 the receiver.

24 (d) The court may vest the receiver with any other power or
25 duty the court finds necessary to protect the bondholders. (Acts
26 59th Leg., R.S., Ch. 719, Sec. 6(g) (part).)

27 Sec. 9092.0513. REFUNDING BONDS. (a) The district may

1 issue refunding bonds to refund outstanding bonds issued under this
2 chapter and interest on those bonds.

3 (b) Refunding bonds may:

4 (1) be issued to refund bonds of more than one series
5 and combine the pledges for the outstanding bonds for the security
6 of the refunding bonds; and

7 (2) be secured by a pledge of other or additional
8 revenue or mortgage liens.

9 (c) The provisions of this chapter regarding the issuance of
10 other bonds, their security, and the remedies of the holders apply
11 to refunding bonds.

12 (d) The comptroller shall register the refunding bonds on
13 surrender and cancellation of the bonds to be refunded.

14 (e) Instead of issuing bonds to be registered on the
15 surrender and cancellation of the bonds to be refunded, the
16 district, in the resolution authorizing the issuance of the
17 refunding bonds, may provide for the sale of the refunding bonds and
18 the deposit of the proceeds in a bank at which the bonds to be
19 refunded were payable. In that case, the refunding bonds may be
20 issued in an amount sufficient to pay the principal of and interest
21 on the bonds to be refunded to their effective option date or
22 maturity date, and the comptroller shall register the refunding
23 bonds without the concurrent surrender and cancellation of the
24 bonds to be refunded. (Acts 59th Leg., R.S., Ch. 719, Sec. 7.)

25 Sec. 9092.0514. LIMITATION ON RIGHTS. The resolution
26 authorizing the bonds or the trust indenture securing the bonds may
27 limit or qualify the rights of less than all of the outstanding

bonds payable from the same source to institute or prosecute litigation affecting the district's property or income. (Acts 59th Leg., R.S., Ch. 719, Sec. 6(g) (part).)

Sec. 9092.0515. BONDS EXEMPT FROM TAXATION. District bonds, the transfer of the bonds, and the income from the bonds, including profits made on the sale of the bonds, are exempt from taxation in this state. (Acts 59th Leg., R.S., Ch. 719, Sec. 14 (part).)

SECTION 1.04. WATER IMPROVEMENT DISTRICT. Subtitle J, Title 6, Special District Local Laws Code, is amended by adding Chapter 9305 to read as follows:

CHAPTER 9305. ESCONDIDO WATERSHED DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 9305.0101. DEFINITIONS

Sec. 9305.0102. NATURE OF DISTRICT

Sec. 9305.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE

Sec. 9305.0104. DISTRICT TERRITORY

Sec. 9305.0105. CORRECTION OF INVALID PROCEDURES

Sec. 9305.0106. LIBERAL CONSTRUCTION OF CHAPTER

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Sec. 9305.0201. COMPOSITION OF BOARD

Sec. 9305.0202. QUALIFICATIONS

Sec. 9305.0203. NOTICE OF ELECTION

Sec. 9305.0204. BALLOT PETITION

Sec. 9305.0205. OFFICERS

Sec. 9305.0206. VOTE BY PRESIDENT

Sec. 9305.0207. ABSENCE OR INACTION OF PRESIDENT

1 Sec. 9305.0208. DIRECTOR'S BOND
2 Sec. 9305.0209. EMPLOYEES
3 Sec. 9305.0210. EXPENDITURES
4 Sec. 9305.0211. SEAL
5 SUBCHAPTER C. POWERS AND DUTIES
6 Sec. 9305.0301. GENERAL POWERS
7 Sec. 9305.0302. EMINENT DOMAIN
8 Sec. 9305.0303. COST OF RELOCATING OR ALTERING
9 PROPERTY
10 Sec. 9305.0304. SURVEYS AND INVESTIGATIONS
11 Sec. 9305.0305. POWER TO QUALIFY FOR BENEFITS UNDER
12 OTHER LAW
13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
14 Sec. 9305.0401. AUTHORITY TO IMPOSE TAX; LIMITATION ON
15 TAX RATE; TAX ELECTION
16 Sec. 9305.0402. TAX METHOD
17 Sec. 9305.0403. DEPOSITORY
18 Sec. 9305.0404. PAYMENT OF TAX OR ASSESSMENT NOT
19 REQUIRED
20 SUBCHAPTER E. BONDS
21 Sec. 9305.0501. AUTHORITY TO ISSUE BONDS; TAXES FOR
22 BONDS
23 Sec. 9305.0502. BOND ELECTION REQUIRED
24 Sec. 9305.0503. FORM OF BONDS
25 Sec. 9305.0504. MATURITY
26 Sec. 9305.0505. USE OF BOND PROCEEDS
27 Sec. 9305.0506. REFUNDING BONDS

1 Sec. 9305.0507. BONDS EXEMPT FROM TAXATION

2 CHAPTER 9305. ESCONDIDO WATERSHED DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 9305.0101. DEFINITIONS. In this chapter:

5 (1) "Board" means the district's board of directors.

6 (2) "Director" means a board member.

7 (3) "District" means the Escondido Watershed
8 District. (Acts 57th Leg., R.S., Ch. 364, Sec. 1 (part); New.)

9 Sec. 9305.0102. NATURE OF DISTRICT. The district is:

10 (1) a conservation and reclamation district created
11 under Section 59, Article XVI, Texas Constitution; and

12 (2) a political subdivision of this state. (Acts 57th
13 Leg., R.S., Ch. 364, Sec. 1 (part).)

14 Sec. 9305.0103. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

15 (a) The district is:

16 (1) created to serve a public use and benefit; and

17 (2) essential to the accomplishment of the
18 preservation and conservation of this state's natural resources.

