

BELVEDERE MUNICIPAL UTILITY DISTRICT
NOTICE OF SPECIAL MEETING

TO: THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT
AND TO ALL OTHER INTERESTED PERSONS:

Notice is hereby given pursuant to V.T.C.A., Government Code § 551, that the Board of Directors of Belvedere Municipal Utility District of Travis County will hold a special meeting, open to the public, on September 27, 2023 at 6:00 p.m., within the boundaries of the District, at The Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas, for the following purposes:

1. Call meeting to order and establish a quorum.
2. Conduct a public hearing at 6:00 p.m., regarding a proposal to set a 2023 tax rate.
3. Discuss, consider, and take action as necessary concerning regulation of drainage and flood control issues.
4. Discuss, consider, and take action as necessary concerning adoption of a budget for the 2023-2024 fiscal year.
5. Discuss, consider, and take action as necessary to adopt a 2023 tax rate.
6. Discuss, consider, and take action as necessary concerning amendments to the budget for the 2022-2023 fiscal year.
7. Discuss, consider, and take action as necessary to adopt an amended District Information Form and Notice to Purchaser.
8. Discuss, consider, and take action as necessary concerning report from the District's Bookkeeper and Finance Committee, including:
 - a. Payment and ratification of invoices;
 - b. Coordination on bookkeeping matters;
 - c. TexPool investments; and
 - d. Reimbursement of costs to Belvedere HOA (HOA) pursuant to the Joint Use and Maintenance Agreement.
9. Discuss, consider, and take action regarding adoption of District Drainage System Issue Resolution Guidelines.
10. Discuss, consider, and take action regarding regulation, improvement, maintenance, and repair of existing and future assets owned or maintained by the District, including, but not limited to:
 - a. Report from the District's Engineer;

- b. Issuance of Notice of Violation concerning culvert/ditch work on property at 8316 Verde Mesa; and
 - c. Trail maintenance.
11. Discuss, consider, and take action as necessary regarding report from the District liaison to the HOA and from the HOA liaison to the District.
 12. Discuss, consider, and take action as necessary concerning annual review of District's Investment Policy.
 13. Discuss, consider, and take action as necessary concerning management of the District's website.
 14. Receive report concerning summary of 2023 Legislative Session.
 15. Discuss, consider, and take action on future meeting schedule.
 16. Adjournment.

The District may meet in executive session on any item listed above as provided by the Open Meetings Act, Tex. Gov't Code Ann. §§ 551.071, 551.072, 551.073, 551.074, or 551.075.

EXECUTED this the 21st day of September 2023.




Attorney for the District

The District may meet in executive session on any item listed above as provided by the Open Meetings Act, Tex. Gov't Code §§ 551.071, 551.072, 551.073, 551.074, or 551.075.

Agenda Item No. 4

Discuss, consider, and take action as necessary concerning adoption of a budget for the 2023-2024 fiscal year.

ORDER ADOPTING 2023-2024 DISTRICT BUDGET

THE STATE OF TEXAS

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COUNTY OF TRAVIS

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BELVEDERE MUNICIPAL UTILITY DISTRICT

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The Board of Directors of Belvedere Municipal Utility District met in a special session, open to the public, after due notice, at The Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas, within the boundaries of the District, on the 27th day of September, 2023; whereupon the roll was called of the members of the Board of Directors, to wit:

James Koerner	President
Ronald Ubertini	Vice President
Kim Clifford	Secretary
Keri Parker	Assistant Secretary
Vito Sciaraffia	Assistant Secretary

All members of the Board were present, except Director _____, thus constituting a quorum.

WHEREUPON, among other business conducted by the Board, Director _____ introduced the Order set out below and moved its adoption, which motion was seconded by Director _____ and, after full discussion and the question being put to the Board of Directors, said motion was carried by the following vote:

"Aye" __; "No" __.

The Order thus adopted is as follows:

WHEREAS, a special meeting of the Board of Directors of Belvedere Municipal Utility District (the "District") was held on September 27, 2023; and

WHEREAS, the Board of Directors projected the operating expenses and revenues for the District for the period October 1, 2023 through September 30, 2024, and desires to adopt a budget consistent therewith.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT THAT:

1. That the operating budget attached hereto as Exhibit "A" is hereby adopted.
2. The Secretary of the Board of Directors is hereby directed to file a copy of this Resolution Adopting the 2023-2024 District Budget in the official records of the District.

