

1987 MAY -6 PM 5:19
HOUSE OF REPRESENTATIVES

I certify that the attached is a true and correct copy of H.B. 2587, which was filed of record on APR 29 1987 and referred to the committee on: Natural Resources

Betty Murray
Chief Clerk of the House

FILED APR 29 1987

By *Burdett*

A. B. No. 2587

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation, administration, powers, eminent domain
3 powers, duties, operations, fiscal procedures, and taxing authority
4 of the Sterling County Underground Water Conservation District and
5 authorizing the issuance of bonds.

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

7 SECTION 1. CREATION OF DISTRICT. On approval at the
8 election called and held under Section 6 of this Act, the Sterling
9 County Underground Water Conservation District is created pursuant
10 to Article XVI, Section 59, of the Texas Constitution.

11 SECTION 2. DEFINITION. In this Act, "district" means the
12 Sterling County Underground Water Conservation District.

13 SECTION 3. LEGISLATIVE FINDINGS. The legislature finds
14 that:

15 (1) the organization of the district is feasible and
16 practicable;

17 (2) the land to be included in and the residents of the
18 district will be benefited by the creation of the district;

19 (3) there is a public necessity for the district; and

20 (4) the creation of the district will further the public
21 welfare.

22 SECTION 4. BOUNDARIES. The district is composed of all the
23 territory located within Sterling County.

24 SECTION 5. TEMPORARY DIRECTORS. (a) On the effective date

1 of this Act, the following persons are designated as temporary
2 directors of the district:

- 3 (1) Precinct 1--Clyde R. Foster
- 4 (2) Precinct 2--Darwin B. Schrader
- 5 (3) Precinct 3--Frank S. Price
- 6 (4) Precinct 4--Ewing F. McEntire, Jr.
- 7 (5) At large--William C. Humble

8 (b) If a vacancy occurs in the office of temporary director,
9 the remaining temporary directors shall select a person with the
10 qualifications for that position as provided by Section 9 of this
11 Act to fill the vacancy.

12 (c) The temporary board shall select from their members
13 persons to serve as chairman, vice-chairman, and secretary.

14 SECTION 6. CREATION ELECTION. (a) Not later than the 30th
15 day after the effective date of this Act, the temporary directors
16 shall meet and shall call an election to be held not later than the
17 120th day after the effective date of this Act within the
18 boundaries of the proposed district to approve the creation of the
19 district.

20 (b) Section 41.001(a), Election Code, does not apply to an
21 election under this section.

22 (c) The temporary directors shall publish notice of the
23 election at least one time in a newspaper or newspapers that have
24 general circulation within the boundaries of the proposed district.
25 The notice must be published before the 30th day preceding the date
26 of the election.

27 (d) The ballot for the election must be printed to provide

1 for voting for or against the proposition: "The creation of the
2 Sterling County Underground Water Conservation District."

3 (e) If a majority of the votes cast at the election favor
4 the creation of the district, the temporary directors shall declare
5 the district created and shall enter the results in its minutes.
6 If a majority of the votes cast at the election are against the
7 creation of the district, the temporary directors shall declare the
8 district defeated and shall enter the results in its minutes. The
9 temporary directors shall file a copy of the election results with
10 the Texas Water Commission.

11 (f) If the creation of the district is defeated, further
12 elections may be called by the temporary directors to create the
13 district, but another election to confirm creation of the district
14 may not be called and held before the first anniversary of the most
15 recent creation election. If the district is not created within
16 five years after the effective date of this Act, this Act expires.

17 (g) Except as specifically provided by this section, a
18 creation election is governed by the Election Code.

19 SECTION 7. INITIAL DIRECTORS. (a) On approval of the
20 creation of the district under Section 6 of this Act, the temporary
21 directors become the permanent directors of the district and shall
22 serve for terms as provided by Subsection (b) of this section.

23 (b) The persons serving as directors for Precincts 1 and 3
24 shall serve as directors until the first regular meeting of the
25 board of directors following the first regular directors' election.
26 The persons serving as directors for Precincts 2 and 4 and the
27 director serving at large shall serve until the first regular

1 meeting of the board of directors following the second regular
2 directors' election.

3 SECTION 8. COMPOSITION OF BOARD OF DIRECTORS. (a) The
4 board of directors of the district is composed of five members.

5 (b) One director shall be elected from the district at large
6 and one director shall be elected from each county commissioner's
7 precinct.

8 SECTION 9. QUALIFICATIONS OF BOARD MEMBERS. (a) To be
9 qualified for election as a director, a person must be a resident
10 of the district and must be at least 18 years of age.

11 (b) In addition to the requirements of Subsection (a) of
12 this section, a person who is a director from a county
13 commissioner's precinct must be a resident of that precinct.

14 SECTION 10. ELECTION OF DIRECTORS. Beginning in the year
15 following the creation election, an election shall be held on the
16 third Saturday in May of each year to elect the appropriate number
17 of directors to the board.

18 SECTION 11. TERM OF OFFICE. Except for the initial
19 directors of the district, directors shall serve for staggered
20 four-year terms with two and three terms expiring every second
21 year.

22 SECTION 12. BEGINNING OF DIRECTOR'S TERM. A director takes
23 office at the first regular meeting of the board following election
24 to the board.

25 SECTION 13. VACANCY ON BOARD. A vacancy on the board is
26 filled by appointment of the remaining members of the board for the
27 unexpired term.

1 SECTION 14. OATH. Each director shall take the
2 constitutional oath of office required of state officers.

3 SECTION 15. COMPENSATION. Directors and officers serve
4 without compensation but may be reimbursed for actual expenses
5 incurred in the performance of official duties. Those expenses
6 must be reported in the district's minutes book or district records
7 and must be approved by the board.

8 SECTION 16. ORGANIZATION OF BOARD. (a) After each
9 directors' election, the board shall hold a regular meeting at the
10 district office and shall organize by electing from the members of
11 the board one person to serve as chairman, one person to serve as
12 vice-chairman, and one person to serve as secretary.

13 (b) A person selected to serve as chairman, vice-chairman,
14 or secretary serves in that capacity for a term of two years.

15 (c) The chairman shall preside over meetings of the board,
16 and in his absence, the vice-chairman shall preside.

17 (d) The chairman, vice-chairman, and secretary shall perform
18 the duties and may exercise the powers specifically given them by
19 this Act or by orders of the board.

20 SECTION 17. QUORUM. A majority of the members of the board
21 constitute a quorum for the transaction of business of the
22 district, but official actions of the board are not valid without
23 the affirmative vote of a majority of the members of the board.

24 SECTION 18. OTHER OFFICERS. (a) The board shall appoint
25 persons to serve as treasurer and attorney for the district.

26 (b) The persons appointed under this section are entitled to
27 the compensation provided by the district's budget.

1 (c) The person appointed as treasurer shall execute a bond
2 in the amount determined by the board, payable to the district,
3 conditioned on the faithful performance of the treasurer's duties.
4 The district shall pay for the bond.

5 SECTION 19. GENERAL MANAGER. (a) The board may employ a
6 general manager to be the chief administrative officer of the
7 district and may delegate to him full authority to manage and
8 operate the affairs of the district subject only to orders of the
9 board.

10 (b) The general manager shall execute a bond in the amount
11 determined by the board, payable to the district, and conditioned
12 on the faithful performance of the general manager's duties. The
13 district shall pay for the bond.

14 (c) The general manager is entitled to receive the
15 compensation provided by the district's budget.

16 SECTION 20. ENGINEER. The board may appoint or contract
17 with a competent professional engineer for the district and may
18 determine the amount of compensation to be paid to the engineer.

19 SECTION 21. PERSONNEL. (a) The general manager or the
20 board may employ other persons necessary for the proper handling of
21 the business and operation of the district and may employ or
22 contract with expert and specialized personnel who are necessary to
23 carry out this Act.

24 (b) The board shall determine the terms of employment and
25 the compensation to be paid to employees under this section.

26 (c) The general manager or a majority of the members of the
27 board may dismiss an employee of the district.

1 (d) The board shall require each employee or person under
2 contract to the district who collects, pays, or handles any funds
3 of the district to furnish a bond, payable to the district, for an
4 amount sufficient to protect the district from financial loss
5 resulting from actions of the employee or other person. Each bond
6 shall be conditioned on the faithful performance of the employee's
7 or person's duties and on accounting for all money and property of
8 the district in his hands. The district shall pay for each bond.

9 SECTION 22. OFFICE. The board shall maintain an office
10 within the boundaries of the district for conducting the business
11 of the district.

12 SECTION 23. MEETINGS OF BOARD. The board shall hold regular
13 meetings at the district's office at least once each month on a
14 date established by rule of the board.

15 SECTION 24. MINUTES AND RECORDS. (a) The board shall keep
16 a complete written account of all its meetings and other
17 proceedings and shall preserve its minutes, contracts, records,
18 plans, notices, accounts, receipts, and records of all kinds in a
19 secure manner at the district's office.

20 (b) Minutes, contracts, records, plans, notices, accounts,
21 receipts, and other records are the property of the district and
22 are subject to public inspection.

23 SECTION 25. CONTRACTS. The board may enter into contracts
24 as provided by Chapter 51, Water Code, and those contracts shall be
25 executed by the board in the name of the district.

26 SECTION 26. SUPERVISION OF DISTRICT. The district is
27 subject to the continuing right of supervision by the State of

1 Texas to be exercised by the Texas Water Commission under this Act
2 and the Water Code.

3 SECTION 27. SUITS; PAYMENT OF JUDGMENTS. (a) The district
4 may, through its board, sue and be sued in any court of this state
5 in the name of the district. Service of process in a suit may be
6 had by serving the general manager.

7 (b) The courts of this state shall take judicial notice of
8 the creation of the district.

9 (c) A court of this state that renders a money judgment
10 against the district may require the board to pay the judgment from
11 money in the district depository that is not dedicated to the
12 payment of any indebtedness of the district.

13 SECTION 28. SEAL. The board shall adopt a seal for the
14 district.

15 SECTION 29. PURPOSE OF DISTRICT. The district is created to
16 provide for the conservation, preservation, protection, recharge,
17 and prevention of waste and pollution of the underground and
18 surface water of the district consistent with the objectives of
19 Article XVI, Section 59, of the Texas Constitution, and Chapters 51
20 and 52, Water Code.

21 SECTION 30. RULES. (a) The board may adopt rules that are
22 necessary to carry out the purpose and powers under this Act and
23 may enforce those rules by injunction, mandatory injunction, or
24 other appropriate remedy in a court of competent jurisdiction.

25 (b) In addition to the rules adopted under Subsection (a) of
26 this section, the board may adopt and enforce rules as provided by
27 Sections 51.127-51.132, Water Code.

1 SECTION 31. EXERCISE OF POWERS AND DUTIES UNDER WATER CODE.

2 Except to the extent of any conflict with this Act or as
3 specifically limited by this Act, the district may exercise the
4 powers granted and shall exercise the duties under Subchapters E,
5 O, and P, Chapter 51, Water Code, and Subchapter D, Chapter 52,
6 Water Code, to carry out the purpose of the district and this Act.

7 SECTION 32. LIMITATION ON PERMIT AUTHORITY. If the district
8 regulates production of underground water by permit as authorized
9 by Chapter 52, Water Code, the board may not deny a permit to drill
10 a well to the owner of land, his heirs, assigns, and lessees on his
11 land and the right to produce water from that well under rules
12 adopted by the district.

13 SECTION 33. STUDIES AND SURVEYS. The board shall have
14 professional engineers make studies and surveys of the underground
15 and surface water supplies within the district and the facilities
16 available for use in the conservation, preservation, protection,
17 recharge, and prevention of waste and pollution of those water
18 resources. The professional engineers also shall determine the
19 quantities of both underground and surface water in the district.

20 SECTION 34. PLANS AND SPECIFICATIONS. The district shall
21 develop and implement comprehensive plans for the conservation,
22 preservation, protection, recharge, and prevention of waste and
23 pollution of underground and surface water within the district.
24 The plans shall include all works, facilities, and improvements
25 necessary to implement the plans and the specifications for those
26 works, facilities, and improvements.

27 SECTION 35. RESEARCH; INFORMATION. The district shall

1 engage in research projects and shall develop information to be
2 used by the district in preparing and implementing its plans and in
3 carrying out its powers and duties under this Act.

4 SECTION 36. CONTROL, STORAGE, AND PRESERVATION OF WATER FOR
5 CERTAIN PURPOSES. The district may control, store, and preserve
6 the storm and flood water in the district and the water of the
7 rivers and streams in the district for irrigation of arid land,
8 prevention of floods and flood damage in the district, and
9 domestic, agricultural, municipal, and industrial uses.

10 SECTION 37. RECLAMATION. The district may reclaim land
11 within the district and may construct necessary works, facilities,
12 and improvements to accomplish this purpose.

