

Passed by the House on May 13, 1997: Yeas 143, Nays 0, 2 present, not voting; passed by the Senate on May 26, 1997: Yeas 31, Nays 0.

Approved June 19, 1997.

Effective June 19, 1997.

---

CHAPTER 1151

H.B. No. 3605

AN ACT

relating to the assignment of the judge of the County Court at Law of Nolan County.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 25.1792(n), Government Code, is amended to read as follows:

(n) Sections 25.0006, [and] 25.0006, and 74.054(b) do not apply to a county court at law in Nolan County.

SECTION 2. This Act takes effect September 1, 1997, and applies to an assignment of the judge of the County Court at Law of Nolan County made on or after that date. An assignment of the judge of the County Court at Law of Nolan County made before September 1, 1997, is governed by the law in effect at the time the assignment was made and that law is continued in effect for that purpose.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 16, 1997, by a non-record vote; passed by the Senate on May 26, 1997: Yeas 31, Nays 0.

Approved June 19, 1997.

Effective September 1, 1997.

---

CHAPTER 1152

H.B. No. 3609

AN ACT

relating to the boundaries, powers, administration, duties, finances, contracts, and terms of directors of the Upper Leon River Municipal Water District.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Section 2, Chapter 405, Acts of the 57th Legislature, Regular Session, 1961 (Article 8280-257, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 2. The District shall comprise all of the territory which was contained within the Cities of Comanche, DeLeon, Dublin, Gorman, Hamilton, Hico and Stephenville, on April 1, 1961; provided, however, that no defect in the definition of the boundaries of any of said cities or in any past or future proceedings for the annexation of territory to any of said cities shall affect the validity of the District hereby created or any of its powers or duties. Each of said cities is hereby designated a "Potential City." Circumstances under which any of said cities may be eliminated from the District are set forth in Section 17 hereof. It is hereby found that all of the land thus included in said District will be benefited by the water storage rights to be acquired, and improvements to be acquired and constructed by said District. *Notwithstanding anything to the contrary in this section or elsewhere in this Act, effective September 1, 1997, the boundaries of the 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. Section 3(a), Chapter 405, Acts of the 57th Legislature, Regular Session, 1961 (Article 8280-257, Vernon's Texas Civil Statutes), is amended to read as follows:

(a) All powers of the District shall be exercised by a Board of Directors (hereinafter sometimes called the "Board"). ~~Two [Originally, two] Directors shall be appointed by a majority vote of the governing body of each of the Potential Cities contained in the District. Any such city may be eliminated from the District under circumstances set forth in Section 17 hereof and from the date of such occurrence shall lose its representation on the Board. Directors serve staggered three-year terms. [In appointing the first Directors for a city, the governing body of such city shall appoint one (1) Director who shall serve to and including May 31, 1962, and one (1) who shall serve to and including May 31, 1963. In May, 1962, and in May of each year thereafter, the governing body of such city shall appoint one (1) Director for the two (2) year term beginning on June 1st of that year. Each Director shall serve for his term of office as herein provided and thereafter until his successor shall be appointed and qualified.]~~ No person shall be appointed a Director unless he resides in and owns taxable property in the city from which he is appointed. No member of a governing body of a city, and no employee of a city shall be appointed as Director. Such Directors shall subscribe the constitutional oath of office, and each shall give bond for the faithful performance of his duties in the amount of Five Thousand Dollars (\$5,000.), the cost of which shall be paid by the District. A majority shall constitute a quorum.

SECTION 3. Section 10, Chapter 405, Acts of the 57th Legislature, Regular Session, 1961 (Article 8280-257, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 10. *Chapter 49, Water Code, applies to bidding for and award of construction contracts by the District [Any construction contract requiring an expenditure of more than Five Thousand Dollars (\$5,000.) shall be made after publication of a notice to bidders once each week for two (2) weeks before awarding the contract. Such notice shall be sufficient if it states the time and place when and where the bids will be opened, the general nature of the work to be done, or the material, equipment or supplies to be purchased, and states where and the terms upon which copies of the plans and specifications may be obtained. The publication shall be in a newspaper published in the District and designated by the Board of Directors].*

SECTION 4. Section 16, Chapter 405, Acts of the 57th Legislature, Regular Session, 1961 (Article 8280-257, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 16. (a) The District is authorized to enter into contracts with Potential Cities, cities which may later be annexed, and others for supplying water to them. The District is also authorized to contract with any Potential City or city to be later annexed, for the rental or leasing of, or for the operation of the water production, water supply, water filtration or purification and water supply facilities of such city upon such consideration as the District and the city may agree. Any such contract may be upon such terms and for such time as the parties may agree, and it may provide that it shall continue in effect until any bonds specified therein and refunding bonds issued in lieu of such bonds are paid.