PASSED AND ADOPTED this 27th day of September, 2023.

**BELVEDERE MUNICIPAL UTILITY
DISTRICT**

James Koerner, President

ATTEST:

Kim Clifford, Secretary

(SEAL)

Agenda Item No. 5

Discuss, consider, and take action as necessary to adopt a 2023 tax rate.

**ORDER SETTING 2023 DEBT SERVICE TAX RATE AND
OPERATIONS AND MAINTENANCE TAX RATE**

THE STATE OF TEXAS

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COUNTY OF TRAVIS

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BELVEDERE MUNICIPAL UTILITY DISTRICT

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The Board of Directors of Belvedere Municipal Utility District met in a special session, open to the public, after due notice, at The Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas, within the boundaries of the District, on the 27th day of September, 2023; whereupon the roll was called of the members of the Board of Directors, to wit:

James Koerner	President
Ronald Ubertini	Vice President
Kim Clifford	Secretary
Keri Parker	Assistant Secretary
Vito Sciaraffia	Assistant Secretary

All members of the Board were present, except Director _____, thus constituting a quorum.

WHEREUPON, among other business conducted by the Board, Director Clifford introduced the Order set out below and moved its adoption, which motion was seconded by Director Ubertini and, after full discussion and the question being put to the Board of Directors, said motion was carried by the following vote:

"Aye": __; "No": __.

The Order thus adopted is as follows:

WHEREAS, the District may levy a tax on all taxable property in the District to provide for payment of expenses as set out in Section 49.107(a), Texas Water Code;

WHEREAS, at an election held on May 13, 2006, the District's registered voters authorized an unlimited maintenance tax on all taxable property within the District;

WHEREAS, the District may levy a tax on all taxable property in the District in sufficient amount to pay the interest on outstanding bonds and to create a sinking fund for the payment of the principal amount of such bonds when due as set out in Section 54.601, Texas Water Code;

WHEREAS, the District on February 16, 2010 issued its \$2,350,000 Unlimited Tax Bonds, Series 2010;

WHEREAS, the District on October 20, 2011 issued its \$1,920,000 Unlimited Tax Bonds, Series 2011;

WHEREAS, the District on March 16, 2016 issued its \$1,000,000 Unlimited Tax Bonds, Series 2016;

WHEREAS, the District on February 27, 2018 issued its \$1,220,000 Unlimited Tax Park Bonds, Series 2018;

WHEREAS, the Board of Directors has reviewed and approved its operation budget for its fiscal year October 1, 2023 through September 30, 2024 and has determined what maintenance tax rate should be set to meet such budget requirements; and

WHEREAS, the appraisal roll of the District for 2023 has been prepared and certified by the Travis Central Appraisal District and submitted to the District's tax collector.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF BELVEDERE MUNICIPAL UTILITY DISTRICT THAT:

I.

The debt service tax rate for the year 2023 to pay interest on bonds and create a sinking fund for payment of principal on bonds shall be _____ cents \$0.____ per one hundred dollars (\$100) of assessed valuation, and the maintenance tax rate for the year 2023 shall be _____ cents \$0.____ per one hundred dollars (\$100) of assessed valuation for a total tax rate of twenty-two and twenty-five hundredths \$0.____ per one hundred dollars (\$100) of assessed valuation. The Travis County Tax Assessor and Collector shall take all steps necessary and authorized by the law to collect taxes as owed pursuant to this order. Said taxes shall be levied, assessed and collected at the total rate of _____ cents \$0.____ per one hundred dollars (\$100) of assessed valuation for 2023 as provided for in Chapter 49, Texas Water Code, and all other applicable laws.

II.

The President and Vice President are authorized to execute, and the Secretary or any Assistant Secretary are authorized to attest, this order on behalf of the Board of Directors.

III.

The Secretary of the Board is hereby directed to file a copy of this Order in the official records of the District.