13 SECTION 38. SOIL CONSERVATION AND IMPROVEMENT; TERRACING.
14 The district may construct and maintain terraces and other
15 structures on land in the district and may engage in and promote
16 land treatment measures for soil conservation and improvement.

17 SECTION 39. ACQUISITION AND CONSTRUCTION OF WORKS,
18 FACILITIES, AND IMPROVEMENTS. (a) The district may construct or
19 acquire and improve and maintain works, facilities, and
20 improvements necessary to carry out the purpose, powers, and plans
21 of the district.

22 (b) The district shall construct and acquire works,
23 facilities, and improvements in the manner provided by Chapter 51,
24 Water Code, for water control and improvement districts.

25 SECTION 40. INPUT WELLS. The district may drill, equip,
26 operate, and maintain input wells, pumps, and other facilities to
27 carry out its purpose and powers under this Act.

1 SECTION 41. ACQUISITION OF PROPERTY. The district may
2 acquire by gift, devise, lease, purchase, or condemnation any land
3 or other property necessary to carry out this Act.

4 SECTION 42. EMINENT DOMAIN. (a) The district may exercise
5 the power of eminent domain to acquire by condemnation a fee simple
6 or other interest in property located inside the district if the
7 property interest is necessary to the exercise of the authority
8 conferred by this chapter.

9 (b) The district must exercise the power of eminent domain
10 in the manner provided by Chapter 21, Property Code, but the
11 district is not required to deposit in the trial court money or a
12 bond as provided by Section 21.021(a), Property Code.

13 (c) In a condemnation proceeding brought by a district, the
14 district is not required to pay in advance or give bond or other
15 security for costs in the trial court, to give bond for the
16 issuance of a temporary restraining order or a temporary
17 injunction, or to give bond for costs or supersedeas on an appeal
18 or writ of error.

19 (d) In exercising the power of eminent domain, if the
20 district requires relocating, raising, lowering, rerouting,
21 changing the grade, or altering the construction of any railroad,
22 highway, pipeline, or telegraph, telephone, electric transmission,
23 or distribution lines, conduits, poles, or facilities, the district
24 must bear the actual cost of relocating, raising, lowering,
25 rerouting, changing the grade, or altering the construction to
26 provide comparable replacement without enhancement of facilities
27 after deducting the net salvage value derived for the old facility.

1 SECTION 43. SALE AND DISPOSAL OF PROPERTY. Subject to this
2 Act and Chapters 51 and 52, Water Code, the district may sell or
3 otherwise dispose of land and other property of the district that
4 is not necessary to carry out the purpose or powers of the district
5 as determined by the board of directors.

6 SECTION 44. APPEARANCE BEFORE RAILROAD COMMISSION. The
7 district through the members of its board or its general manager
8 may appear before the Railroad Commission of Texas and present
9 evidence and information relating to any pending permit application
10 for an injection well to be located within the district.

11 SECTION 45. PROTECTION OF WATER RIGHTS. The ownership and
12 rights of the owner of land, his lessees, and assigns, in
13 underground and any surface water rights are recognized and this
14 Act does not deprive or divest the owner, his lessees, and assigns
15 of those ownership rights.

16 SECTION 46. GENERAL FISCAL DUTIES AND AUTHORITY. The
17 district may exercise the powers and shall exercise the duties
18 provided by Subchapter F, Chapter 52, Water Code.

19 SECTION 47. REPAYMENT OF ORGANIZATIONAL EXPENSES. (a) The
20 district's directors may pay all costs and expenses necessarily
21 incurred in the creation and organization of the district, legal
22 fees, and other incidental expenses and may reimburse any person
23 for money advanced for these purposes.

24 (b) Payments may be made from money obtained from
25 maintenance taxes or other revenues of the district.

26 SECTION 48. BOND AND NOTE AND TAX AUTHORITY. The district
27 may issue and sell bonds and notes and may levy and collect taxes

1 as provided by Subchapters G and H, Chapter 52, Water Code.

2 SECTION 49. EMERGENCY. The importance of this legislation
3 and the crowded condition of the calendars in both houses create an
4 emergency and an imperative public necessity that the
5 constitutional rule requiring bills to be read on three several
6 days in each house be suspended, and this rule is hereby suspended,
7 and that this Act take effect and be in force from and after its
8 passage, and it is so enacted.

LETTER OF TRANSMITTAL
HOUSE OF REPRESENTATIVES
STATE OF TEXAS

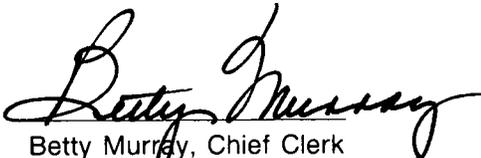
TO: The Honorable William P. Clements, Jr.
Governor of Texas

SUBJECT: A Bill Relating to a Conservation and Reclamation District

This is to transmit to you and the Texas Water Commission copies of House Bill No. 2587, a bill relating to a conservation and reclamation district, and copies of the notice of intention to introduce the bill. One copy is for your files and one for you to forward to the Texas Water Commission, under Section 59(d), Article XVI, Constitution of the State of Texas.

APR 29 1987

Date transmitted to
Governor's Office

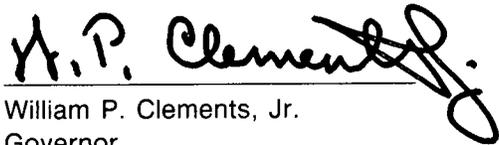

Betty Murray, Chief Clerk
House of Representatives

TO: Texas Water Commission

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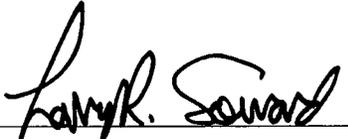
TO: The Honorable Gibson D. "Gib" Lewis
Speaker of the House

The Honorable William P. Hobby
President of the Senate

The Honorable William P. Clements, Jr.
Governor of Texas

SUBJECT: A Bill Relating to a Conservation and Reclamation District

Attached are the recommendations of the Texas Water Commission on House Bill No. 2587, in compliance with Section 59(d), Article XVI, Constitution of the State of Texas.


Larry R. Soward
Executive Director

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FASHION PATTERNS

1 Legal Notice

quired (at the time of receipt of bids by the County) to elect whether he will accept such certificates (and/or claims and accounts) in payment of all or a part of the contract price or assign the same in accordance with the arrangement made by the County.
 No bid may be withdrawn for any reason for at least thirty (30) days after the scheduled closing time for the receipt of bids.
 Tom Green County, Texas, reserves the right to reject any

1 Legal Notice

NOTICE OF INTENT TO INTRODUCE LEGISLATION

Pursuant to Article XVI, Section 59(d) of the Texas Constitution, notice is hereby given of the intent to introduce legislation to create the **LIPAN-KICKAPOO UNDERGROUND WATER CONSERVATION DISTRICT**. Said legislation provides as follows:

- Section 1** provides for creation of the district pursuant to Article XVI, Section 59, of the Texas Constitution.
- Section 2** provides for definitions.
- Section 3** provides for legislative findings.
- Section 4** provides that the boundaries of the district shall contain portions of Tom Green and Concho Counties, Texas.
- Section 5** provides for seven (7) temporary directors as follows: For Tom Green County, Place 1 — Michael Hoelscher; Place 2 — James Ripple; Place 3 — Gregory Phinney; For Concho County, Place 1 — Harvey Williams; Place 2 — F. G. Brown; Place 3 — Joe Brosig; and At Large — A. H. Denis, III. It also provides for appointment by remaining board members in event of a vacancy and for election of officers.
- Section 6** provides that the temporary director shall call a creation election not later than ninety (90) days after the effective date of the act. Said called election shall not be held later than the 180th day after the effective date of the act. Temporary directors have authority to designate polling places and election precincts. It provides for publication of at least one time before thirty (30) days prior to the election in a newspaper of general circulation and for the format of the ballots. If defeated, the temporary board must wait for one (1) year from election for a new election. If the district is not created within five (5) years of the effective date, the act expires.
- Section 7** provides for terms of office. Drawings by lot for 2, 4 and 6 year term with At Large serving a 6 year term.
- Section 8** provides for the composition of seven (7) member board; one to be elected from the district at large and three directors to be elected from each county.
- Section 9** requires board members to be a resident of the county and the district and to be at least eighteen (18) years of age.
- Section 10** provides for the election of directors beginning in the second year following the creation election, to be held on the first Saturday in April of each year to elect directors whose terms are expiring.
- Sections 11 thru 16** provide for beginning of terms of office; appointment by regular meetings to fill vacancies; oaths; compensation of \$25.00 per day; election by board of officers for terms of two (2) years; that majority of the board constitutes a quorum.
- Sections 17 thru 20** provide for hiring and compensation of a treasurer, with the treasurer to be bonded; also provides for hiring of general manager, engineer, and other personnel and for the maintenance of an office within the district.
- Section 21** provides for office.
- Sections 22 and 23** provide for the regular meetings to be held at least once each month on a date established by the rule of the board and for the complete minutes and records of all meetings and other proceedings and the preservation thereof. This provision also provides for open records subject to public inspection.
- Section 24** gives the authority to contract pursuant to Chapter 51 of the Water Code and for execution by the board in the name of the district.
- Section 25** subjects the proposed water district to the continuing right of supervision by the state to be exercised by the Texas Water Commission.
- Sections 26 and 27** provide that the district may sue and be sued in any court of the state; service to be had by serving the general manager; provides for judicial notice of the creation of the district; provides for payment of judgments against the district to be paid from money in the depository that is not dedicated to payment of any indebtedness of the district; and provides for adoption of a seal for the district.
- Section 28** provides for the purpose of the district for conservation, preservation, protection, recharge, prevention of waste and pollution of the underground and surface water of the district consistent with the objectives of Article XVI, Section 59, of the Texas Constitution, and Chapters 51 and 52 of the Water Code.
- Sections 29 thru 42** provide for rule making ability; exercise the powers under Subchapters E, D, and P of Chapter 51 and Subchapter D, Chapter 52, of the Water Code; that if the district regulates production of underground water by permit is authorized by Chapter 52, the board may not deny a permit to drill a well to the owner of the land and the right to produce water from that well under rules adopted by the district; provide for the making of studies and surveys by professional engineers hired by the district; provide for development of plans and specifications for all works, facilities and improvements to be made by the district; provide for research projects and implementation of plans; provide for control, storage and preservation of water for prevention of floods and flood damage in the district, etc.; provide for reclamation; provide for soil conservation improvement and terracing; provide for acquisition in construction of works, facilities and improvements; provide for input wells; provide for acquisition of properties; provide for immune domain; provide for sale and disposal of property.
- Section 43** prohibits district from engaging in water supply activity within or outside of district.
- Section 44** provides that the ownership and the rights of the owners of the land and underground and any surface water rights are recognized and that the act does not deprive or divest the owner of those ownership rights.
- Section 45** provides for authority to appear before the Railroad Commission of Texas on pending injunction permits within the district.
- Sections 46 thru 55** provides for fiscal responsibilities as derived from Subchapter F, Chapter 52, of the Water Code.
- Section 56** provides for reimbursement of organizational expenses.
- Sections 57 thru 61** provides for authority to issue bonds and notes and for taxing as provided in Subchapters G and H, Chapter 52, of the Water Code.
- Section 62** is the emergency clause requiring that the constitutional rule requiring bills to be read in three (3) several days and each house be suspended and that the act take effect and be in force from and after its passage.

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1987

PUBLISHER'S AFFIDAVIT

THE STATE OF TEXAS)

COUNTY OF STERLING

On this 22 day of APRIL, 1987, personally appeared before me, the undersigned a Notary Public, in and for said County and State, JACK

DOUGHTIT, publisher of the STERLING CITY NEWS-RECORD, a newspaper published at Sterling City, County of Sterling, State of Texas,, who by me duly sworn, on oath, states that the attached advertisement, a true copy of which is

hereto annexed, was published in said newspaper in Two issues thereof on the

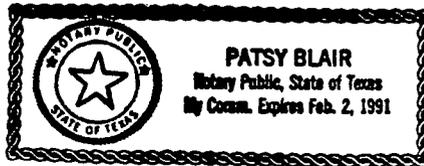
following dates MAR. 13, 1987 + MAR. 20 1987

and the rate charged does not exceed the lowest rate charged by this publication for classified advertising nor rate charged commercial customers for similiar advertising.

Jack Doughtit
(Publisher)

Subscribed and sworn to before me, this the 22 day of APRIL, 1987

Patsy Blair
Notary Public, Sterling County, Texas



HOUSE COMMITTEE REPORT

1977 MAY 15 10 30 AM

1st Printing

By Burnett

H.B. No. 2587

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8 election called and held under Section 6 of this Act, the Sterling
9 County Underground Water Conservation District is created pursuant
10 to Article XVI, Section 59, of the Texas Constitution.