19 (b) All land in the district will benefit from the district.

20 (c) All territory in the district will benefit from the
21 works and improvements accomplished and provided by the district
22 under the powers conferred by this chapter and Section 59, Article
23 XVI, Texas Constitution.

24 (d) This chapter addresses a subject in which this state and
25 the general public are interested.

26 (e) The district performs an essential public function
27 under the Texas Constitution in carrying out the purposes of this

chapter because the accomplishment of those purposes is for the benefit of the people of this state and the improvement of their properties and industries. (Acts 57th Leg., R.S., Ch. 364, Secs. 3 (part), 4 (part), 15 (part), 16 (part).)

Sec. 9305.0104. DISTRICT TERRITORY. (a) The district is composed of the territory described by Section 3, Chapter 364, Acts of the 57th Legislature, Regular Session, 1961, as that territory may have been modified under:

- (1) Subchapter J, Chapter 49, Water Code; or
- (2) other law.

(b) The district includes all property and territory in the district's boundaries. (Acts 57th Leg., R.S., Ch. 364, Sec. 3 (part); New.)

Sec. 9305.0105. CORRECTION OF INVALID PROCEDURES. If a court holds that any procedure under this chapter violates the United States Constitution or the Texas Constitution, the district by resolution may provide an alternative procedure that conforms with that constitution. (Acts 57th Leg., R.S., Ch. 364, Sec. 17 (part).)

Sec. 9305.0106. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed to effectuate the chapter's purposes. (Acts 57th Leg., R.S., Ch. 364, Sec. 16 (part).)

SUBCHAPTER B. BOARD OF DIRECTORS; ADMINISTRATIVE PROVISIONS

Sec. 9305.0201. COMPOSITION OF BOARD. The board consists of five elected directors. (Acts 57th Leg., R.S., Ch. 364, Sec. 5(a) (part); New.)

Sec. 9305.0202. QUALIFICATIONS. A director must:

1 (1) be at least 18 years of age; and

2 (2) reside in and own land in the district. (Acts 57th
3 Leg., R.S., Ch. 364, Sec. 5(a) (part).)

4 Sec. 9305.0203. NOTICE OF ELECTION. Notice of a directors'
5 election must be published once in a newspaper of general
6 circulation in the district at least 30 days before the election
7 date. (Acts 57th Leg., R.S., Ch. 364, Sec. 5(b) (part).)

8 Sec. 9305.0204. BALLOT PETITION. (a) A person who wants
9 the person's name printed on the ballot as a candidate for director
10 must submit to the board's secretary a petition requesting that
11 action.

12 (b) The petition must be signed by at least 10 residents of
13 the district who are qualified to vote at the election. (Acts 57th
14 Leg., R.S., Ch. 364, Sec. 5(c) (part).)

15 Sec. 9305.0205. OFFICERS. (a) The board shall elect from
16 the board's membership a president, a vice president, and any other
17 officers the board determines necessary.

18 (b) The board shall appoint a secretary and a treasurer, who
19 are not required to be directors. The board may combine the offices
20 of secretary and treasurer. (Acts 57th Leg., R.S., Ch. 364, Sec.
21 5(f) (part).)

22 Sec. 9305.0206. VOTE BY PRESIDENT. The president has the
23 same right to vote as any other director. (Acts 57th Leg., R.S.,
24 Ch. 364, Sec. 5(f) (part).)

25 Sec. 9305.0207. ABSENCE OR INACTION OF PRESIDENT. When the
26 president is absent or fails or declines to act, the vice president
27 shall perform all duties and exercise all powers this chapter

1 confers on the president. (Acts 57th Leg., R.S., Ch. 364, Sec. 5(f)
2 (part).)

3 Sec. 9305.0208. DIRECTOR'S BOND. Each director shall give
4 bond in the amount of \$5,000 conditioned on the faithful
5 performance of the director's duties. (Acts 57th Leg., R.S., Ch.
6 364, Sec. 5(a) (part).)

7 Sec. 9305.0209. EMPLOYEES. The board may employ a general
8 manager, attorneys, accountants, engineers, or other technical or
9 nontechnical employees or assistants and set the amount and manner
10 of their compensation. (Acts 57th Leg., R.S., Ch. 364, Sec. 5(g)
11 (part).)

12 Sec. 9305.0210. EXPENDITURES. The board may provide for
13 the payment of expenditures considered essential to the proper
14 operation and maintenance of the district and the district's
15 affairs. (Acts 57th Leg., R.S., Ch. 364, Sec. 5(g) (part).)

16 Sec. 9305.0211. SEAL. The board may adopt a seal for the
17 district. (Acts 57th Leg., R.S., Ch. 364, Sec. 5(f) (part).)

18 SUBCHAPTER C. POWERS AND DUTIES

19 Sec. 9305.0301. GENERAL POWERS. The district may:

20 (1) control, store, and distribute the water and flood
21 water in the district for or in aid of conserving, preserving,
22 reclaiming, and improving the land and soil in the district;

23 (2) carry out flood prevention measures to prevent or
24 aid in preventing damage to land and soil and the fertility of the
25 land and soil;

26 (3) engage in land treatment measures to prevent
27 deterioration, erosion, and loss of land and soil;

1 (4) carry out preventive and control measures in the
2 district;

3 (5) construct, acquire, improve, carry out, maintain,
4 repair, and operate dams, structures, projects, and works of
5 improvement for:

6 (A) flood prevention, including structural and
7 land treatment measures;

8 (B) agricultural and land treatment measures;
9 and

10 (C) agricultural phases of the conservation,
11 development, use, and disposal of water in the district; and

12 (6) purchase or acquire other facilities and equipment
13 necessarily connected with the functions described by Subdivision
14 (5) and engage in activities necessary to carry out those
15 functions. (Acts 57th Leg., R.S., Ch. 364, Sec. 2 (part).)

