

- SUBJECT:** Creating the Central Harris County Regional Water Authority
- COMMITTEE:** Natural Resources — committee substitute recommended
- VOTE:** 8 ayes — Puente, Callegari, Bonnen, Campbell, Geren, Hardcastle, Hope, Laney  
0 nays  
1 absent — Hilderbran
- WITNESSES:** For — Jace Houston, Harris-Galveston Coastal Subsidence District  
Against — None
- BACKGROUND:** Water districts are local political subdivisions of the state governed by boards of directors and created either by special or general law. Special districts can be created by an act of the Legislature under the Texas Constitution, Art. 16, sec. 59, and their powers are determined by their enabling legislation. The Texas Commission on Environmental Quality (TCEQ) has oversight authority over water districts in the state.
- The Harris-Galveston Coastal Subsidence District, created in 1975 to regulate groundwater withdrawals and prevent land subsidence, has the authority to restrict pumping and groundwater use in Harris and Galveston counties.
- DIGEST:** CSHB 3181 would create the Central Harris County Regional Water Authority (CHCRWA). The authority would consist of 11 utility districts in Harris County, including Fallbrook Utility District, Harris County Utility District Number 16, Rankin Road West Municipal Utility District, and Harris County Municipal Utility District Numbers 33, 150, 200, 205, 215, 217, 304, and 399.
- Land could be excluded from the authority on mutual agreement of a district and CHCRWA. The authority could annex a district if it were petitioned to do so by the district.

***Board of directors.*** The authority would be governed by a five-member board of directors, consisting of three directors representing single-member districts and two members representing at-large districts. The directors would serve staggered four-year terms. To be eligible, a candidate for director would have to be 18 years old, a resident of Texas, own land or be a qualified voter in the authority, and have served as a director of one or more districts in the authority for a total of at least two years.

***Power and duties.*** CHCRWA would be authorized to:

- implement a groundwater reduction plan to facilitate compliance with subsidence district requirements;
- develop surface and groundwater supplies;
- conserve, treat, sell, or deliver water to persons inside or outside the district; and
- coordinate water and wastewater services.

CHCRWA could establish fees on any person in the district, including well owners, to fulfill its functions and could issue penalties on late or unpaid fees. A person who violated a rule of the authority would be subject to an administrative penalty of up to \$5,000.

The authority could impose assessments on property in an area that benefited from improvement projects undertaken by the district and could provide improvements and services outside the district if the authority's board determined such improvements would benefit the authority. Special assessments could be used to finance improvements only after a public meeting was held. The authority could not impose an ad valorem tax. CHCRWA could issue bonds payable from fees, assessments, the sale of water, grants, ownership of assets, or contracts between the authority and another person.

CHCRWA could acquire, construct, or operate a water treatment or supply system inside or outside its boundaries. The authority could sell or reuse water, and could enter into a contract to sell water to a person outside its boundaries. The authority would have to get consent from the city of Houston before providing water service outside the authority's boundaries.

CHCRWA would have eminent domain authority under Property Code, ch. 21, to acquire land inside the authority's boundaries by condemnation.

The authority could not use eminent domain authority to acquire water or groundwater rights or on land owned by the city of Houston. The authority could use eminent domain authority within the city limits of Houston only if the city granted its permission and if the property was less than 1,000 feet wide at its narrowest point.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

**SUPPORTERS  
SAY:**

CSHB 3181 would allow 11 municipal utility districts (MUDs) in Harris County to transition from groundwater to surface water, as required by the Harris-Galveston Subsidence District. Creation of a regional water authority would allow these MUDs to aggregate their demand for surface water and achieve the reduction in groundwater required by the subsidence district by spreading reductions across users in these districts. A regional approach would be a cost-effective and efficient means of addressing the serious subsidence concerns in this part of Harris County. A regional water authority also would allow residents to have control over the way surface water would be provided to them.

**OPPONENTS  
SAY:**

No apparent opposition.

**NOTES:**

The committee substitute added provisions requiring the authority to obtain consent of the city of Houston before offering water service outside the authority's boundaries. The substitute also added a provision allowing territory within CHCRWA that was annexed by a municipality to be excluded from the authority under a written agreement between the authority and municipality.