11 SECTION 2. DEFINITION. In this Act, "district" means the
12 Sterling County Underground Water Conservation District.

13 SECTION 3. LEGISLATIVE FINDINGS. The legislature finds
14 that:

15 (1) the organization of the district is feasible and
16 practicable;

17 (2) the land to be included in and the residents of the
18 district will be benefited by the creation of the district;

19 (3) there is a public necessity for the district; and

20 (4) the creation of the district will further the public
21 welfare.

22 SECTION 4. BOUNDARIES. The district is composed of all the
23 territory located within Sterling County.

24 SECTION 5. TEMPORARY DIRECTORS. (a) On the effective date

1 of this Act, the following persons are designated as temporary
2 directors of the district:

- 3 (1) Precinct 1--Clyde R. Foster
- 4 (2) Precinct 2--Darwin B. Schrader
- 5 (3) Precinct 3--Frank S. Price
- 6 (4) Precinct 4--Ewing F. McEntire, Jr.
- 7 (5) At large--William C. Humble

8 (b) If a vacancy occurs in the office of temporary director,
9 the remaining temporary directors shall select a person with the
10 qualifications for that position as provided by Section 9 of this
11 Act to fill the vacancy.

12 (c) The temporary board shall select from their members
13 persons to serve as chairman, vice-chairman, and secretary.

14 SECTION 6. CREATION ELECTION. (a) Not later than the 30th
15 day after the effective date of this Act, the temporary directors
16 shall meet and shall call an election to be held not later than the
17 120th day after the effective date of this Act within the
18 boundaries of the proposed district to approve the creation of the
19 district.

20 (b) Section 41.001(a), Election Code, does not apply to an
21 election under this section.

22 (c) The temporary directors shall publish notice of the
23 election at least one time in a newspaper or newspapers that have
24 general circulation within the boundaries of the proposed district.
25 The notice must be published before the 30th day preceding the date
26 of the election.

27 (d) The ballot for the election must be printed to provide

1 for voting for or against the proposition: "The creation of the
2 Sterling County Underground Water Conservation District."

3 (e) If a majority of the votes cast at the election favor
4 the creation of the district, the temporary directors shall declare
5 the district created and shall enter the results in its minutes.
6 If a majority of the votes cast at the election are against the
7 creation of the district, the temporary directors shall declare the
8 district defeated and shall enter the results in its minutes. The
9 temporary directors shall file a copy of the election results with
10 the Texas Water Commission.

11 (f) If the creation of the district is defeated, further
12 elections may be called by the temporary directors to create the
13 district, but another election to confirm creation of the district
14 may not be called and held before the first anniversary of the most
15 recent creation election. If the district is not created within
16 five years after the effective date of this Act, this Act expires.

17 (g) Except as specifically provided by this section, a
18 creation election is governed by the Election Code.

19 SECTION 7. INITIAL DIRECTORS. (a) On approval of the
20 creation of the district under Section 6 of this Act, the temporary
21 directors become the permanent directors of the district and shall
22 serve for terms as provided by Subsection (b) of this section.

23 (b) The persons serving as directors for Precincts 1 and 3
24 shall serve as directors until the first regular meeting of the
25 board of directors following the first regular directors' election.
26 The persons serving as directors for Precincts 2 and 4 and the
27 director serving at large shall serve until the first regular

1 meeting of the board of directors following the second regular
2 directors' election.

3 SECTION 8. COMPOSITION OF BOARD OF DIRECTORS. (a) The
4 board of directors of the district is composed of five members.

5 (b) One director shall be elected from the district at large
6 and one director shall be elected from each county commissioner's
7 precinct.

8 SECTION 9. QUALIFICATIONS OF BOARD MEMBERS. (a) To be
9 qualified for election as a director, a person must be a resident
10 of the district and must be at least 18 years of age.

11 (b) In addition to the requirements of Subsection (a) of
12 this section, a person who is a director from a county
13 commissioner's precinct must be a resident of that precinct.

14 SECTION 10. ELECTION OF DIRECTORS. Beginning in the year
15 following the creation election, an election shall be held on the
16 third Saturday in May of each year to elect the appropriate number
17 of directors to the board.

18 SECTION 11. TERM OF OFFICE. Except for the initial
19 directors of the district, directors shall serve for staggered
20 four-year terms with two and three terms expiring every second
21 year.

22 SECTION 12. BEGINNING OF DIRECTOR'S TERM. A director takes
23 office at the first regular meeting of the board following election
24 to the board.

25 SECTION 13. VACANCY ON BOARD. A vacancy on the board is
26 filled by appointment of the remaining members of the board for the
27 unexpired term.

1 SECTION 14. OATH. Each director shall take the
2 constitutional oath of office required of state officers.

3 SECTION 15. COMPENSATION. Directors and officers serve
4 without compensation but may be reimbursed for actual expenses
5 incurred in the performance of official duties. Those expenses
6 must be reported in the district's minutes book or district records
7 and must be approved by the board.

8 SECTION 16. ORGANIZATION OF BOARD. (a) After each
9 directors' election, the board shall hold a regular meeting at the
10 district office and shall organize by electing from the members of
11 the board one person to serve as chairman, one person to serve as
12 vice-chairman, and one person to serve as secretary.

13 (b) A person selected to serve as chairman, vice-chairman,
14 or secretary serves in that capacity for a term of two years.

15 (c) The chairman shall preside over meetings of the board,
16 and in his absence, the vice-chairman shall preside.

17 (d) The chairman, vice-chairman, and secretary shall perform
18 the duties and may exercise the powers specifically given them by
19 this Act or by orders of the board.

20 SECTION 17. QUORUM. A majority of the members of the board
21 constitute a quorum for the transaction of business of the
22 district, but official actions of the board are not valid without
23 the affirmative vote of a majority of the members of the board.

24 SECTION 18. OTHER OFFICERS. (a) The board shall appoint
25 persons to serve as treasurer and attorney for the district.

26 (b) The persons appointed under this section are entitled to
27 the compensation provided by the district's budget.

1 (c) The person appointed as treasurer shall execute a bond
2 in the amount determined by the board, payable to the district,
3 conditioned on the faithful performance of the treasurer's duties.
4 The district shall pay for the bond.

5 SECTION 19. GENERAL MANAGER. (a) The board may employ a
6 general manager to be the chief administrative officer of the
7 district and may delegate to him full authority to manage and
8 operate the affairs of the district subject only to orders of the
9 board.

10 (b) The general manager shall execute a bond in the amount
11 determined by the board, payable to the district, and conditioned
12 on the faithful performance of the general manager's duties. The
13 district shall pay for the bond.

14 (c) The general manager is entitled to receive the
15 compensation provided by the district's budget.

16 SECTION 20. ENGINEER. The board may appoint or contract
17 with a competent professional engineer for the district and may
18 determine the amount of compensation to be paid to the engineer.

19 SECTION 21. PERSONNEL. (a) The general manager or the
20 board may employ other persons necessary for the proper handling of
21 the business and operation of the district and may employ or
22 contract with expert and specialized personnel who are necessary to
23 carry out this Act.

24 (b) The board shall determine the terms of employment and
25 the compensation to be paid to employees under this section.

26 (c) The general manager or a majority of the members of the
27 board may dismiss an employee of the district.

1 (d) The board shall require each employee or person under
2 contract to the district who collects, pays, or handles any funds
3 of the district to furnish a bond, payable to the district, for an
4 amount sufficient to protect the district from financial loss
5 resulting from actions of the employee or other person. Each bond
6 shall be conditioned on the faithful performance of the employee's
7 or person's duties and on accounting for all money and property of
8 the district in his hands. The district shall pay for each bond.

9 SECTION 22. OFFICE. The board shall maintain an office
10 within the boundaries of the district for conducting the business
11 of the district.

12 SECTION 23. MEETINGS OF BOARD. The board shall hold regular
13 meetings at the district's office at least once each month on a
14 date established by rule of the board.

15 SECTION 24. MINUTES AND RECORDS. (a) The board shall keep
16 a complete written account of all its meetings and other
17 proceedings and shall preserve its minutes, contracts, records,
18 plans, notices, accounts, receipts, and records of all kinds in a
19 secure manner at the district's office.

20 (b) Minutes, contracts, records, plans, notices, accounts,
21 receipts, and other records are the property of the district and
22 are subject to public inspection.

23 SECTION 25. CONTRACTS. The board may enter into contracts
24 as provided by Chapter 51, Water Code, and those contracts shall be
25 executed by the board in the name of the district.

26 SECTION 26. SUPERVISION OF DISTRICT. The district is
27 subject to the continuing right of supervision by the State of

1 Texas to be exercised by the Texas Water Commission under this Act
2 and the Water Code.

3 SECTION 27. SUITS; PAYMENT OF JUDGMENTS. (a) The district
4 may, through its board, sue and be sued in any court of this state
5 in the name of the district. Service of process in a suit may be
6 had by serving the general manager.

7 (b) The courts of this state shall take judicial notice of
8 the creation of the district.

9 (c) A court of this state that renders a money judgment
10 against the district may require the board to pay the judgment from
11 money in the district depository that is not dedicated to the
12 payment of any indebtedness of the district.

13 SECTION 28. SEAL. The board shall adopt a seal for the
14 district.

15 SECTION 29. PURPOSE OF DISTRICT. The district is created to
16 provide for the conservation, preservation, protection, recharge,
17 and prevention of waste and pollution of the underground and
18 surface water of the district consistent with the objectives of
19 Article XVI, Section 59, of the Texas Constitution, and Chapters 51
20 and 52, Water Code.

21 SECTION 30. RULES. (a) The board may adopt rules that are
22 necessary to carry out the purpose and powers under this Act and
23 may enforce those rules by injunction, mandatory injunction, or
24 other appropriate remedy in a court of competent jurisdiction.

25 (b) In addition to the rules adopted under Subsection (a) of
26 this section, the board may adopt and enforce rules as provided by
27 Sections 51.127-51.132, Water Code.

1 SECTION 31. EXERCISE OF POWERS AND DUTIES UNDER WATER CODE.

2 Except to the extent of any conflict with this Act or as
3 specifically limited by this Act, the district may exercise the
4 powers granted and shall exercise the duties under Subchapters E,
5 O, and P, Chapter 51, Water Code, and Subchapter D, Chapter 52,
6 Water Code, to carry out the purpose of the district and this Act.

7 SECTION 32. LIMITATION ON PERMIT AUTHORITY. If the district

8 regulates production of underground water by permit as authorized
9 by Chapter 52, Water Code, the board may not deny a permit to drill
10 a well to the owner of land, his heirs, assigns, and lessees on his
11 land and the right to produce water from that well under rules
12 adopted by the district.

13 SECTION 33. STUDIES AND SURVEYS. The board shall have

14 professional engineers make studies and surveys of the underground
15 and surface water supplies within the district and the facilities
16 available for use in the conservation, preservation, protection,
17 recharge, and prevention of waste and pollution of those water
18 resources. The professional engineers also shall determine the
19 quantities of both underground and surface water in the district.

20 SECTION 34. PLANS AND SPECIFICATIONS. The district shall

21 develop and implement comprehensive plans for the conservation,
22 preservation, protection, recharge, and prevention of waste and
23 pollution of underground and surface water within the district.
24 The plans shall include all works, facilities, and improvements
25 necessary to implement the plans and the specifications for those
26 works, facilities, and improvements.

27 SECTION 35. RESEARCH; INFORMATION. The district shall

1 engage in research projects and shall develop information to be
2 used by the district in preparing and implementing its plans and in
3 carrying out its powers and duties under this Act.

4 SECTION 36. CONTROL, STORAGE, AND PRESERVATION OF WATER FOR
5 CERTAIN PURPOSES. The district may control, store, and preserve
6 the storm and flood water in the district and the water of the
7 rivers and streams in the district for irrigation of arid land,
8 prevention of floods and flood damage in the district, and
9 domestic, agricultural, municipal, and industrial uses.

10 SECTION 37. RECLAMATION. The district may reclaim land
11 within the district and may construct necessary works, facilities,
12 and improvements to accomplish this purpose.

13 SECTION 38. SOIL CONSERVATION AND IMPROVEMENT; TERRACING.
14 The district may construct and maintain terraces and other
15 structures on land in the district and may engage in and promote
16 land treatment measures for soil conservation and improvement.

17 SECTION 39. ACQUISITION AND CONSTRUCTION OF WORKS,
18 FACILITIES, AND IMPROVEMENTS. (a) The district may construct or
19 acquire and improve and maintain works, facilities, and
20 improvements necessary to carry out the purpose, powers, and plans
21 of the district.

22 (b) The district shall construct and acquire works,
23 facilities, and improvements in the manner provided by Chapter 51,
24 Water Code, for water control and improvement districts.

25 SECTION 40. INPUT WELLS. The district may drill, equip,
26 operate, and maintain input wells, pumps, and other facilities to
27 carry out its purpose and powers under this Act.

