BILL ANALYSIS

Senate Research Center 86R19584 SLB-F

S.B. 2455 By: Buckingham Intergovernmental Relations 4/13/2019 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Bell County Water Control and Improvement District 1 (WCID 1) is a wholesale water entity founded in Killeen that sells water to the entirety of Bell County, as well as some outside areas. The board of directors is currently only composed of residents of the City of Killeen. WCID 1 seeks to open representation on the board to the total served area.

S.B. 2455 proposes the expansion of the board of directors from four to seven members to represent the addition of territory. All current new board members will be required to run for election on a uniform date in November 2020. The district would be expanded from Killeen to encompass the WCID 3 area (Nolanville), Fort Hood, and Bell County to give representation on the board for all customers. Seven precincts will be created to elect representatives to the board: three from Killeen, one from Fort Hood, and the other three from the remaining area.

As proposed, S.B. 2455 amends current law relating to the territory and board of directors of the Bell County Water Control and Improvement District No. 1.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 9005.001, Special District Local Laws Code, by adding Subdivision (1-a) to define "director."

SECTION 2. Amends Subchapter A, Chapter 9005, Special District Local Laws Code, by adding Section 9005.0025, as follows:

Sec. 9005.0025. BOARD. (a) Provides that the Bell County Water Control and Improvement District No. 1. (district) is governed by a board of seven elected directors. Provides that in addition to the elected board members, a nonvoting member chosen by the Fort Hood Military Reservation represents the interests of the reservation.

- (b) Requires the district to hold an election to elect the appropriate number of directors on the uniform election date in November of each even-numbered year.
- (c) Requires the board to divide the district into seven single-member director precincts that comply with the federal Voting Rights Act of 1965 (52 U.S.C. Sections 10101 and 10301 et seq.) with:
 - (1) the precincts each containing an approximately equal number of voters; and
 - (2) the population of the City of Killeen divided into three precincts composed only of residents of the City of Killeen.

- (d) Authorizes the board redraw the single-member director precincts in a manner that is reasonable and equitable:
 - (1) after any change in the boundaries of the district or of the City of Killeen; or
 - (2) by a resolution redrawing the director precincts adopted by a two-thirds majority of the board based on changed circumstances.

SECTION 3. Amends Sections 9005.003 and 9005.004, Special District Local Laws Code, as follows:

Sec. 9005.003. DISTRICT TERRITORY. (a) Creates this subsection from existing text. Provides that the district is composed of the territory described by Subsection (b) and Section 1, Chapter 523, Acts of the 54th Legislature, Regular Session, 1955 (Article 8280-189, Vernon's Texas Civil Statutes), rather than the territory described by Section 1, Chapter 523, Acts of the 54th Legislature, Regular Session, 1955 (Article 8280-189, Vernon's Texas Civil Statutes), as that territory may have been modified under certain law.

- (b) Provides that, effective September 1, 2019, the territory of the district includes the following areas as those areas are legally described on that date:
 - (1) the territory inside the corporate boundaries of:
 - (A) the City of Harker Heights;
 - (B) the City of Copperas Cove;
 - (C) the City of Belton; and
 - (D) the City of Killeen;
 - (2) the service area of the 439 Water Supply Corporation;
 - (3) the territory of the Bell County Water Control and Improvement District No. 3; and
 - (4) the Bell County portion of the Fort Hood Military Reservation.

Sec. 9005.004. ANNEXATION OF TERRITORY. (a) Authorizes the board to submit for approval at an election the question of whether to automatically annex to the district territory later annexed by the City of Killeen or a political subdivision described by Section 9005.003(b) or to include territory added to the service area of the 439 Water Supply Corporation that is not already included in the district, rather than authorizing the board, if an election concerning the annexation of territory to the district would result in the district boundaries becoming coterminous with the boundaries of the City of Killeen, to submit the question of whether to automatically extend the boundaries of the district to include territory the City of Killeen annexes that is not already included in the district.

- (b) Provides that an automatic annexation authorized under Subsection (a) is effective only after, rather than providing that land annexed by the City of Killeen under Subsection (a) is part of the district only after:
 - (1) the annexed area assumes its pro rata share of all bonds, notes, or other obligations or taxes owed, contracted, or authorized by the district; and
 - (2) that assumption is approved by a majority of the voters voting at an election held in the district territory as enlarged as a result of the

annexation, rather than that assumption is approved at an election held in the district as enlarged as a result of the annexation.

SECTION 4. Amends Subchapter B, Chapter 9005, Special District Local Laws Code, by adding Section 9005.0515, as follows:

Sec. 9005.0515. LIMITATION OF DISTRICT POWER. Provides that in the territory of the district that coincides with the territory of the Bell County Water Control and Improvement District No. 3, the powers of the district, including the power to issue bonds and exercise eminent domain, are limited to the powers necessary to provide wholesale water service.

SECTION 5. (a) Requires the Bell County Water Control and Improvement District No. 1 to hold the first election to elect directors as described by Section 9005.0025, Special District Local Laws Code, as added by this Act, on the uniform election date in November 2020.

- (b) Provides that the terms of the directors serving on the board of directors of the Bell County Water Control and Improvement District No. 1 on the effective date of this Act expire on the date the directors elected under Subsection (a) of this section have qualified. Provides that a director elected to a term that expires in May 2020 serves until the director's successor has qualified after the November 2020 election.
- (c) Requires the directors, at the first meeting of the board of directors of the Bell County Water Control and Improvement District No. 1 that follows the election held under Subsection (a) of this section, to draw lots to determine which four directors serve a term of four years and which three directors serve a term of two years.

SECTION 6. Provides that all requirements of the constitution and the 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 7. Effective date: September 1, 2019.