PASSED, APPROVED, AND ADOPTED this the 27th day of September, 2023.

ATTEST:

James Koerner, President
Board of Directors

Kim Clifford, Secretary
Board of Directors

[SEAL]

Agenda Item No. 6

Discuss, consider, and take action as necessary concerning amendments to the budget for the 2022-2023 fiscal year.

ORDER AMENDING THE 2022-2023 DISTRICT BUDGET

STATE OF TEXAS

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COUNTY OF TRAVIS

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BELVEDERE MUNICIPAL UTILITY DISTRICT

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The Board of Directors of Belvedere Municipal Utility District met in special session, open to the public, after due notice, at The Belvedere Amenity Center, 17400 Flagler Drive, Austin, Texas, within the boundaries of the District, on the 27th day of September, 2023; whereupon the roll was called of the members of the Board of Directors, to wit:

James Koerner	President
Ronald Ubertini	Vice President
Kim Clifford	Secretary
Keri Parker	Assistant Secretary
Vito Sciaraffia	Assistant Secretary

All members of the Board were present, except Director _____, thus constituting a quorum.

WHEREUPON, among other business conducted by the Board, Director _____ introduced the Order set out below and moved its adoption, which motion was seconded by Director _____ and, after full discussion and the question being put to the Board of Directors, said motion was carried by the following vote:

"Aye" __; "No" __.

The Order thus adopted is as follows:

WHEREAS, a special meeting of the Board of Directors of Belvedere Municipal Utility District (the "District") was held on September 27, 2023; and

WHEREAS, the Board of Directors previously projected the operating expenses and revenues for the District for the period October 1, 2022 through September 30, 2023, and adopted an operating budget consistent therewith; and

WHEREAS, the Board of Directors is of the opinion that the District's budget should be amended to reflect adjustments made to the operating expenses and revenues of the District.

NOW THEREFORE BE IT ORDERED THAT:

1. The revised operating budget attached hereto as **Exhibit "A"** is hereby adopted.

2. The Secretary of the Board of Directors is hereby directed to file a copy of this Order Amending the 2022-2023 District Budget in the official records of the District.

PASSED AND APPROVED this 27th day of September 2023.

James Koerner, President
Board of Directors

ATTEST:

Kim Clifford, Secretary
Board of Directors

Agenda Item No. 7

Discuss, consider, and take action as necessary to adopt an amended District Information Form and Notice to Purchaser.

AMENDED INFORMATION FORM FILED PURSUANT TO
SEC. 49.455 OF THE TEXAS WATER CODE FOR
BELVEDERE MUNICIPAL UTILITY DISTRICT

1. The name of the District is Belvedere Municipal Utility District of Travis County.
2. The District consists of 443.695 acres, more or less, more particularly described by the metes and bounds map in the Belvedere Municipal Utility District Amended Information Form dated September 16, 2014, recorded as Document No. 2007177340, Official Public Records, Travis County, Texas.
3. The most recent rate of District-wide taxes on property located in the District for operation and maintenance purposes is \$0._____ on each \$100 of assessed valuation.
4. The most recent rate of District-wide taxes on property located in the District for debt service is \$0._____ on each \$100 of assessed valuation.
5. The total amount of bonds which have been approved by the voters and may be issued by the District (excluding refunding bonds and any bonds or portion of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) is \$7,920,000.
6. The aggregate initial principal amount of all bonds of the District payable in whole or in part from taxes (excluding refunding bonds and any bonds or portion of bonds payable solely from revenues received or expected to be received pursuant to a contract with a governmental entity) that have been previously issued is \$6,490,000.
7. The District does not currently impose a standby fee.
8. The District was duly and lawfully created and operates pursuant to the terms and provisions of Article XVI, Section 59 of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code.
9. The functions performed or to be performed by the District are to provide water, and drainage services, and recreational facilities.
10. The particular form of Notice to Purchasers required by Sec. 49.452 of the Texas Water Code to be furnished by a seller to a purchaser of real property in the District, completed by the District with all information required to be furnished by the District, is attached hereto as Exhibit "A".

This Amended Information Form supersedes the Information Form filed in the Travis County Official Public Records as Document No. 2021220352.