1 SECTION 41. ACQUISITION OF PROPERTY. The district may
2 acquire by gift, devise, lease, purchase, or condemnation any land
3 or other property necessary to carry out this Act.

4 SECTION 42. EMINENT DOMAIN. (a) The district may exercise
5 the power of eminent domain to acquire by condemnation a fee simple
6 or other interest in property located inside the district if the
7 property interest is necessary to the exercise of the authority
8 conferred by this chapter.

9 (b) The district must exercise the power of eminent domain
10 in the manner provided by Chapter 21, Property Code, but the
11 district is not required to deposit in the trial court money or a
12 bond as provided by Section 21.021(a), Property Code.

13 (c) In a condemnation proceeding brought by a district, the
14 district is not required to pay in advance or give bond or other
15 security for costs in the trial court, to give bond for the
16 issuance of a temporary restraining order or a temporary
17 injunction, or to give bond for costs or supersedeas on an appeal
18 or writ of error.

19 (d) In exercising the power of eminent domain, if the
20 district requires relocating, raising, lowering, rerouting,
21 changing the grade, or altering the construction of any railroad,
22 highway, pipeline, or telegraph, telephone, electric transmission,
23 or distribution lines, conduits, poles, or facilities, the district
24 must bear the actual cost of relocating, raising, lowering,
25 rerouting, changing the grade, or altering the construction to
26 provide comparable replacement without enhancement of facilities
27 after deducting the net salvage value derived for the old facility.

1 SECTION 43. SALE AND DISPOSAL OF PROPERTY. Subject to this
2 Act and Chapters 51 and 52, Water Code, the district may sell or
3 otherwise dispose of land and other property of the district that
4 is not necessary to carry out the purpose or powers of the district
5 as determined by the board of directors.

6 SECTION 44. APPEARANCE BEFORE RAILROAD COMMISSION. The
7 district through the members of its board or its general manager
8 may appear before the Railroad Commission of Texas and present
9 evidence and information relating to any pending permit application
10 for an injection well to be located within the district.

11 SECTION 45. PROTECTION OF WATER RIGHTS. The ownership and
12 rights of the owner of land, his lessees, and assigns, in
13 underground and any surface water rights are recognized and this
14 Act does not deprive or divest the owner, his lessees, and assigns
15 of those ownership rights.

16 SECTION 46. GENERAL FISCAL DUTIES AND AUTHORITY. The
17 district may exercise the powers and shall exercise the duties
18 provided by Subchapter F, Chapter 52, Water Code.

19 SECTION 47. REPAYMENT OF ORGANIZATIONAL EXPENSES. (a) The
20 district's directors may pay all costs and expenses necessarily
21 incurred in the creation and organization of the district, legal
22 fees, and other incidental expenses and may reimburse any person
23 for money advanced for these purposes.

24 (b) Payments may be made from money obtained from
25 maintenance taxes or other revenues of the district.

26 SECTION 48. BOND AND NOTE AND TAX AUTHORITY. The district
27 may issue and sell bonds and notes and may levy and collect taxes

1 as provided by Subchapters G and H, Chapter 52, Water Code.

2 SECTION 49. EMERGENCY. The importance of this legislation
3 and the crowded condition of the calendars in both houses create an
4 emergency and an imperative public necessity that the
5 constitutional rule requiring bills to be read on three several
6 days in each house be suspended, and this rule is hereby suspended,
7 and that this Act take effect and be in force from and after its
8 passage, and it is so enacted.

COMMITTEE REPORT

The Honorable Gib Lewis
Speaker of the House of Representatives

5-13-87

(date)

Sir:

We, your COMMITTEE ON NATURAL RESOURCES,

to whom was referred HB 2587 have had the same under consideration and beg to report
(measure)
back with the recommendation that it

- (X) do pass, without amendment.
() do pass, with amendment(s).
() do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested. (X) yes () no An actuarial analysis was requested. () yes (X) no

An author's fiscal statement was requested. (X) yes () no

The Committee recommends that this measure be placed on the (Local) or (Consent) Calendar.

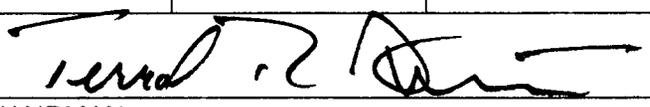
This measure (X) proposes new law. () amends existing law.

House Sponsor of Senate Measure _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Smith, T., Ch.	X			
Harris, J., V.C.	X			
Johnson, C., C.B.O.				X
Hammond				X
Holzheuser	X			
Russell	X			
Sheiley	X			
Toomey				X
Yost	X			

Total
6 aye
0 nay
0 present, not voting
3 absent



 CHAIRMAN


 COMMITTEE COORDINATOR

BILL ANALYSIS

Background

It is believed the people of Sterling County will benefit from the creation of an underground water district.

Purpose of the Bill

This bill would create the Sterling County Underground Water Conservation District.

Section by Section Analysis

- SECTION 1. Creates the district under Article XVI, Section 59, Texas constitution subject to a confirmation election.
- SECTION 2. Definitions.
- SECTION 3. States legislative findings that the district is feasible, necessary and of public benefit.
- SECTION 4. Provides that boundaries of district are coterminous with those of Sterling County.
- SECTION 5. Names the temporary directors, provides for filling vacancies and election of officers.
- SECTION 6. Provides for a confirmation election as governed by the Election Code, except that Section 41.001(a), Election Code does not apply to the district. Provides for time limits and notice requirements.
- SECTION 7. Provides for the initial directors, following the successful confirmation election, with staggered terms.
- SECTION 8. Provides for a five member elected board.
- SECTION 9. Provides for qualifications of board members.
- SECTION 10. Provides for the election of directors.
- SECTION 11. Provides for four year terms of office for directors.
- SECTION 12. Provides that a director takes office at the first regular meeting following election to the board.
- SECTION 13. Provides for filling a vacancy on the board.
- SECTION 14. Provides that each director take an oath of office.
- SECTION 15. Provides that directors cannot be compensated but may be reimbursed for expenses.

- SECTION 16. Provides for the organization of the board, including election of officers and their duties.
- SECTION 17. Provides for a quorum of a majority of the board.
- SECTION 18. Provides for the appointment of an attorney and treasurer for the district who may be compensated and must execute a performance bond.
- SECTION 19. Provides for employment of a General Manager entitled to compensation and required to execute a performance bond.
- SECTION 20. Provides that district may appoint or contract an engineer entitled to compensation.
- SECTION 21. Provides for hiring and dismissal of necessary personnel.
- SECTION 22. Provides for establishment of district office.
- SECTION 23. Provides for meetings of the board.
- SECTION 24. Provides for keeping of records subject to public inspection.
- SECTION 25. Provides for contracting authority as provided in Chapter 54, Water Code.
- SECTION 26. Provides that the district is subject to the continuing supervision of the Texas Water Commission.
- SECTION 27. Provides for the right to sue and be sued, service of process, and payment of judgements.
- SECTION 28. Provides for the adoption of a seal.
- SECTION 29. Provides purposes of district.
- SECTION 30. Provides that board may adopt and enforce necessary rules as provided in Sections 51.127-51.132, Water Code.
- SECTION 31. Provides for the general powers of the district as provided in Subchapters E, O, and P, Chapter 51, and Subchapter D, Chapter 52, Water Code.
- SECTION 32. Provides for limits to the permit authority of the district.
- SECTION 33. Provides that the district shall conduct certain studies and surveys.
- SECTION 34. Provides for development and implementation of a comprehensive plan.
- SECTION 35. Provides for research projects to provide information for plans.
- SECTION 36. Provides for the control of water for certain purposes.
- SECTION 37. Provides for the reclamation of land.

- SECTION 39. Provides for the acquisition and construction of certain facilities as provided for by Chapter 51, Water Code.
- SECTION 40. Provides for drilling and operating input wells.
- SECTION 41. Provides for the acquisition of property by all ordinary means and condemnation.
- SECTION 42. Provides for the powers of eminent domain as provided for by Chapter 21, Property Code, with certain exceptions. Provides for advance payment of bond for certain judicial orders, and requires payment for moving certain facilities.
- SECTION 43. Provides for the sale and disposal of property subject to Chapter 51 and 52, Water Code.
- SECTION 44. Provides that the district may appear before to Texas Railroad Commission.
- SECTION 45. Provides that this Act does not deprive any land owner of rights in surface or underground water.
- SECTION 46. Provides for the fiscal powers and duties of Chapter 52, Water Code.
- SECTION 47. Provides for reimbursement of organizational expenses.
- SECTION 48. Provides for authority to issue bonds and levy taxes as provided in Chapter 52, Water Code.
- SECTION 49. Emergency clause.

Rulemaking Authority

It is the opinion of this committee that this bill does not delegate rulemaking authority to any state agency, officer, department, or institution.

Summary of Committee Action

Public notice was posted in accordance to the rules and a public hearing was held on Wednesday, May 13, 1987. On Wednesday, May 13, 1987, the full committee voted to report HB 2587 to the House without amendments with a recommendation that it do pass and be placed on the Local Calendar by a record vote of 6 ayes, zero nays and zero present, not voting.

The following persons did not testify, but wished the record to reflect their support of HB 2587:

Drew T. Durham, County Attorney
Sterling County

Frank Price, Rancher

Darwin Schrader, District Conservationist

Cross Foster, Rancher

4

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

April 30, 1987

TO: Honorable Terral Smith, Chair
Committee on Natural Resources
House of Representatives
Austin, Texas

In Re: House Bill No. 2587
By: Burnett

FROM: Jim Oliver, Director

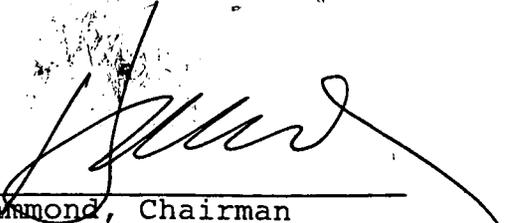
In response to your request for a Fiscal Note on House Bill No. 2587 (relating to the creation, administration, powers, eminent domain powers, duties, operations, fiscal procedures, and taxing authority of the Sterling County Underground Water Conservation District and authorizing the issuance of bonds) this office has determined the following:

No fiscal implication to the State is anticipated.

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House as to its probable fiscal impact on units of local government.

Source: LBB Staff: JO, HES, JWH, GL, MC




Bill Hammond, Chairman
Committee on Local and Consent Calendars

HB 2587

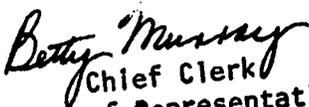
APPROVED FLOOR AMENDMENT No. 1 by Hammond

Amend H.B.2587 as follows:

On p. 9, line 5, delete "D" and substitute "E".

ADOPTED

MAY 22 1987


Chief Clerk
House of Representatives

ENGROSSED
SECOND READING

By Burnett

H.B. No. 2587

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation, administration, powers, eminent domain
3 powers, duties, operations, fiscal procedures, and taxing authority
4 of the Sterling County Underground Water Conservation District and
5 authorizing the issuance of bonds.

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

7 SECTION 1. CREATION OF DISTRICT. On approval at the
8 election called and held under Section 6 of this Act, the Sterling
9 County Underground Water Conservation District is created pursuant
10 to Article XVI, Section 59, of the Texas Constitution.

11 SECTION 2. DEFINITION. In this Act, "district" means the
12 Sterling County Underground Water Conservation District.

13 SECTION 3. LEGISLATIVE FINDINGS. The legislature finds
14 that:

15 (1) the organization of the district is feasible and
16 practicable;

17 (2) the land to be included in and the residents of the
18 district will be benefited by the creation of the district;

19 (3) there is a public necessity for the district; and

20 (4) the creation of the district will further the public
21 welfare.

22 SECTION 4. BOUNDARIES. The district is composed of all the
23 territory located within Sterling County.

24 SECTION 5. TEMPORARY DIRECTORS. (a) On the effective date

1 of this Act, the following persons are designated as temporary
2 directors of the district:

- 3 (1) Precinct 1--Clyde R. Foster
- 4 (2) Precinct 2--Darwin B. Schrader
- 5 (3) Precinct 3--Frank S. Price
- 6 (4) Precinct 4--Ewing F. McEntire, Jr.
- 7 (5) At large--William C. Humble

8 (b) If a vacancy occurs in the office of temporary director,
9 the remaining temporary directors shall select a person with the
10 qualifications for that position as provided by Section 9 of this
11 Act to fill the vacancy.

12 (c) The temporary board shall select from their members
13 persons to serve as chairman, vice-chairman, and secretary.

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15 day after the effective date of this Act, the temporary directors
16 shall meet and shall call an election to be held not later than the
17 120th day after the effective date of this Act within the
18 boundaries of the proposed district to approve the creation of the
19 district.

20 (b) Section 41.001(a), Election Code, does not apply to an
21 election under this section.