16 Sec. 9305.0302. EMINENT DOMAIN. (a) To carry out a power
17 conferred by this chapter, the district may exercise the power of
18 eminent domain to acquire land and easements in the district.

19 (b) The district must exercise the power of eminent domain
20 in the manner provided by Chapter 21, Property Code.

21 (c) The board shall determine the amount and type of
22 interest in land and easements to be acquired under this section.

23 (d) The district's authority under this section to exercise
24 the power of eminent domain expired on September 1, 2013, unless the
25 district submitted a letter to the comptroller in accordance with
26 Section 2206.101(b), Government Code, not later than December 31,
27 2012. (Acts 57th Leg., R.S., Ch. 364, Sec. 6 (part); New.)

1 Sec. 9305.0303. COST OF RELOCATING OR ALTERING PROPERTY.

2 (a) In this section, "sole expense" means the actual cost of
3 relocating, raising, lowering, rerouting, changing the grade of, or
4 altering the construction of a facility described by Subsection (b)
5 in providing comparable replacement without enhancing the
6 facility, after deducting from that cost the net salvage value
7 derived from the old facility.

8 (b) If the district's exercise of the power of eminent
9 domain, the power of relocation, or any other power granted by this
10 chapter makes necessary relocating, raising, rerouting, changing
11 the grade of, or altering the construction of a highway, railroad,
12 electric transmission line, telephone or telegraph property or
13 facility, or pipeline, the necessary action shall be accomplished
14 at the district's sole expense. (Acts 57th Leg., R.S., Ch. 364,
15 Sec. 6 (part).)

16 Sec. 9305.0304. SURVEYS AND INVESTIGATIONS. The board may
17 conduct a survey or an engineering investigation to provide
18 information for the district to facilitate the accomplishment of a
19 purpose for which the district is created. (Acts 57th Leg., R.S.,
20 Ch. 364, Sec. 5(g) (part).)

21 Sec. 9305.0305. POWER TO QUALIFY FOR BENEFITS UNDER OTHER
22 LAW. The district has the power necessary to fully qualify for and
23 gain the full benefits of any law helpful in carrying out the
24 purposes for which the district is created. (Acts 57th Leg., R.S.,
25 Ch. 364, Sec. 2 (part).)

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 9305.0401. AUTHORITY TO IMPOSE TAX; LIMITATION ON TAX

1 RATE; TAX ELECTION. (a) If the tax is authorized at an election
2 under Section 49.107, Water Code, the board annually may impose an
3 ad valorem tax to provide money:

4 (1) necessary to construct or acquire, maintain, and
5 operate works, plants, and facilities considered essential or
6 beneficial to the district and the district's purposes; or

7 (2) adequate to defray the cost of the district's
8 maintenance, operation, and administration.

9 (b) An election for the imposition of taxes authorized by
10 this section must be:

11 (1) ordered by the board; and

12 (2) held and conducted, with notice provided and
13 results determined, in the manner provided by this chapter relating
14 to elections for the authorization of bonds.

15 (c) In ordering a tax election authorized by this section,
16 the board must specify the maximum proposed tax rate. To impose a
17 maintenance tax at a rate that exceeds the maximum rate approved by
18 the voters, the board must submit the question of a tax rate
19 increase to the voters in the manner provided by this section.
20 (Acts 57th Leg., R.S., Ch. 364, Sec. 11 (part).)

21 Sec. 9305.0402. TAX METHOD. (a) The district shall use the
22 ad valorem plan of taxation.

23 (b) The board is not required to hold a hearing on the
24 adoption of a plan of taxation. (Acts 57th Leg., R.S., Ch. 364,
25 Sec. 4 (part).)

26 Sec. 9305.0403. DEPOSITORY. (a) The board shall designate
27 one or more banks to serve as a depository for district money.

1 (b) District money shall be deposited in a designated
2 depository, except that money shall be remitted to the bank of
3 payment to pay the principal of and interest on the district's
4 outstanding bonds.

5 (c) Membership of a bank officer or director on the board
6 does not disqualify the bank from being designated as a depository.
7 (Acts 57th Leg., R.S., Ch. 364, Sec. 13 (part).)

8 Sec. 9305.0404. PAYMENT OF TAX OR ASSESSMENT NOT REQUIRED.
9 The district is not required to pay a tax or assessment on a
10 district project or any part of the project. (Acts 57th Leg., R.S.,
11 Ch. 364, Sec. 15 (part).)

12 SUBCHAPTER E. BONDS

13 Sec. 9305.0501. AUTHORITY TO ISSUE BONDS; TAXES FOR BONDS.

14 (a) The district may issue bonds payable from ad valorem taxes
15 imposed on all taxable property in the district to provide dams,
16 structures, projects, and works of improvement for flood
17 prevention, including structural and land treatment measures, to
18 purchase and acquire lands, easements, and rights-of-way and for
19 agricultural phases of conservation, development, and use and
20 disposal of water, for necessary facilities, equipment, and
21 properties in connection therewith and for improvement,
22 maintenance, repair, and operation of same, and to carry out any
23 other power conferred by this chapter.

24 (b) The board shall annually impose the taxes in an amount
25 sufficient to pay the principal of and interest on the bonds as the
26 bonds and interest become due.

27 (c) Bonds issued under this chapter must be authorized by a

board resolution. (Acts 57th Leg., R.S., Ch. 364, Sec. 7 (part).)

Sec. 9305.0502. BOND ELECTION REQUIRED. (a) District bonds, other than refunding bonds, may not be issued unless authorized by an election at which a majority of the votes cast favor the bond issuance.