(b) *The governing body of each Potential City, Constituent City, or other city annexed to or desiring to obtain water from the District may 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. The authority granted to the governing body of a Potential City, Constituent City, or other city under this subsection prevails over any home-rule charter or local ordinance of the city or any other law in conflict with this subsection.*

SECTION 5. Section 17, Acts of the 57th Legislature, Regular Session, 1961 (Article 8280-257, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 17. (a) ~~No [contract under which the District will supply water to a Potential City or to any other city hereafter annexed to the District shall be executed and no] tax shall be levied for bonds in any [such] Potential City or any other city annexed to the District until such action shall have been authorized at an election held in such Potential City or in such city. Within the discretion of the Board of Directors of the District the first election [on the~~

~~question of executing such contract and the first election]~~ as to voting such tax may be held in less than all of the Potential Cities. Until an election is held in a Potential City and until it has voted adversely, it shall remain a Potential City. Whenever an election is held in all Potential Cities or in some of them ~~[either for approval of contracts between the respective Potential Cities and the District, or]~~ for the voting of an ad valorem tax to pay wholly or partially the principal of and interest on any bonds proposed by the District, and if a majority of the votes cast in one or more of such Potential Cities is against ~~[either the executing of such contract or against]~~ tax-supported bonds, the Board of Directors may adopt a resolution detaching the territory of any such city from the District if the Board finds that it is to the best interest of the District ~~[to execute such contracts with the Potential Cities voting favorably to issue bonds payable wholly or partially from taxes, or to execute such contracts and without participation by the Potential Cities thus voting unfavorably]~~, but no territory shall be detached from the District after the issuance of bonds which are payable from revenues or taxes or both, or after the execution of a contract under which the District will supply water to a Potential City ~~[such contracts]~~. Any city thus detached from the District shall be eligible for reannexation under the provisions of Section 5 hereof. Potential Cities which shall have voted in favor of a contract under which the District will supply water to the Potential City, under law requiring a vote on such a contract, or in favor of a tax-supported bond issue, as the case may be, shall after such vote be Constituent Cities, and as such shall remain committed under such vote.

Provided that at any time before taxes have been levied by the District, and at such time as a majority in number of the Potential Cities named in Section 2 of this Act shall have held elections on the question of approval of contracts between the Potential Cities and the District, and such contracts have been voted favorably in a majority of such Potential Cities, and bonds, the interest on and principal of which are payable from revenues of such contracts, shall have been sold and delivered to the purchaser or purchasers thereof, thereafter (a) only Directors appointed by the governing bodies of Constituent Cities shall have the right to vote on matters coming before the Board of Directors, (b) only Directors appointed by the governing bodies of Constituent Cities shall be counted for the purpose of establishing a quorum of such Board, and (c) upon the passage of an ordinance by the governing body of any Potential City declaring the territory of such Potential City detached, and the filing of a certified copy of such ordinance with the District, the territory of such Potential City shall be detached from the District.

*(b) The Board of Directors of the District by resolution adopted by majority vote may declare that a city is no longer a Potential City if:*

*(1) the District has no bonds outstanding that are payable from taxes; and*

*(2) the Potential City:*

*(A) has not held an election on the question of approval of a contract between the Potential City and the District; or*

*(B) has held an election on but has not approved a contract between the Potential City and the District.*

SECTION 6. Section 21, Chapter 405, Acts of the 57th Legislature, Regular Session, 1961 (Article 8280-257, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 21. *The District's money shall be deposited and invested as provided by Chapter 49, Water Code [(a). The Board of Directors shall designate one (1) or more banks within the District to serve as depository or depositories for the funds of the District. All funds of the District shall be deposited in such depository bank or banks, except that funds pledged to pay principal of and interest on bonds may be deposited with the trustee bank named in the trust agreement, and except that funds shall be remitted to the bank of payment for the payment of principal of and interest on bonds. To the extent that funds in the depository banks and the trustee bank are not insured by the F.D.I.C. they shall be secured in the manner provided by law for the security of county funds; or the resolution or trust agreement, or both, securing the bonds, may require that any or all of such funds be secured by obligations of, or unconditionally guaranteed by, the United States Government.]*

~~*(b) Before designating a depository bank or banks, the Board of Directors shall issue a notice stating the time and place when and where the Board will meet for such purpose and*~~

~~inviting the banks in the District to submit applications to be designated depositories. The term of service for depositories shall be prescribed by the Board. Such notice shall be published one (1) time in a newspaper or newspapers published in the District and specified by the Board.~~

~~[(c) At the time mentioned in the notice, the Board shall consider the applications and the management and condition of the banks filing them, and shall designate as depositories the bank or banks which offer the most favorable terms and conditions for the handling of the funds of the District and which the Board finds have proper management and in condition to warrant handling of District funds. Membership on the Board of Directors of an officer or Director of a bank shall not disqualify such bank from being designated as depository.~~

~~[(d) If no applications are received by the time stated in the notice, the Board shall designate some bank or banks within or without the District upon such terms and conditions as it may find advantageous to the District].~~

SECTION 7. (a) Of the five directors of the Upper Leon River Municipal Water District serving on September 1, 1997, whose terms would otherwise expire on May 31, 1998:

(1) the two directors who have the most seniority shall serve an additional two years, until May 31, 2000; and

(2) the remaining three directors shall serve until May 31, 1998.

(b) Of the five directors of the Upper Leon River Municipal Water District serving on September 1, 1997, whose terms would otherwise expire on May 31, 1999:

(1) the two directors who have the most seniority shall serve an additional year, until May 31, 2000; and

(2) the remaining three directors shall serve until May 31, 1999.

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

SECTION 8. (a) 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.

(b) The Texas Natural Resource Conservation Commission 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) 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. This Act takes effect September 1, 1997.

SECTION 10. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed by the House on May 16, 1997, by a non-record vote; passed by the Senate on May 26, 1997: Yeas 31, Nays 0.

Approved June 19, 1997.

Effective September 1, 1997.