22 (c) The temporary directors shall publish notice of the
23 election at least one time in a newspaper or newspapers that have
24 general circulation within the boundaries of the proposed district.
25 The notice must be published before the 30th day preceding the date
26 of the election.

27 (d) The ballot for the election must be printed to provide

1 for voting for or against the proposition: "The creation of the
2 Sterling County Underground Water Conservation District."

3 (e) If a majority of the votes cast at the election favor
4 the creation of the district, the temporary directors shall declare
5 the district created and shall enter the results in its minutes.
6 If a majority of the votes cast at the election are against the
7 creation of the district, the temporary directors shall declare the
8 district defeated and shall enter the results in its minutes. The
9 temporary directors shall file a copy of the election results with
10 the Texas Water Commission.

11 (f) If the creation of the district is defeated, further
12 elections may be called by the temporary directors to create the
13 district, but another election to confirm creation of the district
14 may not be called and held before the first anniversary of the most
15 recent creation election. If the district is not created within
16 five years after the effective date of this Act, this Act expires.

17 (g) Except as specifically provided by this section, a
18 creation election is governed by the Election Code.

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21 directors become the permanent directors of the district and shall
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23 (b) The persons serving as directors for Precincts 1 and 3
24 shall serve as directors until the first regular meeting of the
25 board of directors following the first regular directors' election.
26 The persons serving as directors for Precincts 2 and 4 and the
27 director serving at large shall serve until the first regular

1 meeting of the board of directors following the second regular
2 directors' election.

3 SECTION 8. COMPOSITION OF BOARD OF DIRECTORS. (a) The
4 board of directors of the district is composed of five members.

5 (b) One director shall be elected from the district at large
6 and one director shall be elected from each county commissioner
7 precinct.

8 SECTION 9. QUALIFICATIONS OF BOARD MEMBERS. (a) To be
9 qualified for election as a director, a person must be a resident
10 of the district and must be at least 18 years of age.

11 (b) In addition to the requirements of Subsection (a) of
12 this section, a person who is a director from a county commissioner
13 precinct must be a resident of that precinct.

14 SECTION 10. ELECTION OF DIRECTORS. Beginning in the year
15 following the creation election, an election shall be held on the
16 third Saturday in May every two years to elect the appropriate
17 number of directors to the board.

18 SECTION 11. TERM OF OFFICE. Except for the initial
19 directors of the district, directors shall serve for staggered
20 four-year terms with two and three terms expiring every second
21 year.

22 SECTION 12. BEGINNING OF DIRECTOR'S TERM. A director takes
23 office at the first regular meeting of the board following election
24 to the board.

25 SECTION 13. VACANCY ON BOARD. A vacancy on the board is
26 filled by appointment of the remaining members of the board for the
27 unexpired term.

1 SECTION 14. OATH. Each director shall take the
2 constitutional oath of office required of state officers.

3 SECTION 15. COMPENSATION. Directors and officers serve
4 without compensation but may be reimbursed for actual expenses
5 incurred in the performance of official duties. Those expenses
6 must be reported in the district's minutes book or district records
7 and must be approved by the board.

8 SECTION 16. ORGANIZATION OF BOARD. (a) After each
9 directors' election, the board shall hold a regular meeting at the
10 district office and shall organize by electing from the members of
11 the board one person to serve as chairman, one person to serve as
12 vice-chairman, and one person to serve as secretary.

13 (b) A person selected to serve as chairman, vice-chairman,
14 or secretary serves in that capacity for a term of two years.

15 (c) The chairman shall preside over meetings of the board,
16 and in his absence, the vice-chairman shall preside.

17 (d) The chairman, vice-chairman, and secretary shall perform
18 the duties and may exercise the powers specifically given them by
19 this Act or by orders of the board.

20 SECTION 17. QUORUM. A majority of the members of the board
21 constitute a quorum for the transaction of business of the
22 district, but official actions of the board are not valid without
23 the affirmative vote of a majority of the members of the board.

24 SECTION 18. OTHER OFFICERS. (a) The board shall appoint
25 persons to serve as treasurer and attorney for the district.

26 (b) The persons appointed under this section are entitled to
27 the compensation provided by the district's budget.

1 (c) The person appointed as treasurer shall execute a bond
2 in the amount determined by the board, payable to the district,
3 conditioned on the faithful performance of the treasurer's duties.
4 The district shall pay for the bond.

5 SECTION 19. GENERAL MANAGER. (a) The board may employ a
6 general manager to be the chief administrative officer of the
7 district and may delegate to him full authority to manage and
8 operate the affairs of the district subject only to orders of the
9 board.

10 (b) The general manager shall execute a bond in the amount
11 determined by the board, payable to the district, and conditioned
12 on the faithful performance of the general manager's duties. The
13 district shall pay for the bond.

14 (c) The general manager is entitled to receive the
15 compensation provided by the district's budget.

16 SECTION 20. ENGINEER. The board may appoint or contract
17 with a competent professional engineer for the district and may
18 determine the amount of compensation to be paid to the engineer.

19 SECTION 21. PERSONNEL. (a) The general manager or the
20 board may employ other persons necessary for the proper handling of
21 the business and operation of the district and may employ or
22 contract with expert and specialized personnel who are necessary to
23 carry out this Act.

24 (b) The board shall determine the terms of employment and
25 the compensation to be paid to employees under this section.

26 (c) The general manager or a majority of the members of the
27 board may dismiss an employee of the district.

1 (d) The board shall require each employee or person under
2 contract to the district who collects, pays, or handles any funds
3 of the district to furnish a bond, payable to the district, for an
4 amount sufficient to protect the district from financial loss
5 resulting from actions of the employee or other person. Each bond
6 shall be conditioned on the faithful performance of the employee's
7 or person's duties and on accounting for all money and property of
8 the district in his hands. The district shall pay for each bond.

9 SECTION 22. OFFICE. The board shall maintain an office
10 within the boundaries of the district for conducting the business
11 of the district.

12 SECTION 23. MEETINGS OF BOARD. The board shall hold regular
13 meetings at the district's office at least once each month on a
14 date established by rule of the board.

15 SECTION 24. MINUTES AND RECORDS. (a) The board shall keep
16 a complete written account of all its meetings and other
17 proceedings and shall preserve its minutes, contracts, records,
18 plans, notices, accounts, receipts, and records of all kinds in a
19 secure manner at the district's office.

20 (b) Minutes, contracts, records, plans, notices, accounts,
21 receipts, and other records are the property of the district and
22 are subject to public inspection.

23 SECTION 25. CONTRACTS. The board may enter into contracts
24 as provided by Chapter 51, Water Code, and those contracts shall be
25 executed by the board in the name of the district.

26 SECTION 26. SUPERVISION OF DISTRICT. The district is
27 subject to the continuing right of supervision by the State of

1 Texas to be exercised by the Texas Water Commission under this Act
2 and the Water Code.

3 SECTION 27. SUITS; PAYMENT OF JUDGMENTS. (a) The district
4 may, through its board, sue and be sued in any court of this state
5 in the name of the district. Service of process in a suit may be
6 had by serving the general manager.

7 (b) The courts of this state shall take judicial notice of
8 the creation of the district.

9 (c) A court of this state that renders a money judgment
10 against the district may require the board to pay the judgment from
11 money in the district depository that is not dedicated to the
12 payment of any indebtedness of the district.

13 SECTION 28. SEAL. The board shall adopt a seal for the
14 district.

15 SECTION 29. PURPOSE OF DISTRICT. The district is created to
16 provide for the conservation, preservation, protection, recharge,
17 and prevention of waste and pollution of the underground and
18 surface water of the district consistent with the objectives of
19 Article XVI, Section 59, of the Texas Constitution, and Chapters 51
20 and 52, Water Code.

21 SECTION 30. RULES. (a) The board may adopt rules that are
22 necessary to carry out the purpose and powers under this Act and
23 may enforce those rules by injunction, mandatory injunction, or
24 other appropriate remedy in a court of competent jurisdiction.

25 (b) In addition to the rules adopted under Subsection (a) of
26 this section, the board may adopt and enforce rules as provided by
27 Sections 51.127-51.132, Water Code.

1 SECTION 31. EXERCISE OF POWERS AND DUTIES UNDER WATER CODE.

2 Except to the extent of any conflict with this Act or as
3 specifically limited by this Act, the district may exercise the
4 powers granted and shall exercise the duties under Subchapters E,
5 O, and P, Chapter 51, Water Code, and Subchapter E, Chapter 52,
6 Water Code, to carry out the purpose of the district and this Act.

7 SECTION 32. LIMITATION ON PERMIT AUTHORITY. If the district

8 regulates production of underground water by permit as authorized
9 by Chapter 52, Water Code, the board may not deny a permit to drill
10 a well to the owner of land, his heirs, assigns, and lessees on his
11 land and the right to produce water from that well under rules
12 adopted by the district.

13 SECTION 33. STUDIES AND SURVEYS. The board shall have

14 professional engineers make studies and surveys of the underground
15 and surface water supplies within the district and the facilities
16 available for use in the conservation, preservation, protection,
17 recharge, and prevention of waste and pollution of those water
18 resources. The professional engineers also shall determine the
19 quantities of both underground and surface water in the district.

20 SECTION 34. PLANS AND SPECIFICATIONS. The district shall

21 develop and implement comprehensive plans for the conservation,
22 preservation, protection, recharge, and prevention of waste and
23 pollution of underground and surface water within the district.
24 The plans shall include all works, facilities, and improvements
25 necessary to implement the plans and the specifications for those
26 works, facilities, and improvements.

27 SECTION 35. RESEARCH; INFORMATION. The district shall

1 engage in research projects and shall develop information to be
2 used by the district in preparing and implementing its plans and in
3 carrying out its powers and duties under this Act.

4 SECTION 36. CONTROL, STORAGE, AND PRESERVATION OF WATER FOR
5 CERTAIN PURPOSES. The district may control, store, and preserve
6 the storm and flood water in the district and the water of the
7 rivers and streams in the district for irrigation of arid land,
8 prevention of floods and flood damage in the district, and
9 domestic, agricultural, municipal, and industrial uses.

10 SECTION 37. RECLAMATION. The district may reclaim land
11 within the district and may construct necessary works, facilities,
12 and improvements to accomplish this purpose.

13 SECTION 38. SOIL CONSERVATION AND IMPROVEMENT; TERRACING.
14 The district may construct and maintain terraces and other
15 structures on land in the district and may engage in and promote
16 land treatment measures for soil conservation and improvement.

17 SECTION 39. ACQUISITION AND CONSTRUCTION OF WORKS,
18 FACILITIES, AND IMPROVEMENTS. (a) The district may construct or
19 acquire and improve and maintain works, facilities, and
20 improvements necessary to carry out the purpose, powers, and plans
21 of the district.

22 (b) The district shall construct and acquire works,
23 facilities, and improvements in the manner provided by Chapter 51,
24 Water Code, for water control and improvement districts.

25 SECTION 40. INPUT WELLS. The district may drill, equip,
26 operate, and maintain input wells, pumps, and other facilities to
27 carry out its purpose and powers under this Act.

1 SECTION 41. ACQUISITION OF PROPERTY. The district may
2 acquire by gift, devise, lease, purchase, or condemnation any land
3 or other property necessary to carry out this Act.

4 SECTION 42. EMINENT DOMAIN. (a) The district may exercise
5 the power of eminent domain to acquire by condemnation a fee simple
6 or other interest in property located inside the district if the
7 property interest is necessary to the exercise of the authority
8 conferred by this chapter.

9 (b) The district must exercise the power of eminent domain
10 in the manner provided by Chapter 21, Property Code, but the
11 district is not required to deposit in the trial court money or a
12 bond as provided by Section 21.021(a), Property Code.

13 (c) In a condemnation proceeding brought by a district, the
14 district is not required to pay in advance or give bond or other
15 security for costs in the trial court, to give bond for the
16 issuance of a temporary restraining order or a temporary
17 injunction, or to give bond for costs or supersedeas on an appeal
18 or writ of error.

19 (d) In exercising the power of eminent domain, if the
20 district requires relocating, raising, lowering, rerouting,
21 changing the grade, or altering the construction of any railroad,
22 highway, pipeline, or telegraph, telephone, electric transmission,
23 or distribution lines, conduits, poles, or facilities, the district
24 must bear the actual cost of relocating, raising, lowering,
25 rerouting, changing the grade, or altering the construction to
26 provide comparable replacement without enhancement of facilities
27 after deducting the net salvage value derived from the old

1 facility.

2 SECTION 43. SALE AND DISPOSAL OF PROPERTY. Subject to this
3 Act and Chapters 51 and 52, Water Code, the district may sell or
4 otherwise dispose of land and other property of the district that
5 is not necessary to carry out the purpose or powers of the district
6 as determined by the board of directors.