(b) The board may order an election under this section without a petition. The order must specify:

(1) the time and place at which the election will be held;

(2) the purpose for which the bonds will be issued;

(3) the maximum amount of the bonds;

(4) the maximum maturity of the bonds;

(5) the maximum interest rate of the bonds;

(6) the form of the ballot; and

(7) the presiding judge for each polling place.

(c) Notice of the election must be given by publishing in a newspaper of general circulation in the district a substantial copy of the election order. The notice must be published once each week for two consecutive weeks. The first publication must be not later than 14 days before the election date. (Acts 57th Leg., R.S., Ch. 364, Sec. 8 (part).)

Sec. 9305.0503. FORM OF BONDS. District bonds must be:

(1) issued in the district's name;

(2) signed by the president; and

(3) attested by the secretary. (Acts 57th Leg., R.S., Ch. 364, Sec. 7 (part).)

Sec. 9305.0504. MATURITY. District bonds must mature not

1 later than 40 years after the date of their issuance. (Acts 57th
2 Leg., R.S., Ch. 364, Sec. 7 (part).)

3 Sec. 9305.0505. USE OF BOND PROCEEDS. (a) The district may
4 set aside an amount of proceeds from the sale of district bonds for
5 the payment of interest to accrue during construction and for one
6 year after construction and a reserve interest and sinking fund.

7 (b) The district may use proceeds from the sale of the bonds
8 to pay any expense incurred in accomplishing the purpose for which
9 the district is created, including:

10 (1) the cost of printing and issuing the bonds; and

11 (2) payment of fees associated with attorneys, fiscal
12 agents, and engineers.

13 (c) Pending the use of bond proceeds for the purpose for
14 which the bonds were issued, the board may invest the proceeds in
15 obligations of or guaranteed by the United States. (Acts 57th Leg.,
16 R.S., Ch. 364, Sec. 7 (part).)

17 Sec. 9305.0506. REFUNDING BONDS. (a) The district without
18 an election may issue refunding bonds for the purpose of refunding
19 outstanding bonds authorized by this chapter and the interest on
20 those bonds.

21 (b) Refunding bonds the district issues may be issued to
22 refund bonds of more than one series of outstanding bonds.

23 (c) The provisions of this chapter regarding the issuance of
24 other bonds and the remedies of the holders apply to refunding
25 bonds.

26 (d) The comptroller shall register the refunding bonds on
27 surrender and cancellation of the bonds to be refunded.

(e) Instead of issuing bonds to be registered on the surrender and cancellation of the bonds to be refunded, the district, in the resolution authorizing the issuance of the refunding bonds, may provide for the sale of the refunding bonds and the deposit of the proceeds in a bank at which the bonds to be refunded are payable. In that case, the refunding bonds may be issued in an amount sufficient to pay the principal of and interest on the bonds to be refunded to their option date or maturity date, and the comptroller shall register the refunding bonds without the concurrent surrender and cancellation of the bonds to be refunded. (Acts 57th Leg., R.S., Ch. 364, Sec. 9.)

Sec. 9305.0507. BONDS EXEMPT FROM TAXATION. A district bond, the transfer of the bond, and the income from the bond, including profits made on the sale of the bond, are exempt from taxation in this state. (Acts 57th Leg., R.S., Ch. 364, Sec. 15 (part).)

ARTICLE 2. CONFORMING AMENDMENT

SECTION 2.01. ESCONDIDO WATERSHED DISTRICT. Section 3, Chapter 364, Acts of the 57th Legislature, Regular Session, 1961, is amended to read as follows:

Sec. 3. TERRITORY COMPRISING THE DISTRICT. ~~[It is expressly determined and found that all of the territory included within the area of the District will be benefited by the works and improvements which are to be accomplished and provided by the District pursuant to the powers conferred by the provisions of Article XVI, Section 59, of the Constitution of Texas and this Act.]~~ The area of the Escondido Watershed District shall consist of the property and

territory embraced within the following boundaries, to wit:

Beginning at the NW corner of the Julius Hedtke 300.2 acre tract in the Willis Orton Original Grant A-221, being W 10 miles of the County Seat, Karnes City, Texas;

THENCE N 50 degrees E 4000.0 ft. to the NE cor. of the said Hedtke Tract in the D. B. Scott Jr. W. line;

THENCE S 40 degrees E 120.0 ft. to the NW cor. of the J. H. Davidson 100.0 acre tract being in the Julius Hedtke E line;

THENCE N 50 degrees E 5210.0 ft. with the said J. H. Davidson N line to the NE cor. of said tract in the W ROW line of a county rd.;

THENCE N 40 degrees W 3933.3 ft. with the said W line of the county rd. being the E line of the D. B. Scott Jr. 221 acre tract pass the NE cor. of the said Scott tract to the intersection of the W ROW line of the said county rd. and the N ROW line of another county rd., said point being in the E line of the Finley D. Barth E line;

THENCE N 50 degrees E 2880.0 ft. with the said N ROW line of a county rd. to the point of intersection of this ROW line with the E line of the said Willis Orton Original Grant A-221;

THENCE S 40 degrees E 4375.0 ft. with the said Willis Orton E line being the E line of the C. L. Gideon 411.6 acre tract being the southernmost cor. of the B. J. Nichols 414 acre tract;

THENCE S 87 degrees E with the N line of the W. P. Brashear Original Grant A-57 to the intersection of this line and the W line of the Lusgado Martinez Original Grant A-196, 815 ft.; this being the SW cor. of said Grant A-196;

THENCE N 3 degrees E 5733.3 ft. with the W line of the said grant pass the NW cor. of said grant to the NW cor. of the T. G.