SIGNED this 27th day of September, 2023.

James Koerner, President
Board of Directors

Ronald Ubertini, Vice President
Board of Directors

Kim Clifford, Secretary
Board of Directors

Keri Parker, Assistant Secretary
Board of Directors

Vito Sciaraffia, Assistant Secretary
Board of Directors

(SEAL)

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

This instrument was acknowledged before me on September 27, 2023 by James Koerner, Ronald Ubertini, Kim Clifford, Keri Parker, and Vito Sciaraffia as Directors of Belvedere Municipal Utility District.

Notary Public, State of Texas

(SEAL)

Exhibit A

NOTICE TO PURCHASERS

The real property, described below, which you are about to purchase, is located in BELVEDERE MUNICIPAL UTILITY DISTRICT OF TRAVIS COUNTY. The District has taxing authority separate from any other taxing authority, and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the District on real property located in the District is \$0.____ on each \$100 of assessed valuation. The total amount of bonds approved by the voters and which have been or may, at this date, be issued is \$7,920,000 and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the District and payable in whole or in part from property taxes is \$6,490,000.

The District has the authority to adopt and impose a standby fee on property in the District that has water, sewer, sanitary, or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The District may exercise the authority without holding an election on the matter. As of this date, the amount of the standby fee is \$-0- per month. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the District stating the amount, if any, of unpaid standby fees on a tract of property in the District.

The District is not located within the full purpose limits or extraterritorial jurisdiction of any municipality. By law, a district located in the extraterritorial jurisdiction of a municipality may be annexed without the consent of the district or the voters of the district. When a district is annexed, the district is dissolved.

The purpose of this District is to provide water, drainage, and recreational facilities and services within the District through the issuance of bonds payable in whole or in part from property taxes. The cost of these utility facilities is not included in the purchase price of your property, and these utility facilities are owned or to be owned by the District. In addition, either through taxation or fees, the District may provide fire protection facilities, and solid waste disposal services. The legal description of the property, which you are acquiring, is as follows:

Date

Signature of Seller

PURCHASER IS ADVISED THAT THE INFORMATION SHOWN ON THIS FORM IS SUBJECT TO CHANGE BY THE DISTRICT AT ANY TIME. THE DISTRICT ROUTINELY ESTABLISHES TAX RATES DURING THE MONTHS OF SEPTEMBER THROUGH DECEMBER OF EACH YEAR, EFFECTIVE FOR THE YEAR IN WHICH THE TAX RATES ARE APPROVED BY THE DISTRICT. PURCHASER IS ADVISED TO CONTACT THE DISTRICT TO DETERMINE THE STATUS OF ANY CURRENT OR PROPOSED CHANGES TO THE INFORMATION SHOWN ON THIS FORM.

The undersigned purchaser hereby acknowledges receipt of the foregoing notice at or prior to execution of a binding contract for the purchase of the real property described in such notice or at closing of purchase of the real property.

Date

Signature of Purchaser

(Note: Correct district name, tax rate, bond amounts and legal description are to be placed in the appropriate space.) Except for notices included as an addendum or paragraph of a purchase contract, the notice shall be executed by the seller and purchaser, as indicated. If the district does not propose to provide one or more of the specified facilities and services, the appropriate purpose may be eliminated. If the district has not yet levied taxes, a statement of the district's most recent projected rate of tax is to be placed in the appropriate space. If the district does not have approval from the commission to adopt and impose a standby fee, the second paragraph of the notice may be deleted. For the purposes of the notice form required to be given to the prospective purchaser prior to execution of a binding contract of sale and purchase, a seller and any agent, representative, or person acting on the seller's behalf may modify the notice by substitution of the words 'January 1, _____' for the words 'this date' and place the correct calendar year in the appropriate space.

Agenda Item No. 9

Discuss, consider, and take action as necessary regarding adoption of District Drainage System Issue Resolution Guidelines.