7 SECTION 44. APPEARANCE BEFORE RAILROAD COMMISSION. The
8 district through the members of its board or its general manager
9 may appear before the Railroad Commission of Texas and present
10 evidence and information relating to any pending permit application
11 for an injection well to be located within the district.

12 SECTION 45. PROTECTION OF WATER RIGHTS. The ownership and
13 rights of the owner of land, his lessees, and assigns, in
14 underground and any surface water rights are recognized and this
15 Act does not deprive or divest the owner, his lessees, and assigns
16 of those ownership rights.

17 SECTION 46. GENERAL FISCAL DUTIES AND AUTHORITY. The
18 district may exercise the powers and shall exercise the duties
19 provided by Subchapter F, Chapter 52, Water Code.

20 SECTION 47. REPAYMENT OF ORGANIZATIONAL EXPENSES. (a) The
21 district's directors may pay all costs and expenses necessarily
22 incurred in the creation and organization of the district, legal
23 fees, and other incidental expenses and may reimburse any person
24 for money advanced for these purposes.

25 (b) Payments may be made from money obtained from
26 maintenance taxes or other revenues of the district.

27 SECTION 48. BOND AND NOTE AND TAX AUTHORITY. The district

1 may issue and sell bonds and notes and may levy and collect taxes
2 as provided by Subchapters G and H, Chapter 52, Water Code.

3 SECTION 49. EMERGENCY. The importance of this legislation
4 and the crowded condition of the calendars in both houses create an
5 emergency and an imperative public necessity that the
6 constitutional rule requiring bills to be read on three several
7 days in each house be suspended, and this rule is hereby suspended,
8 and that this Act take effect and be in force from and after its
9 passage, and it is so enacted.

HOUSE ENGROSSMENT

1997 MAY 25 PM 6:12

HOUSE OF REPRESENTATIVES

By Burnett

H.B. No. 2587

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation, administration, powers, eminent domain
3 powers, duties, operations, fiscal procedures, and taxing authority
4 of the Sterling County Underground Water Conservation District and
5 authorizing the issuance of bonds.

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

7 SECTION 1. CREATION OF DISTRICT. On approval at the
8 election called and held under Section 6 of this Act, the Sterling
9 County Underground Water Conservation District is created pursuant
10 to Article XVI, Section 59, of the Texas Constitution.

11 SECTION 2. DEFINITION. In this Act, "district" means the
12 Sterling County Underground Water Conservation District.

13 SECTION 3. LEGISLATIVE FINDINGS. The legislature finds
14 that:

15 (1) the organization of the district is feasible and
16 practicable;

17 (2) the land to be included in and the residents of the
18 district will be benefited by the creation of the district;

19 (3) there is a public necessity for the district; and

20 (4) the creation of the district will further the public
21 welfare.

22 SECTION 4. BOUNDARIES. The district is composed of all the
23 territory located within Sterling County.

24 SECTION 5. TEMPORARY DIRECTORS. (a) On the effective date

1 of this Act, the following persons are designated as temporary
2 directors of the district:

- 3 (1) Precinct 1--Clyde R. Foster
4 (2) Precinct 2--Darwin B. Schrader
5 (3) Precinct 3--Frank S. Price
6 (4) Precinct 4--Ewing F. McEntire, Jr.
7 (5) At large--William C. Humble

8 (b) If a vacancy occurs in the office of temporary director,
9 the remaining temporary directors shall select a person with the
10 qualifications for that position as provided by Section 9 of this
11 Act to fill the vacancy.

12 (c) The temporary board shall select from their members
13 persons to serve as chairman, vice-chairman, and secretary.

14 SECTION 6. CREATION ELECTION. (a) Not later than the 30th
15 day after the effective date of this Act, the temporary directors
16 shall meet and shall call an election to be held not later than the
17 120th day after the effective date of this Act within the
18 boundaries of the proposed district to approve the creation of the
19 district.

20 (b) Section 41.001(a), Election Code, does not apply to an
21 election under this section.

22 (c) The temporary directors shall publish notice of the
23 election at least one time in a newspaper or newspapers that have
24 general circulation within the boundaries of the proposed district.
25 The notice must be published before the 30th day preceding the date
26 of the election.

27 (d) The ballot for the election must be printed to provide

1 for voting for or against the proposition: "The creation of the
2 Sterling County Underground Water Conservation District."

3 (e) If a majority of the votes cast at the election favor
4 the creation of the district, the temporary directors shall declare
5 the district created and shall enter the results in its minutes.
6 If a majority of the votes cast at the election are against the
7 creation of the district, the temporary directors shall declare the
8 district defeated and shall enter the results in its minutes. The
9 temporary directors shall file a copy of the election results with
10 the Texas Water Commission.

11 (f) If the creation of the district is defeated, further
12 elections may be called by the temporary directors to create the
13 district, but another election to confirm creation of the district
14 may not be called and held before the first anniversary of the most
15 recent creation election. If the district is not created within
16 five years after the effective date of this Act, this Act expires.

17 (g) Except as specifically provided by this section, a
18 creation election is governed by the Election Code.

19 SECTION 7. INITIAL DIRECTORS. (a) On approval of the
20 creation of the district under Section 6 of this Act, the temporary
21 directors become the permanent directors of the district and shall
22 serve for terms as provided by Subsection (b) of this section.

23 (b) The persons serving as directors for Precincts 1 and 3
24 shall serve as directors until the first regular meeting of the
25 board of directors following the first regular directors' election.
26 The persons serving as directors for Precincts 2 and 4 and the
27 director serving at large shall serve until the first regular

1 meeting of the board of directors following the second regular
2 directors' election.

3 SECTION 8. COMPOSITION OF BOARD OF DIRECTORS. (a) The
4 board of directors of the district is composed of five members.

5 (b) One director shall be elected from the district at large
6 and one director shall be elected from each county commissioner
7 precinct.

8 SECTION 9. QUALIFICATIONS OF BOARD MEMBERS. (a) To be
9 qualified for election as a director, a person must be a resident
10 of the district and must be at least 18 years of age.

11 (b) In addition to the requirements of Subsection (a) of
12 this section, a person who is a director from a county commissioner
13 precinct must be a resident of that precinct.

14 SECTION 10. ELECTION OF DIRECTORS. Beginning in the year
15 following the creation election, an election shall be held on the
16 third Saturday in May every two years to elect the appropriate
17 number of directors to the board.

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19 directors of the district, directors shall serve for staggered
20 four-year terms with two and three terms expiring every second
21 year.

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23 office at the first regular meeting of the board following election
24 to the board.

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26 filled by appointment of the remaining members of the board for the
27 unexpired term.

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2 constitutional oath of office required of state officers.

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6 must be reported in the district's minutes book or district records
7 and must be approved by the board.

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9 directors' election, the board shall hold a regular meeting at the
10 district office and shall organize by electing from the members of
11 the board one person to serve as chairman, one person to serve as
12 vice-chairman, and one person to serve as secretary.

13 (b) A person selected to serve as chairman, vice-chairman,
14 or secretary serves in that capacity for a term of two years.

15 (c) The chairman shall preside over meetings of the board,
16 and in his absence, the vice-chairman shall preside.

17 (d) The chairman, vice-chairman, and secretary shall perform
18 the duties and may exercise the powers specifically given them by
19 this Act or by orders of the board.

20 SECTION 17. QUORUM. A majority of the members of the board
21 constitute a quorum for the transaction of business of the
22 district, but official actions of the board are not valid without
23 the affirmative vote of a majority of the members of the board.

24 SECTION 18. OTHER OFFICERS. (a) The board shall appoint
25 persons to serve as treasurer and attorney for the district.

26 (b) The persons appointed under this section are entitled to
27 the compensation provided by the district's budget.

1 (c) The person appointed as treasurer shall execute a bond
2 in the amount determined by the board, payable to the district,
3 conditioned on the faithful performance of the treasurer's duties.
4 The district shall pay for the bond.

5 SECTION 19. GENERAL MANAGER. (a) The board may employ a
6 general manager to be the chief administrative officer of the
7 district and may delegate to him full authority to manage and
8 operate the affairs of the district subject only to orders of the
9 board.

10 (b) The general manager shall execute a bond in the amount
11 determined by the board, payable to the district, and conditioned
12 on the faithful performance of the general manager's duties. The
13 district shall pay for the bond.

14 (c) The general manager is entitled to receive the
15 compensation provided by the district's budget.

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17 with a competent professional engineer for the district and may
18 determine the amount of compensation to be paid to the engineer.

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20 board may employ other persons necessary for the proper handling of
21 the business and operation of the district and may employ or
22 contract with expert and specialized personnel who are necessary to
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25 the compensation to be paid to employees under this section.

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27 after deducting the net salvage value derived from the old

1 facility.

2 SECTION 43. SALE AND DISPOSAL OF PROPERTY. Subject to this
3 Act and Chapters 51 and 52, Water Code, the district may sell or
4 otherwise dispose of land and other property of the district that
5 is not necessary to carry out the purpose or powers of the district
6 as determined by the board of directors.

7 SECTION 44. APPEARANCE BEFORE RAILROAD COMMISSION. The
8 district through the members of its board or its general manager
9 may appear before the Railroad Commission of Texas and present
10 evidence and information relating to any pending permit application
11 for an injection well to be located within the district.

12 SECTION 45. PROTECTION OF WATER RIGHTS. The ownership and
13 rights of the owner of land, his lessees, and assigns, in
14 underground and any surface water rights are recognized and this
15 Act does not deprive or divest the owner, his lessees, and assigns
16 of those ownership rights.

17 SECTION 46. GENERAL FISCAL DUTIES AND AUTHORITY. The
18 district may exercise the powers and shall exercise the duties
19 provided by Subchapter F, Chapter 52, Water Code.

20 SECTION 47. REPAYMENT OF ORGANIZATIONAL EXPENSES. (a) The
21 district's directors may pay all costs and expenses necessarily
22 incurred in the creation and organization of the district, legal
23 fees, and other incidental expenses and may reimburse any person
24 for money advanced for these purposes.

25 (b) Payments may be made from money obtained from
26 maintenance taxes or other revenues of the district.

27 SECTION 48. BOND AND NOTE AND TAX AUTHORITY. The district

1 may issue and sell bonds and notes and may levy and collect taxes
2 as provided by Subchapters G and H, Chapter 52, Water Code.

3 SECTION 49. EMERGENCY. The importance of this legislation
4 and the crowded condition of the calendars in both houses create an
5 emergency and an imperative public necessity that the
6 constitutional rule requiring bills to be read on three several
7 days in each house be suspended, and this rule is hereby suspended,
8 and that this Act take effect and be in force from and after its
9 passage, and it is so enacted.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

April 30, 1987

TO: Honorable Terral Smith, Chair
Committee on Natural Resources
House of Representatives
Austin, Texas

In Re: House Bill No. 2587
By: Burnett

FROM: Jim Oliver, Director

In response to your request for a Fiscal Note on House Bill No. 2587 (relating to the creation, administration, powers, eminent domain powers, duties, operations, fiscal procedures, and taxing authority of the Sterling County Underground Water Conservation District and authorizing the issuance of bonds) this office has determined the following:

No fiscal implication to the State is anticipated.

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House as to its probable fiscal impact on units of local government.

Source: LBB Staff: JO, HES, JWH, GL, MC

SENATE FAVORABLE COMMITTEE REPORT

Lt. Governor William P. Hobby
President of the Senate

5/27
(date)/(time)

Sir:
We, your Committee on Natural Resources to which was referred
HB 2587 by Burnett have on 5/27, 1987, had the same
(measure) (sponsor) (hearing date)

under consideration and I am instructed to report it back with the recommendation (s) that it

- do pass and be printed
- do pass and be ordered not printed
- and is recommended for placement on the Local and Uncontested Bills Calendar.

- A fiscal note was requested. yes no
- A revised fiscal note was requested. yes no
- An actuarial analysis was requested. yes no
- Considered by subcommittee. yes no

Senate Sponsor of House Measure Sims

The measure was reported from Committee by the following vote:

	YEA	NAY	PNV	ABSENT
Santiesteban	✓			
Montford	✓			
Armbrister	✓			
Brown	✓			
Lyon	✓			
Sarpalius	✓			
Sims	✓			
Tejeda				✓
Uribe	✓			
Whitmire				✓
Zaffirini	✓			
TOTAL VOTES	9	0	0	2

Jane Pulaedin
COMMITTEE CLERK

[Signature]
CHAIRMAN

REQUEST FOR LOCAL & UNCONTESTED CALENDAR
PLACEMENT

Hon. Roy Blake, Chairman
Administration Committee

Sir:

Notice is hereby given that HB 2587, by: Burnet (Sims)
was heard by the Committee on NAT. RES on 5/27, 1987
and reported out with the recommendation that it be placed on the Local and Uncontested
Calendar.