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1 Butler Original Grant A-429 being the NE cor. of the A. C. Gideon
2 4.4 acre tract;

3 THENCE N 89 degrees E 24,083.1 ft. with the N line of the said
4 Grant A-429 pass the W line of the said Francisco Ruiz Original
5 Grant A-9 and with the S ROW line of a county rd. being the N line of
6 the D. C. Coldeway 155 acre tract to the NE cor. of this tract;

7 THENCE S 3 degrees W 2275.0 ft. with the E line of the said
8 Coldeway tract to the SE cor. of said tract in the NE line of the
9 Rudolph Voight 140 acre tract;

10 THENCE S 87 degrees E 12,384.4 ft. with the Rudolph Voight N
11 line pass his NE cor. with the N. H. Finch 200 acre tract N line
12 cross a county rd. along the Combs and Browne 322 acre tract N line
13 to the E line of the Ruiz Grant A-9 being the NE cor. of the said 322
14 acre tract;

15 THENCE S 3 degrees W 1075.0 ft. with the said Ruiz E line
16 being the E line of the Combs and Browne tract to the NW cor. of the
17 Dora Conrads 75 acre tract;

18 THENCE S 87 degrees E 5634.0 ft. with the Dora Conrads N line
19 across a county rd. with the R. M. Sattler N line to the NE cor. of
20 this tract in the W ROW line of the Kenedy to Karnes City Hy.;

21 THENCE S 3 degrees W 1200.0 ft. with the Sattler E line to a
22 point in said ROW line;

23 THENCE N 45 degrees E 6,025.0 ft. across said highway to the
24 J. D. Ruckman SW cor. and with the J. D. Ruckman S line pass the SW
25 cor. of the W. W. Browne tract being the SE cor. of the J. D. Ruckman
26 tract with the S line of the W. W. Browne tract to the SE cor. of
27 said tract being the NE cor. of the E. J. Smolik tract and the NE

1 cor. of the J. Poitevent Original Grant A-323;

2 THENCE N 45 degrees W 1,500.0 ft. with the said Browne E line
3 being the O. E. Moore W line across the S.P.R.R. ROW to the NW cor.
4 of the Moore tract in the E line of the Browne tract being the NW
5 cor. of the Andreas Soto Original Grant A-260;

6 THENCE N 45 degrees E with the said Moore N line being the N
7 line of the said Grant A-260 across a county rd. to the intersection
8 of the W line of the R. W. and Prudie D. Derum Original Grant A-439;

9 THENCE N 3 degrees E 7,185.0 ft. with the said W line of the
10 A-439 Grant to the N cor. of said Grant being the N cor. of the Annie
11 Bailey 56.57 acre tract;

12 THENCE S 45 degrees E with the E line of the said A-439 Grant
13 pass the SE cor. of same being the N cor. of the William E. Howth
14 Grant A-144 with the E line of same to the S cor. of the said A-144
15 Grant in the N line of the said A-260 Original Grant; 5,200.0 ft.;

16 THENCE N 45 degrees E 545.0 ft. with the said A-260 Grant N
17 line to the NE cor. of the A. M. Bailey 225.5 acre tract being the NW
18 cor. of the S. M. Elder 214.5 acre tract;

19 THENCE S 45 degrees E with the E line of the A. M. Bailey tract
20 being the W line of the said Elder tract pass a N cor. of the Claude
21 Jennings tract to an interior cor. of the Claude Jennings tract;

22 THENCE N 45 degrees E with the Claude Jennings N line 1676.4
23 ft. with the Jennings N line to the NE cor. of same;

24 THENCE S 45 degrees E 3,058.3 ft. with the Claude Jennings E
25 line to the S cor. of the said Claude Jennings tract in the N line of
26 the Edna Wicker 159.4 acre tract;

27 THENCE N 45 degrees E 1833.3 ft. with the Edna Wicker N line

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1 to the NE cor. of same being the NW cor. of the E. Elder 95 acre
2 tract;

3 THENCE S 45 degrees E 2000 ft. with the said Edna Wicker E
4 line to the N side of a county rd. being the SE cor. of the Edna
5 Wicker tract;

6 THENCE S 45 degrees W 700.3 ft. with the S line of the Wicker
7 tract being the N ROW line of a county Rd.;

8 THENCE S 45 degrees E 4895.0 ft. with the David Banduen 165
9 acre tract to the intersection of this line with the NW ROW line of a
10 county Rd. being the SE cor. of the David Banduen tract;

11 THENCE S 11 degrees W 1966.6 ft. with the N ROW line of said
12 road past the Burlie Burris East corner to a point in the SE line of
13 the Burlie Burris 37 acre tract.

14 THENCE S 45 degrees E 3366.6 ft. across the said rd. with the
15 W. J. Green W line to the SE cor. of same being in the S line of the
16 J. B. Dupree Original Grant A-86;

17 THENCE N 45 degrees E 2,320.0 ft. with the S line of the said
18 A-86 Grant being the N line of the John Huth and Carl Houck to the NE
19 cor. of same;

20 THENCE S 45 degrees E 3325.0 ft. with the Houck E line being
21 the P. R. Goff W line to the SE cor. of the Houck tract being the SW
22 cor. of the Goff tract on the N ROW line of a county rd.;

23 THENCE N 45 degrees E 4366.6 ft. with the N ROW line being the
24 S line of the P. R. Goff 220 acre tract to a point in the P. R. Goff S
25 line;

26 THENCE S 45 degrees E 7366.6 ft. across said county rd. to the
27 NE cor. of the Valda E. Ruhmann 808 acre tract and with the E line of

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1 said Ruhmann tract being the W ROW line of a county rd. across the
2 county rd. to the S ROW line of said rd. being in the N line of the K.
3 L. Handy 259.2 acre tract;