DRAFT (9/12/23)

Belvedere Municipal Utility District Drainage System Issue Resolution Guidelines

The Belvedere Municipal Utility District (District) owns and operates the drainage facilities serving the District. Design Criteria and Requirements for the District's Drainage System (DDC&R) are as established by the District's Engineer. The District Engineer shall monitor the proper operation and maintenance of the District's drainage facilities. The Board shall from time to time approve updates to the DDC&R including, but not limited to additions or alterations to the District's Drainage System due to erosion, flooding, variation in expected water flows or changes in water pathways, as recommended by the District Engineer.

Lot drainage shall follow the natural drainage to the street, utility easement or natural grade elevations. Each Owner is responsible for managing lot surface drainage. All requirements of the District or other governmental agencies also must be met. It is the Owner's responsibility to determine compliance with all District or other governmental requirements. Consistent therewith, a lot owner shall direct rainwater and/or irrigation runoff from his or her lot to appropriate drainage areas or easements so as to minimize the impact of the runoff on neighboring lots. If an issue regarding runoff is brought to the attention of the Board, the Board (with guidance from the District Engineer) may, in its sole discretion, seek to help facilitate identification of the source of any problem and/or recommend a resolution thereof. However, resolution of any such matter shall remain the responsibility of the relevant lot owners.

A lot owner is also responsible for ensuring that all Improvements on his or her lot are in compliance with the DDC&R. If changes are made to the DDC&R, the lot owner shall be responsible for bringing any lot Improvements into compliance. The Board (with guidance from the District Engineer) shall provide guidance to the lot owner with regards to what is required to come into compliance. However, any additional costs incurred by the Board (including legal and engineering fees) to bring an Improvement into compliance will be the responsibility of the lot owner. Notwithstanding the foregoing, if a change to the DDC&R for a given lot is caused by (i) Improvements on or topography changes to one or more lots and/or common areas other than the lot where the change is required or (ii) increases in expected water flows or changes in water pathways, the Board (with guidance from the District Engineer) shall assist in determining the party (or parties) responsible for implementing the required changes and the extent to which each party shall bear the costs thereof.

If changes to the DDC&R are located on common areas within the District or caused by alterations to the topography directly attributable to acts undertaken by the District, the District shall bear (i) the responsibility for implementing the changes to the DDC&R and (ii) all of the cost thereof.

Agenda Item No. 12

Discuss, consider, and take action as necessary concerning annual review of District's Investment Policy.

**ORDER APPROVING THE INVESTMENT POLICY OF
BELVEDERE MUNICIPAL UTILITY DISTRICT**

THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

WHEREAS, the Belvedere Municipal Utility District (the “District”) has adopted a written investment policy concerning the investment of its funds under its control as required by Chapter 2256 the Texas Government Code, which is also known as the Texas Public Funds Investment Act (the “Investment Policy”);

WHEREAS, the Investment Policy and investment strategies are contained within the District’s rules and policies;

WHEREAS, pursuant to the Investment Policy and the Texas Public Funds Investment Act, the District’s Board of Directors must review the Investment Policy and investment strategies at least annually; and

WHEREAS, the District’s Board of Directors has reviewed the Investment Policy and has determined that changes or amendments to the Investment Policy are necessary at this time due to changes to the Texas Public Funds Investment Act made in the 88th Texas Legislative Session.

NOW THEREFORE, it is ordered by the Board of Directors of the District as follows:

Section 1: The above recitals are true and correct and are incorporated into this Order for all purposes.

Section 2: The District’s Board of Directors has reviewed the District’s Investment Policy and investment strategies therein, and has determined that amendments to the Investment Policy are necessary at this time to make changes consistent with amendments to the Texas Public Funds Investment Act made in the 88th Texas Legislative Session.

Section 3. The District’s revised Investment Policy is included as Attachment A and is incorporated into this Order for all purposes.

PASSED AND APPROVED this 27th day of September, 2023.

**BELVEDERE MUNICIPAL UTILITY
DISTRICT**

James Koerner
President, Board of Directors

ATTEST:

Kim Clifford
Secretary, Board of Directors

ATTACHMENT “A”

INVESTMENT POLICY

**INVESTMENT POLICY AND STRATEGY FOR
BELVEDERE MUNICIPAL UTILITY DISTRICT
(the “Investment Policy”)**

I. GENERAL POLICY

It is the policy of the Belvedere Municipal Utility District (the “District”) to invest public funds in a manner which will provide the maximum security of principal while meeting the daily cash flow demands of the District and achieving a reasonable rate of return while conforming to all state statutes and District regulations governing the investment of public funds, including, but not limited to, the Texas Public Funds Investment Act, Chapter 2256 of the Texas Government Code.

