

## **BILL ANALYSIS**

Senate Research Center

H.B. 3609  
By: Place (Sibley)  
Natural Resources  
5-17-97  
Engrossed

### **DIGEST**

The Upper Leon River Municipal Water District was created in 1961 by the 57th Legislature for the purpose of creating an entity to acquire water storage rights and the necessary improvements and construction in order to provide a water supply system to the cities of Comanche, DeLeon, Dublin, Gorman, Hamilton, Hico, and Stephenville. H.B. 3609 would define the boundaries of the district, provide staggered terms and qualifications for the members of the board of directors of the district, require the district to follow the provisions of the Water Code in awarding contracts and depositing and investing money, and remove conflicts with the Article 8280-257, V.T.C.S., and the Interlocal Cooperation Act.

### **PURPOSE**

As proposed, H.B. 3609 outlines provisions regarding the boundaries, powers, administration, duties, finances, contracts, and terms of directors of the Upper Leon River Municipal Water District.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the board of directors of the Upper Leon River Municipal Water District under SECTION 5 (Section 17(a), Article 8280-257, V.T.C.S.) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2, Article 8280-257, V.T.C.S., to provide that notwithstanding anything to the contrary in this section or elsewhere in this Act, effective September 1, 1997, the boundaries of the Upper Leon River Municipal Water District (district) are coterminous with the boundaries of any constituent cities as those boundaries exist on September 1, 1997, and as those boundaries are amended by action of the governing bodies of the constituent cities after that date.

SECTION 2. Amends Section 3(a), Article 8280-257, V.T.C.S., to require two directors of the board of directors of the Upper Leon River Municipal Water District (board) to be appointed to serve staggered three year terms. Deletes text regarding the appointment of the first directors for a city.

SECTION 3. Amends Section 10, Article 8280-257, V.T.C.S., to provide that Chapter 49, Water Code applies to bidding for and award of construction contracts by the district. Deletes text regarding any construction contract.

SECTION 4. Amends Section 16, Article 8280-257, V.T.C.S., to authorize the governing body of each potential city, constituent city, or other city annexed to or desiring to obtain water from the district to enter into a contract with the district for the purchase of water or other services, or for any other purposes within the powers, rights, privileges, and functions of the district without calling or holding an election on the contract. Provides that the authority granted to the governing body of a potential city, constituent city, or other city under this section prevails over any home-rule charter or local ordinance of the city or any other law in conflict with this subsection. Makes a conforming change.

SECTION 5. Amends Section 17, Article 8280-257, V.T.C.S., to set forth requirements and provisions and delete text regarding the execution of contracts and the levying of a tax for bonds in any potential city. Sets forth instances in which the board, by resolution adopted by a majority vote,

is authorized to declare that a city is no longer a potential city.

SECTION 6. Amends Section 21, Article 8280-257, V.T.C.S., to require the district's money to be deposited and invested as provided by Chapter 49, Water Code. Deletes text regarding the district's designation of depository banks.

SECTION 7. (a) Sets forth new terms of the directors of the district, serving on September 1, 1997, whose terms would otherwise expire on May 31, 1998.

(b) Sets forth new terms for the directors of the district, serving on September 1, 1997, whose terms would otherwise expire on May 31, 1999.

(c) Requires a director appointed on the expiration of a term described in Subsection (a) or (b) to serve a three-year term.

SECTION 8. (a) Provides that the proper and legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished by the constitution and other laws of this state, including the governor, who has submitted the notice and Act to the Texas Natural Resource Conservation Commission (TNRCC).

(b) Provides that TNRCC has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

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

SECTION 9. Effective date: September 1, 1997.

SECTION 10. Emergency clause.