4 THENCE N 45 degrees E 4410.0 ft. with the N line of the K. L.
5 Handy tract pass the common cor. of the Handy tract and the Bertha
6 B. Ruhmann 333.8 acre tract to the NE cor. of said Ruhmann tract
7 being the NW cor. of the N. E. Colbath et al 677.6 acre tract;

8 THENCE S 45 degrees E 3585.0 ft. with the common line between
9 the said Ruhmann and Colbath tracts to a SW cor. of the Colbath
10 tract in the Ruhmann line;

11 THENCE N 45 degrees E 1733.7 ft. with the Colbath line to an
12 interior cor. of the Colbath tract;

13 THENCE S 45 degrees E 1666.6 ft. with the Colbath and Ruhmann
14 common line to an interior cor. of the Ruhmann tract and a S cor. of
15 the Colbath tract;

16 THENCE S 45 degrees E 4320.0 ft. with the said Colbath tract
17 to the W bank of the San Antonio River;

18 THENCE down the meanders of the San Antonio River S 1 degrees
19 W 1422.7 ft.; S 25 degrees W 475.0 ft., S 3 degrees E 866.6 ft.; S 59
20 degrees 30 minutes E 1566.6 ft.; S 25 degrees E 2500 ft.; S 50
21 degrees W 1560.0 ft.; S 17 degrees W 566.6 ft.; S 49 degrees E 851.0
22 ft.; N 80 degrees E 3178.5 ft.; N 43 degrees E 600 ft.; N 2 degrees W
23 466.6 ft.; N 40 degrees W 500 ft.; N 50 degrees E 1080.0 ft.; S 81
24 degrees E 558.6 ft.; S 7 degrees E 655.0 ft.; S 29 degrees W 1005.0
25 ft.; S 5 degrees E 866.8 ft.; to the NE cor. of the Ruth Ingram 1000
26 acre tract on the S ROW line of a county rd.;

27 THENCE S 45 degrees W 9482.4 ft. with the N line of the Ruth

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1 Ingram tract and the S line of said County rd. to the NW cor. of said
2 Ruth Ingram tract being the E ROW line of a county rd.;

3 THENCE S 34 degrees E 5485.0 ft. with the said E ROW line pass
4 the John Smolik NW cor. to the SE cor. of the Della Tips 2037.5 acre
5 tract across the county rd.;

6 THENCE S 42 degrees 30 minutes W 10,233.3 ft. across the said
7 county rd. to the Della Tips SE cor. and with the Della Tips S line
8 to the SW cor. of said tract;

9 THENCE N 45 degrees W 4675.0 ft. with the SW line of the Della
10 Tips tract pass the SE cor. of the H. H. Kerpeck tract to the NE cor.
11 of said Kerpeck tract;

12 THENCE S 45 degrees W with the said Kerpeck N line to the NW
13 cor. of said tract across a county rd. and with the S ROW line of
14 said rd. to a cor. in said rd.; 2378.4 ft. in all;

15 THENCE N 46 degrees W 1616.6 ft. across said county rd. and
16 with the E ROW line of said rd. being the W line of the L. K. Thigpen
17 201.24 acre tract to a point opposite S cor. of the C. Kerpeck tract
18 across said county rd.;

19 THENCE N 64 degrees W 1491.2 ft. across said county rd. pass
20 the said S cor. of the Kerpeck tract and with the Kerpeck S Line to a
21 cor. of the Kerpeck tract;

22 THENCE N 44 degrees W 1118.9 ft. with the Kerpeck W line to
23 the NW cor. of said tract in the S ROW line of a county rd.;

24 THENCE S 42 degrees W 2442.5 ft. with the said S ROW line
25 across a county rd. to the W ROW line of a county rd. being the SE
26 cor. of the Annie M. Loesch tract;

27 THENCE S 45 degrees W 771.3 ft. to the SW cor. of the said

1 Loesch tract;

2 THENCE N 45 degrees W 1927.4 ft. with the said Loesch W line
3 to an interior cor. of said tract;

4 THENCE S 45 degrees W 2249.7 ft. with the Annie M. Loesch S
5 line pass the W cor. of the said Loesch tract being the SE cor. of
6 the A. M. Green 175 ac. tract and with the S line of said Green tract
7 to the S cor. of said tract in the Verita and F. H. Korth 159.5 ac.
8 tract E line;

9 THENCE S 46 degrees E 1883.6 ft. with the Korth E line to the
10 SE cor. of same;

11 THENCE S 45 degrees W 2731.5 ft. with the said Korth S line
12 pass the SW cor. of same to the W ROW line of a county rd.;

13 THENCE N 46 degrees W 1181.2 ft. with the W line of said
14 county rd. to the SE cor. of the Temple Stapleton 50.2 ac. tract;

15 THENCE S 45 degrees W 1157.1 ft. with the Temple Stapleton S
16 line to the S cor. of said Stapleton tract;

17 THENCE N 45 degrees W 745.9 ft. with the Stapleton SW line to
18 an anterior cor. of said tract;

19 THENCE S 45 degrees W 2313.9 ft. with the Temple Stapleton S
20 line pass the SW cor. of same and with the E. Schroeder S line pass
21 the Common cor. between the said Schroeder SW cor. and the L. Roach
22 SW cor. with the L. Roach S line to the SW cor. of the said Roach ¹
23 tract;

24 THENCE N 45 degrees W 932.5 ft. with the Roach W line to the NW
25 cor. of the Roach tract being in the S line of the Mrs. E. A. Johnson
26 100 ac. tract;