II. SCOPE

This Investment Policy applies to all financial assets held directly by the District. These financial assets are accounted for in the District’s annual financial reports and include all moneys in the following funds:

- General Fund
- Debt Service Fund
- Capital Projects Fund
- Debt Service Reserve Fund
- Any new fund created by the governing body

Financial assets of the District held and invested by trustees or fiscal agents are excluded from these policies; however, such assets shall be invested in accordance with state laws applicable to the investment of local government funds and in accordance with the District’s primary investment objectives.

III. INVESTMENT OBJECTIVES

The District’s primary investment objectives, in order of priority, are the following:

- A. Safety. Safety of principal is the foremost objective of the District’s investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

- B. Liquidity. The District's investment portfolio shall remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.
- C. Return on Investment. The District's investment portfolio shall be designed with the objective of attaining a market rate of return throughout the budgetary and economic cycles, taking into account the District's investment risk constraints and the cash flow characteristics of the portfolio.

IV. INVESTMENT AUTHORITY

Management responsibility for the District's investment program is hereby delegated to the District's Operational and Systems Manager. The Operational and Systems Manager shall designate an individual within such firm to serve as the District's Investment Officer and so notify the District in writing, as to such individual's name, along with a certification that such individual has completed the investment training as required by Chapter 2256 of the Government Code, as may be amended from time to time. The District's Board of Directors (the "Board") shall have the authority to establish additional specific written procedures for the operation of the investment program which are consistent with this Investment Policy. The procedures shall include explicit delegation of authority, if any, to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board. The Investment Officer shall be ultimately responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials and employees. The controls shall be designed to prevent and control losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by officers and employees. The Investment Officer shall maintain all records related to the District's investment program.

V. PRUDENT PERSON RULE

The actions of the Investment Officer in the performance of his or her duties as manager of the District's funds shall be evaluated using the "prudent person" standard. Investments shall be made with judgment and care under prevailing circumstances which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment considering the probable safety of their capital as well as the probable income to be derived.

The Investment Officer acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's performance provided that deviations from expectations are reported in a timely fashion to the Board and appropriate action is taken to control adverse developments.

VI. AUTHORIZED INVESTMENTS

The funds of the District available for investment shall be invested in accordance with this policy and all applicable state statutes only in the following types of investment instruments:

Authorized Investment Instruments

1. Obligations, including letters of credit, of the United States and of its agencies and instrumentalities.
2. Direct obligations of the State of Texas or its agencies and instrumentalities.
3. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;
4. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; and
5. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; provided, however, that for options 1 through 5, none of the following conditions exist (collectively, the "Exceptions"):
 - a. obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal;
 - b. obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
 - c. collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
 - d. collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.
6. Certificates of deposit:
 - a. where the certificate is issued by a depository institution that has its main office or a branch office in this state and is:
 - (i) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
 - (ii) secured by obligations that are described by Investment No. 5, above, including mortgage backed securities directly issued by a federal

- agency or instrumentality that have a market value of not less than the principal amount of the certificates, but excluding those mortgage backed securities of the nature described by the Exceptions; or
- (iii) secured in any other manner and amount provided by law for deposits of the investing entity; or

b. whereby:

- (i) the certificates are issued through:
- (A) a broker that has its main office or a branch office in this state and is selected from a list adopted by the District in accordance with the PFIA; or
- (B) a depository institution that has its main office or a branch office in this state and that is selected by the District;
- (ii) such broker or depository institution arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the investing entity;
- (iii) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
- (iv) the District appoints the depository institution selected by the investing entity under Subsection (a), an entity described by Section 2257.041(d) of the Public Funds Collateral Act, Texas Government Code, Chapter 2257, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the District.