Clerk of the reporting committee

IMPORTANT: A COPY OF THIS FORM MUST BE ATTACHED TO A PRINTED COPY OF
THE BILL OR RESOLUTION, WHICH ALONG WITH 14 ADDITIONAL COPIES OF THE
BILL OR RESOLUTION SHOULD BE DELIVERED TO THE OFFICE OF THE
COMMITTEE ON ADMINISTRATION, ROOM 419. PLEASE CALL 3-0350 IF YOU HAVE
ANY QUESTIONS. **DEADLINE FOR SUBMITTING BILLS FOR THE LOCAL CALENDAR
IS 4:00 P.M. THURSDAYS.**

1 of this Act, the following persons are designated as temporary
2 directors of the district:

- 3 (1) Precinct 1--Clyde R. Foster
- 4 (2) Precinct 2--Darwin B. Schrader
- 5 (3) Precinct 3--Frank S. Price
- 6 (4) Precinct 4--Ewing F. McEntire, Jr.
- 7 (5) At large--William C. Humble

8 (b) If a vacancy occurs in the office of temporary director,
9 the remaining temporary directors shall select a person with the
10 qualifications for that position as provided by Section 9 of this
11 Act to fill the vacancy.

12 (c) The temporary board shall select from their members
13 persons to serve as chairman, vice-chairman, and secretary.

14 SECTION 6. CREATION ELECTION. (a) Not later than the 30th
15 day after the effective date of this Act, the temporary directors
16 shall meet and shall call an election to be held not later than the
17 120th day after the effective date of this Act within the
18 boundaries of the proposed district to approve the creation of the
19 district.

20 (b) Section 41.001(a), Election Code, does not apply to an
21 election under this section.

22 (c) The temporary directors shall publish notice of the
23 election at least one time in a newspaper or newspapers that have
24 general circulation within the boundaries of the proposed district.
25 The notice must be published before the 30th day preceding the date
26 of the election.

27 (d) The ballot for the election must be printed to provide

1 for voting for or against the proposition: "The creation of the
2 Sterling County Underground Water Conservation District."

3 (e) If a majority of the votes cast at the election favor
4 the creation of the district, the temporary directors shall declare
5 the district created and shall enter the results in its minutes.
6 If a majority of the votes cast at the election are against the
7 creation of the district, the temporary directors shall declare the
8 district defeated and shall enter the results in its minutes. The
9 temporary directors shall file a copy of the election results with
10 the Texas Water Commission.

11 (f) If the creation of the district is defeated, further
12 elections may be called by the temporary directors to create the
13 district, but another election to confirm creation of the district
14 may not be called and held before the first anniversary of the most
15 recent creation election. If the district is not created within
16 five years after the effective date of this Act, this Act expires.

17 (g) Except as specifically provided by this section, a
18 creation election is governed by the Election Code.

19 SECTION 7. INITIAL DIRECTORS. (a) On approval of the
20 creation of the district under Section 6 of this Act, the temporary
21 directors become the permanent directors of the district and shall
22 serve for terms as provided by Subsection (b) of this section.

23 (b) The persons serving as directors for Precincts 1 and 3
24 shall serve as directors until the first regular meeting of the
25 board of directors following the first regular directors' election.
26 The persons serving as directors for Precincts 2 and 4 and the
27 director serving at large shall serve until the first regular

1 meeting of the board of directors following the second regular
2 directors' election.

3 SECTION 8. COMPOSITION OF BOARD OF DIRECTORS. (a) The
4 board of directors of the district is composed of five members.

5 (b) One director shall be elected from the district at large
6 and one director shall be elected from each county commissioner
7 precinct.

8 SECTION 9. QUALIFICATIONS OF BOARD MEMBERS. (a) To be
9 qualified for election as a director, a person must be a resident
10 of the district and must be at least 18 years of age.

11 (b) In addition to the requirements of Subsection (a) of
12 this section, a person who is a director from a county commissioner
13 precinct must be a resident of that precinct.

14 SECTION 10. ELECTION OF DIRECTORS. Beginning in the year
15 following the creation election, an election shall be held on the
16 third Saturday in May every two years to elect the appropriate
17 number of directors to the board.

18 SECTION 11. TERM OF OFFICE. Except for the initial
19 directors of the district, directors shall serve for staggered
20 four-year terms with two and three terms expiring every second
21 year.

22 SECTION 12. BEGINNING OF DIRECTOR'S TERM. A director takes
23 office at the first regular meeting of the board following election
24 to the board.

25 SECTION 13. VACANCY ON BOARD. A vacancy on the board is
26 filled by appointment of the remaining members of the board for the
27 unexpired term.

1 SECTION 14. OATH. Each director shall take the
2 constitutional oath of office required of state officers.

3 SECTION 15. COMPENSATION. Directors and officers serve
4 without compensation but may be reimbursed for actual expenses
5 incurred in the performance of official duties. Those expenses
6 must be reported in the district's minutes book or district records
7 and must be approved by the board.

8 SECTION 16. ORGANIZATION OF BOARD. (a) After each
9 directors' election, the board shall hold a regular meeting at the
10 district office and shall organize by electing from the members of
11 the board one person to serve as chairman, one person to serve as
12 vice-chairman, and one person to serve as secretary.

13 (b) A person selected to serve as chairman, vice-chairman,
14 or secretary serves in that capacity for a term of two years.

15 (c) The chairman shall preside over meetings of the board,
16 and in his absence, the vice-chairman shall preside.

17 (d) The chairman, vice-chairman, and secretary shall perform
18 the duties and may exercise the powers specifically given them by
19 this Act or by orders of the board.

20 SECTION 17. QUORUM. A majority of the members of the board
21 constitute a quorum for the transaction of business of the
22 district, but official actions of the board are not valid without
23 the affirmative vote of a majority of the members of the board.

24 SECTION 18. OTHER OFFICERS. (a) The board shall appoint
25 persons to serve as treasurer and attorney for the district.

26 (b) The persons appointed under this section are entitled to
27 the compensation provided by the district's budget.

1 (c) The person appointed as treasurer shall execute a bond
2 in the amount determined by the board, payable to the district,
3 conditioned on the faithful performance of the treasurer's duties.
4 The district shall pay for the bond.

5 SECTION 19. GENERAL MANAGER. (a) The board may employ a
6 general manager to be the chief administrative officer of the
7 district and may delegate to him full authority to manage and
8 operate the affairs of the district subject only to orders of the
9 board.

10 (b) The general manager shall execute a bond in the amount
11 determined by the board, payable to the district, and conditioned
12 on the faithful performance of the general manager's duties. The
13 district shall pay for the bond.

14 (c) The general manager is entitled to receive the
15 compensation provided by the district's budget.

16 SECTION 20. ENGINEER. The board may appoint or contract
17 with a competent professional engineer for the district and may
18 determine the amount of compensation to be paid to the engineer.

19 SECTION 21. PERSONNEL. (a) The general manager or the
20 board may employ other persons necessary for the proper handling of
21 the business and operation of the district and may employ or
22 contract with expert and specialized personnel who are necessary to
23 carry out this Act.

24 (b) The board shall determine the terms of employment and
25 the compensation to be paid to employees under this section.

26 (c) The general manager or a majority of the members of the
27 board may dismiss an employee of the district.

1 (d) The board shall require each employee or person under
2 contract to the district who collects, pays, or handles any funds
3 of the district to furnish a bond, payable to the district, for an
4 amount sufficient to protect the district from financial loss
5 resulting from actions of the employee or other person. Each bond
6 shall be conditioned on the faithful performance of the employee's
7 or person's duties and on accounting for all money and property of
8 the district in his hands. The district shall pay for each bond.

9 SECTION 22. OFFICE. The board shall maintain an office
10 within the boundaries of the district for conducting the business
11 of the district.

12 SECTION 23. MEETINGS OF BOARD. The board shall hold regular
13 meetings at the district's office at least once each month on a
14 date established by rule of the board.

15 SECTION 24. MINUTES AND RECORDS. (a) The board shall keep
16 a complete written account of all its meetings and other
17 proceedings and shall preserve its minutes, contracts, records,
18 plans, notices, accounts, receipts, and records of all kinds in a
19 secure manner at the district's office.

20 (b) Minutes, contracts, records, plans, notices, accounts,
21 receipts, and other records are the property of the district and
22 are subject to public inspection.

23 SECTION 25. CONTRACTS. The board may enter into contracts
24 as provided by Chapter 51, Water Code, and those contracts shall be
25 executed by the board in the name of the district.

26 SECTION 26. SUPERVISION OF DISTRICT. The district is
27 subject to the continuing right of supervision by the State of

1 Texas to be exercised by the Texas Water Commission under this Act
2 and the Water Code.

3 SECTION 27. SUITS; PAYMENT OF JUDGMENTS. (a) The district
4 may, through its board, sue and be sued in any court of this state
5 in the name of the district. Service of process in a suit may be
6 had by serving the general manager.

7 (b) The courts of this state shall take judicial notice of
8 the creation of the district.

9 (c) A court of this state that renders a money judgment
10 against the district may require the board to pay the judgment from
11 money in the district depository that is not dedicated to the
12 payment of any indebtedness of the district.

13 SECTION 28. SEAL. The board shall adopt a seal for the
14 district.

15 SECTION 29. PURPOSE OF DISTRICT. The district is created to
16 provide for the conservation, preservation, protection, recharge,
17 and prevention of waste and pollution of the underground and
18 surface water of the district consistent with the objectives of
19 Article XVI, Section 59, of the Texas Constitution, and Chapters 51
20 and 52, Water Code.

21 SECTION 30. RULES. (a) The board may adopt rules that are
22 necessary to carry out the purpose and powers under this Act and
23 may enforce those rules by injunction, mandatory injunction, or
24 other appropriate remedy in a court of competent jurisdiction.

25 (b) In addition to the rules adopted under Subsection (a) of
26 this section, the board may adopt and enforce rules as provided by
27 Sections 51.127-51.132, Water Code.

1 SECTION 31. EXERCISE OF POWERS AND DUTIES UNDER WATER CODE.

2 Except to the extent of any conflict with this Act or as
3 specifically limited by this Act, the district may exercise the
4 powers granted and shall exercise the duties under Subchapters E,
5 O, and P, Chapter 51, Water Code, and Subchapter E, Chapter 52,
6 Water Code, to carry out the purpose of the district and this Act.

7 SECTION 32. LIMITATION ON PERMIT AUTHORITY. If the district

8 regulates production of underground water by permit as authorized
9 by Chapter 52, Water Code, the board may not deny a permit to drill
10 a well to the owner of land, his heirs, assigns, and lessees on his
11 land and the right to produce water from that well under rules
12 adopted by the district.

13 SECTION 33. STUDIES AND SURVEYS. The board shall have

14 professional engineers make studies and surveys of the underground
15 and surface water supplies within the district and the facilities
16 available for use in the conservation, preservation, protection,
17 recharge, and prevention of waste and pollution of those water
18 resources. The professional engineers also shall determine the
19 quantities of both underground and surface water in the district.

20 SECTION 34. PLANS AND SPECIFICATIONS. The district shall

21 develop and implement comprehensive plans for the conservation,
22 preservation, protection, recharge, and prevention of waste and
23 pollution of underground and surface water within the district.
24 The plans shall include all works, facilities, and improvements
25 necessary to implement the plans and the specifications for those
26 works, facilities, and improvements.

27 SECTION 35. RESEARCH; INFORMATION. The district shall

1 engage in research projects and shall develop information to be
2 used by the district in preparing and implementing its plans and in
3 carrying out its powers and duties under this Act.

4 SECTION 36. CONTROL, STORAGE, AND PRESERVATION OF WATER FOR
5 CERTAIN PURPOSES. The district may control, store, and preserve
6 the storm and flood water in the district and the water of the
7 rivers and streams in the district for irrigation of arid land,
8 prevention of floods and flood damage in the district, and
9 domestic, agricultural, municipal, and industrial uses.

10 SECTION 37. RECLAMATION. The district may reclaim land
11 within the district and may construct necessary works, facilities,
12 and improvements to accomplish this purpose.

13 SECTION 38. SOIL CONSERVATION AND IMPROVEMENT; TERRACING.
14 The district may construct and maintain terraces and other
15 structures on land in the district and may engage in and promote
16 land treatment measures for soil conservation and improvement.

17 SECTION 39. ACQUISITION AND CONSTRUCTION OF WORKS,
18 FACILITIES, AND IMPROVEMENTS. (a) The district may construct or
19 acquire and improve and maintain works, facilities, and
20 improvements necessary to carry out the purpose, powers, and plans
21 of the district.

22 (b) The district shall construct and acquire works,
23 facilities, and improvements in the manner provided by Chapter 51,
24 Water Code, for water control and improvement districts.

25 SECTION 40. INPUT WELLS. The district may drill, equip,
26 operate, and maintain input wells, pumps, and other facilities to
27 carry out its purpose and powers under this Act.

1 SECTION 41. ACQUISITION OF PROPERTY. The district may
2 acquire by gift, devise, lease, purchase, or condemnation any land
3 or other property necessary to carry out this Act.