27 THENCE S 45 degrees W 1157.1 ft. with the S line of the said

1 Johnson tract across the Overby rd. to the W ROW line of same;

2 THENCE N 45 degrees W 2957.6 ft. with the W ROW line of said
3 county rd. to the intersection of this ROW line with the Raymond
4 Whipple E line;

5 THENCE S 6 degrees E 3895.2 ft. with the E line of the Raymond
6 Whipple tract to the S cor. of same;

7 THENCE S 45 degrees W with the M. L. Chesnutt 409.0 ac. tract
8 S line across a county rd. to the SE cor. of the M. L. Chesnutt 155.5
9 ac. tract 2248.7 ft.;

10 THENCE N 46 degrees W 2488.9 ft. with the said 155.5 ac. tract
11 E line to the NE cor. of said tract;

12 THENCE S 44 degrees W with the said Chesnutt N line pass the
13 Joe Krawietz SW cor. pass the Chesnutt NW cor. being the E. Strawn
14 SW cor. with the Floyd Swoap N line pass the J. O. Russell SW cor. to
15 the SW cor. of the M. T. Buckaloo 66.5 ac. tract 5177.8 ft. in all;

16 THENCE S 46 degrees E 1759.8 ft. with the said Swoap W line
17 being the E ROW line of a county rd. to a point opposite the SE cor.
18 of the R. A. David 108 ac. tract;

19 THENCE S 49 degrees W 2185.4 ft. with the David S line to the
20 SW cor. of same;

21 THENCE N 45 degrees W 1181.3 ft. with the David W line across
22 the old Hy. 181 to the W ROW line of same;

23 THENCE S 21 degrees and 10 minutes W 899.6 ft. with the said
24 ROW line to the S. cor. of the H. H. Schuenemann 123.42 ac. tract;

25 THENCE N 45 degrees W 1800.2 ft. with the Schuenemann W line
26 to an interior cor. of same;

27 THENCE N 82 degrees 45 minutes W 4155.3 ft. with the H. H.

1 Schuenemann S line pass the SW cor. with the W. T. Homeyer S line to
2 the SW cor. of the Homeyer 255 ac. tract;

3 THENCE S 3 degrees W 2146.9 ft. with the Mable Davis E line to
4 the S cor. of same being the N cor. of the W. S. Grunewald 79 ac.
5 tract;

6 THENCE S 14 degrees E 288.0 ft. with the Grunewald E line to
7 the SE cor. of same;

8 THENCE S 45 degrees W 6900.0 ft. with the Grunewald SE line to
9 the SW cor. of same in the E ROW line of a county rd. across said
10 county rd. and with the NW ROW line of the county rd. pass the R. W.
11 Jones et al. 268 ac. tract and the L. W. Scott 124.73 ac. tract to
12 the SW cor. of the L. W. Scott 62.37 ac. tract;

13 THENCE N 45 degrees W 3395.0 ft. with the Scott W line pass
14 the NW cor. of same to a point in the James H. Wright W line being
15 the SE cor. of the John Polson 136 ac. tract;

16 THENCE S 45 degrees W 3933.3 ft. with the John Polson S line
17 to the SW cor. of same in the E ROW line of county rd.;

18 THENCE N 45 degrees W 6366.6 ft. with the said county rd. E
19 line pass the John Polson NW cor. being the J. M. Ruhmann SW cor.,
20 pass the J. M. Ruhmann NW cor. and across State Hy. 72 to the SW cor.
21 of the John Beck 587.5 ac. tract;

22 THENCE S 46 degrees 15 minutes W with the NW ROW line of
23 St. Hy. 72 pass the O. L. Bagwell SW cor. pass the Tom M. Leggett SW
24 cor. to the SW cor. of the John W. Regmund 735.85 ac. tract;

25 THENCE N 45 degrees W 6100.0 ft. with the W line of the said
26 Regmund tract to the NW cor. of same being the SW cor. of the Geo.
27 Heider 205.4 ac. tract;

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1 THENCE N 20 degrees W 4200.0 ft. with the Geo. Heider W line
2 across a county rd. to the SW cor. of the S. E. Crews 2643 ac. tract;

3 THENCE S 70 degrees W 1943.5 ft. across a county rd. and with
4 the S line of the Ida Carroll 112 ac. tract to the SW cor. of same;

5 THENCE N 20 degrees W 2625.0 ft. with the Ida Carroll W line
6 to the NW cor. of same in the Herbert Rudolph S line;

7 THENCE S 70 degrees W 1876.8 ft. to the SW cor. of the Herbert
8 Rudolph tract in the E ROW line of a county rd.;

9 THENCE N 20 degrees W with the E ROW line of the County rd.
10 pass the NW cor. of the Herbert Rudolph tract to the NW cor. of the
11 E. Rudolph 197.5 ac. tract;

12 THENCE N 15 degrees W 4075.0 ft. with the said E ROW line of
13 the county rd. to the NW cor. of the Edgar M. Ladewig 305.9 ac.
14 tract, across county rd. to a point in the S line of the A. N. Wells
15 292.5 ac. tract;

16 THENCE S 70 degrees W 2093.6 ft. with the Wells S line to the
17 SE cor. of same;

18 THENCE N 20 degrees W 3825.0 ft. with the Wells W line being
19 the E ROW line of a county rd.;

20 THENCE N 70 degrees E 1771.4 ft. with the Wells N line to the
21 SE cor. of the B. W. Klingeman tract in the N line of the Wells
22 tract;

23 THENCE N 20 degrees W 3666.6 ft. with the common line between
24 the said Klingeman tract and the Alex Kowald 200 ac. tract across a
25 county rd. to the S line of the Fred Klingeman tract;

26 THENCE S 70 degrees W 1563.5 ft. with the Klingeman S line to
27 the SW cor. of same;

1 THENCE N 20 degrees W 3000.0 ft. with the said Klingeman W
2 line to the NW cor. in the R. Best S line;

3 THENCE S 70 degrees W 2953.5 ft. with the said Best S line to
4 the SW cor. of same;

5 THENCE N 20 degrees W 5225.0 ft. with the Best W line being
6 the W line of the James Bradberry A-24 Original Grant to the NW cor.
7 of the Best tract;

8 THENCE N 70 degrees E 2451.4 ft. with the N line of the Best
9 tract to the SE cor. of the Horace L. Smith 238 ac. tract in the Best
10 N line;

11 THENCE N 20 degrees W 4450.0 ft. with the said Smith E line
12 being the D. B. Scott W line pass the NE cor. of the said Scott tract
13 across a county rd. to the SW cor. of the Alvin Ripps 169.5 ac. tract
14 being the SE cor. of the Vallie Jarvis tract;

15 THENCE S 70 degrees W 9468.5 ft. with the N ROW line of the
16 said county rd. pass the Vallie Jarvis SW cor. across a county rd.
17 pass the H. L. Smith SW cor. pass the Howard Stanfield S cor. to the
18 R. L. Gideon SW cor.;

19 THENCE N 40 degrees W 8333.3 ft. with the Gideon W line and
20 the E line of a county rd. pass the Herbert Weigang SW cor. pass the
21 Julius Hedtke SW cor. to the place of beginning, containing
22 80,158.23 acres of land, more or less.

23 ARTICLE 3. REPEALERS

24 SECTION 3.01. WILLACY COUNTY NAVIGATION DISTRICT. The
25 following statutes are repealed:

26 (1) Chapter 404, Acts of the 53rd Legislature, Regular
27 Session, 1953;

(2) Chapter 135, Acts of the 54th Legislature, Regular Session, 1955;

(3) Chapter 141, Acts of the 55th Legislature, Regular Session, 1957;

(4) Chapter 392, Acts of the 56th Legislature, Regular Session, 1959;

(5) Sections 2 and 3, Chapter 449, Acts of the 56th Legislature, Regular Session, 1959;

(6) Sections 2 and 3, Chapter 654, Acts of the 60th Legislature, Regular Session, 1967; and

(7) Sections 2 and 3, Chapter 892, Acts of the 81st Legislature, Regular Session, 2009.

SECTION 3.02. GUADALUPE-BLANCO RIVER AUTHORITY. The following statutes are repealed:

(1) Chapter 75, Acts of the 43rd Legislature, 1st Called Session, 1933;

(2) Chapter 45, Acts of the 58th Legislature, Regular Session, 1963;

(3) Sections 2, 3, and 4, Chapter 432, Acts of the 61st Legislature, Regular Session, 1969;

(4) Sections 2 and 3, Chapter 433, Acts of the 64th Legislature, Regular Session, 1975; and

(5) Sections 10, 12, and 13, Chapter 22, Acts of the 86th Legislature, Regular Session, 2019.

SECTION 3.03. UPPER GUADALUPE RIVER AUTHORITY. The following statutes are repealed:

(1) Chapter 5, page 1062, Special Laws, Acts of the

46th Legislature, Regular Session, 1939;

(2) Sections 1 and 2, Chapter 193, Acts of the 59th Legislature, Regular Session, 1965;

(3) Section 2, Chapter 632, Acts of the 59th Legislature, Regular Session, 1965;

(4) Section 6, Article IV, Chapter 484, Acts of the 68th Legislature, Regular Session, 1983;

(5) Section 2, Chapter 1059, Acts of the 68th Legislature, Regular Session, 1983;

(6) Section 2, Chapter 830, Acts of the 75th Legislature, Regular Session, 1997;

(7) Sections 2 and 3, Chapter 1544, Acts of the 76th Legislature, Regular Session, 1999; and

(8) Sections 6, 7, and 8, Chapter 180, Acts of the 88th Legislature, Regular Session, 2023.

SECTION 3.04. FRANKLIN COUNTY WATER DISTRICT. The following statutes are repealed:

(1) Chapter 719, Acts of the 59th Legislature, Regular Session, 1965;

(2) Chapter 308, Acts of the 60th Legislature, Regular Session, 1967;

(3) Section 3, Chapter 412, Acts of the 69th Legislature, Regular Session, 1985;

(4) Section 2, Chapter 59, Acts of the 72nd Legislature, Regular Session, 1991; and

(5) Section 2, Chapter 3, Acts of the 75th Legislature, Regular Session, 1997.

1 SECTION 3.05. ESCONDIDO WATERSHED DISTRICT. Sections 1, 2,
2 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17, Chapter 364,
3 Acts of the 57th Legislature, Regular Session, 1961, are repealed.

4 ARTICLE 4. GENERAL MATTERS

5 SECTION 4.01. LEGISLATIVE INTENT OF NO SUBSTANTIVE CHANGE.
6 This Act is enacted under Section 43, Article III, Texas
7 Constitution. This Act is intended as a codification only, and no
8 substantive change in law is intended by this Act. This Act does
9 not increase or decrease the territory of any special district of
10 the state as those boundaries exist on the effective date of this
11 Act.

12 SECTION 4.02. PRESERVATION OF VALIDATION MADE BY PREVIOUS
13 LAW. (a) The repeal of a law, including a validating law, by this
14 Act does not remove, void, or otherwise affect in any manner a
15 validation under the repealed law. The validation is preserved and
16 continues to have the same effect that it would have if the law were
17 not repealed.

18 (b) Subsection (a) of this section does not diminish the
19 saving provisions prescribed by Section 311.031, Government Code.

20 SECTION 4.03. EFFECTIVE DATE. This Act takes effect April
21 1, 2027.