4 SECTION 42. EMINENT DOMAIN. (a) The district may exercise
5 the power of eminent domain to acquire by condemnation a fee simple
6 or other interest in property located inside the district if the
7 property interest is necessary to the exercise of the authority
8 conferred by this chapter.

9 (b) The district must exercise the power of eminent domain
10 in the manner provided by Chapter 21, Property Code, but the
11 district is not required to deposit in the trial court money or a
12 bond as provided by Section 21.021(a), Property Code.

13 (c) In a condemnation proceeding brought by a district, the
14 district is not required to pay in advance or give bond or other
15 security for costs in the trial court, to give bond for the
16 issuance of a temporary restraining order or a temporary
17 injunction, or to give bond for costs or supersedeas on an appeal
18 or writ of error.

19 (d) In exercising the power of eminent domain, if the
20 district requires relocating, raising, lowering, rerouting,
21 changing the grade, or altering the construction of any railroad,
22 highway, pipeline, or telegraph, telephone, electric transmission,
23 or distribution lines, conduits, poles, or facilities, the district
24 must bear the actual cost of relocating, raising, lowering,
25 rerouting, changing the grade, or altering the construction to
26 provide comparable replacement without enhancement of facilities
27 after deducting the net salvage value derived from the old

1 facility.

2 SECTION 43. SALE AND DISPOSAL OF PROPERTY. Subject to this
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16 of those ownership rights.

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18 district may exercise the powers and shall exercise the duties
19 provided by Subchapter F, Chapter 52, Water Code.

20 SECTION 47. REPAYMENT OF ORGANIZATIONAL EXPENSES. (a) The
21 district's directors may pay all costs and expenses necessarily
22 incurred in the creation and organization of the district, legal
23 fees, and other incidental expenses and may reimburse any person
24 for money advanced for these purposes.

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26 maintenance taxes or other revenues of the district.

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1 may issue and sell bonds and notes and may levy and collect taxes
2 as provided by Subchapters G and H, Chapter 52, Water Code.

3 SECTION 49. EMERGENCY. The importance of this legislation
4 and the crowded condition of the calendars in both houses create an
5 emergency and an imperative public necessity that the
6 constitutional rule requiring bills to be read on three several
7 days in each house be suspended, and this rule is hereby suspended,
8 and that this Act take effect and be in force from and after its
9 passage, and it is so enacted.

President of the Senate

Speaker of the House

I certify that H.B. No. 2587 was passed by the House on May 25, 1987, by a non-record vote; and, pursuant to the provisions of Article XVI, Section 59(d) of the Constitution of Texas, a copy of H.B. No. 2587 was transmitted to the Governor on April 29, 1987, and the recommendation of the Texas Water Commission was filed with the Speaker of the House on May 26, 1987.

Chief Clerk of the House

I certify that H.B. No. 2587 was passed by the Senate on May 29, 1987, by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

H. B. No. 2587

By Burnett

A BILL TO BE ENTITLED

AN ACT

relating to the creation, administration, powers, eminent domain powers, duties, operations, fiscal procedures, and taxing authority of the Sterling County Underground Water Conservation District and authorizing the issuance of bonds.

APR 29 1987

1. Filed with the Chief Clerk.

MAY 4 1987

2. Read first time and Referred to Committee on

Natural Resources

MAY 13 1987

3. Reported favorably (~~as amended~~) and sent to Printer at 6:15 pm

MAY 15 1987

4. Printed and distributed at 9:31 pm.

MAY 16 1987

5. Sent to Committee on Calendars at 12:14 pm

MAY 22 1987

6. Read second time (~~amended~~) passed to third reading (~~failed~~) by (Non-Record Vote) (~~Record Vote of~~ years, nays, present, not voting).

7. Motion to reconsider and table the vote by which H.B. _____ was ordered engrossed prevailed (failed) by a (Non-Record Vote) (Record Vote of _____ years, _____ nays, and _____ present, not voting).

8. Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of _____ years, _____ nays, and _____ present, not voting.

MAY 22 1987

Motion to postpone further consideration of HB No. 2587 until May 25 at 10 AM prevailed by a non-record vote.

MAY 25 1987

9. Read third time (~~amended~~); finally passed (~~failed~~) by (Non-Record Vote) (Record Vote of _____ years, _____ nays, _____ present, not voting).

10. Caption ordered amended to conform to body of bill.

11. Motion to reconsider and table the vote by which H. B. _____ was finally passed prevailed (failed) by a (Non-Record Vote) (Record Vote of _____ years, _____ nays, and _____ present, not voting).

MAY 25 1987

12. Ordered Engrossed at 12:19 pm

MAY 25 1987

13. Engrossed.

MAY 25 1987

14. Returned to Chief Clerk at 6:12 pm

MAY 26 1987

15. Sent to Senate.

Deputy Secretary
Chief Clerk of the House

MAY 26 1987

16. Received from the House

MAY 26 1987

17. Read, referred to Committee on NATURAL RESOURCES

MAY 28 1987

18. Reported favorably

19. Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

20. Ordered not printed.

21. Regular order of business suspended by _____ (a viva voce vote.) _____ years, _____ nays.)

1987 MAY 25 PM 6:12
HOUSE OF REPRESENTATIVES

 22. To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of yeas, nays.

MAY 29 1987 23. Read second time passed to third reading by: Laid before Senate
(a viva voce vote.)
 yeas, nays.)

 24. Caption ordered amended to conform to body of bill.

MAY 29 1987 25. Senate and Constitutional 3-Day Rules suspended by vote of 29 yeas, nays to place bill on third reading and final passage.

MAY 29 1987 26. Read third time and passed by
(a viva voce vote.)
(39 yeas, 0 nays.)

OTHER ACTION: OTHER ACTION:
 Betty King
Secretary of the Senate

MAY 29 1987 27. Returned to the House.

MAY 29 1987 28. Received from the Senate (~~with amendments.~~)
(~~as substituted.~~)

 29. House (Concurred) (Refused to Concur) in Senate (Amendments) (Substitute) by a (Non-Record Vote) (Record Vote of yeas, nays, present, not voting).

 30. Conference Committee Ordered.

 31. Conference Committee Report Adopted (Rejected) by a (Non-Record Vote) (Record Vote of yeas, nays, and present, not voting).

MAY 29 1987 32. Ordered Enrolled at 1:51 pm

HOUSE OF REPRESENTATIVES
1987 MAY 22 PM 11:18
1987 MAY 21 AM 9:57

Handwritten notes and markings on the right margin, including the number 2587 at the bottom.



State of Texas
House of Representatives
Austin

RICHARD J. "DICK" BURNETT
 DISTRICT 66
 STERLING, COKE,
 TOM GREEN, MITCHELL
 COUNTIES

P.O. BOX 2910
 AUSTIN, TEXAS 78769
 512/463-0472

P.O. BOX 5447
 SAN ANGELO, TEXAS 76902
 915/655-1942

The Honorable Terral Smith
 Chairman, Natural Resources Committee
 House of Representatives
 Austin, Texas

RE: Author's Fiscal Statement, House Bill 2587-Relating to the creation, administration, powers, duties, operations, fiscal procedures, and taxing authority of the Sterling County Water Conservation District.

Mr. Chairman:

In response to your request for an Author's Fiscal Statement on House Bill 2587, I have determined the following:

1. COST TO STATE GOVERNMENT: Absolutely no fiscal implication is anticipated (per Legislative Budget Board).
2. COST TO STERLING COUNTY GOVERNMENT: Funded through tax revenues and permits issued from the Sterling County Water Conservation District:
 - A. Cost of confirming election
 - B. Per diem expenses of board
 - C. Compensation for any professional assistance required (attorneys, engineers, studies, surveys, planning, etc.)
 - D. Administrative expenses, if any (general manager, additional personnel, operating expenses, etc.)

3. FISCAL YEAR PROJECTIONS

1987....Cost of confirming election	\$ 1500.
....Per Diem expenses of Board	4750.
.... Compensation for any professional assistance required	13589.
.... Administrative expenses	51267.

6

Page two. Representative Terral Smith.

1988....Per Diem expenses of Board	\$ 4750.
....Compensation for any professional assistance required	2750.
....Administrative expenses	35025.
1989....Same as 1988 anticipated	
1990....Same as 1988 anticipated	
1991....Same as 1988 anticipated	

Please let me know if I can provide further information to you.


Dick Burnett

7

TEXAS WATER COMMISSION

Paul Hopkins, Chairman
Ralph Roming, Commissioner
John O. Houchins, Commissioner



Larry R. Soward, Executive Director
Mary Ann Hefner, Chief Clerk
James K. Rourke, Jr., General Counsel

May 26, 1987

Honorable William P. Clements, Jr.
Governor of Texas

Honorable William P. Hobby
President of the Senate

Honorable Gib Lewis
Speaker of the House of Representatives

Re: S.B. 1472 and H.B. 2587 - Proposed creation of a groundwater district: Sterling County Underground Water Conservation District in Sterling County, pursuant to Article XVI, §59, Texas Constitution

Responsibility of the Texas Water Commission to submit a recommendation on legislation pursuant to Article XVI, Section 59(d), Texas Constitution

Gentlemen:

S.B. 1472 and H.B. 2587 were received by the Commission from the Governor of Texas on May 14, 1987, and May 1, 1987, respectively. These bills would create a conservation and reclamation district to be named as referenced above over all of Sterling County. The district would have essentially the same purposes, powers, and functions as an underground water conservation district created pursuant to Chapter 52, exclusive of Subchapter C, Water Code together with certain powers of water control and improvement districts created under Chapter 51, Water Code. These bills incorporate Subchapters D, F, G, and H of Chapter 52, Water Code, but there appears to be a drafting error in that it appears that Subchapter E of Chapter 52 rather than Subchapter D should be incorporated. Subchapter E contains all of the basic regulatory functions of an underground water conservation district without which this legislation would be largely futile. Therefore, it is recommended that the bills be amended to incorporate Subchapter E rather than Subchapter D of Chapter 52, Water Code.

The bills incorporate Subchapters E, O, and P of Chapter 52 which relate to the addition and exclusion of land, dissolution of the district, and election procedures. Also the bills provide that the district shall construct and acquire works, facilities, and improvements in the manner provided by Chapter 51, Water Code, for water control and improvement districts. This appears to be

Honorable William P. Clements, Jr.
Honorable William P. Hobby
Honorable Gib Lewis
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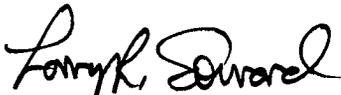
a broad authorization and would confer many of the essential functions of a water control and improvement district upon the proposed district.

Additionally, the district is specifically given the authority to engage in reclamation projects for the purpose of reclaiming land, authority to construct and maintain terraces and other structures on land including land treatment measures for soil conservation and improvement, and the authority to drill, equip, operate, and maintain input wells, pumps, and other facilities necessary to carry out its purposes under this legislation. The district would be authorized to appear before the Railroad Commission of Texas through its officials and present evidence and information relating to any pending permit application for an injection well to be located within the district.

The governing board of the district will be composed of five directors to be appointed initially in the bill and thereafter elected for staggered terms of four years. A confirmation election will be required for the creation of the district. The district will be subject to the continuing supervision of the Texas Water Commission. The issuance of bonds and notes by the district will be required to be approved by the Texas Water Commission in the manner provided for bonds of municipal utility districts (§54.516, Water Code).

Because the creation of this proposed district is essentially a matter of local interest subject to a confirmation election, and since benefits to the residents of the district and to the State of Texas may result from this creation, the Commission would support the enactment of S.B. 1472 and H.B. 2587.

Sincerely yours,


Larry R. Soward
Executive Director

cc: Ms. Betty Murray, Chief Clerk, House of Representatives
Ms. Betty King, Secretary of the Senate
Senator H. Tati Santiesteban, Chairman, Senate Natural
Resources Committee
Senator Bill Sims
Representative Terral Smith, Chairman, House Natural
Resources Committee
Representative Dick Burnett

President of the Senate

Speaker of the House

I certify that H.B. No. 2587⁽¹⁾ was passed by the House
on May 25⁽²⁾, 1987, by a non-record vote;
and, pursuant to the provisions of Article XVI, Section 59(d)
of the Constitution of Texas, a copy of H.B. No. 2587 was
transmitted to the Governor on April 29⁽³⁾, 1987,
and the recommendation of the Texas Water Commission was filed with
the Speaker of the House on May 26⁽⁴⁾, 1987.

Chief Clerk of the House

**** Preparation: 'A;CT71;

I certify that H.B. No. 2587⁽¹⁾ was passed by the Senate
on May 29⁽²⁾, 1987, by the following vote:
Yeas 30⁽³⁾, Nays 0⁽⁴⁾

Secretary of the Senate

APPROVED:

Date

Governor

**** Preparation: 'A;CT34;