7. A fully collateralized repurchase agreement, if such agreement

- a. has a defined termination date;
- b. is secured by a combination of cash and the obligations set forth in No. 1, above, and placed through a primary government securities dealer or a financial institution doing business in Texas;
- c. requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity either directly or through a joint account approved by the entity, held in the entity's name either directly or through a joint account approved by the entity, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity; and
- d. is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state.

A fully collateralized repurchase agreement may be submitted for clearing and settlement to a covered clearing agency, as defined by the Securities and Exchange Commission Rule in 17Ad-22 (17.C.F.R. Section 240.17Ad-22).

An investment management firm that has been authorized to invest in repurchase agreements using a joint account must ensure that (1) accounting and control procedures are implemented to document the District's aggregate daily investment and pro rata share in the joint account; (2) each party participating in the joint account retains the sole rights of ownership to its pro rata share of assets invested in the joint account, including investment earnings on those assets; and (3) policies and procedures are implemented to prevent a party participating in the joint account from using any part of the balance of the joint account that is credited to another party.

8. Bankers' acceptance, if such acceptance:
 - a. has a stated maturity of 270 days or less;
 - b. will be liquidated in full at maturity;
 - c. is eligible for collateral for borrowing from a Federal Reserve Bank; and
 - d. is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

9. Money market mutual funds which are no-load and are:
 - a. registered with and regulated by the Securities and Exchange Commission (SEC);
 - b. provides the investing entity with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. § 78a *et. seq.*) or the investment company act of 1940 (15 U.S.C. § 80a-1 *et. seq.*); and
 - c. complies with federal Securities and Exchange Commission Rule 2a-7 (17 C.F.R. § 270.2a-7), promulgated under the Investment Company Act of 1940 (15 U.S.C. § 80a-1 *et. seq.*).

10. A no-load mutual fund if the mutual fund is:
 - a. registered with the SEC;
 - b. has an average weighted maturity of less than two (2) years; and
 - c. either:
 - (i) has a duration of one (1) year or more and is invested exclusively in obligations approved by Subchapter A of the Texas Public Funds Investment Act; or
 - (ii) has a duration of less than one (1) year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities.

11. Interest-bearing banking deposits that are guaranteed or insured by:
 - a. the Federal Deposit Insurance Corporation or its successor; or
 - b. the National Credit Union Share Insurance Fund or its successor.

12. Interest-bearing banking deposits other than those described by Section 11 (above) if:
 - a. the funds invested in the banking deposits are invested through:
 - (i) a broker with a main office or branch office in this state that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Section 2256.025 of the Texas Government Code; or
 - (ii) a depository institution with a main office or branch office in this state that the investing entity selects;
 - b. the broker or depository institution selected as described by Paragraph (A) arranges for the deposit of the funds in the banking deposits in one or more federally insured depository institutions, regardless of where located, for the investing entity's account;
 - c. the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and
 - d. the investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account:
 - (i) the depository institution selected as described by Paragraph (a);
 - (ii) an entity described by Section 2257.041(d); or
 - (iii) a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

13. Securities issued by a state or local government, or any instrumentality or agency thereof, in the United States, and rated in one (1) of the three (3) highest categories by a nationally recognized rating agency.

14. Investment Pools which invest instruments and follow practices allowed by current law. The Board of Directors must approve a formal agreement to participate (by resolution) in each pool providing services to the District. The pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service. A public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonably possible, stabilize at a \$1 net asset value. The pool must provide monthly reports that contain:
 1. the types of investments in which money is allowed to be invested;

2. the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
3. the maximum stated maturity date any investment security within the portfolio has;
4. the objectives of the pool;
5. the size of the pool;
6. the names of the members of the advisory board of the pool and the dates their terms expire;
7. the custodian bank that is safekeeping the assets of the pool;
8. whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
9. whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
10. the name and address of the independent auditor of the pool;
11. the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool;
12. the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios; and
13. the pool's policy regarding holding deposits in cash.

Any investment pool that is created to function as a money market mutual fund must maintain a maximum average dollar weighted maturity that does not exceed 90 days; and,

Any investment pool that does not meet the requirements of one that is created to function as a money market mutual fund, must maintain a maximum average dollar weighted maturity that does not exceed 365 days (or 366 days in the case of a leap year) and must provide a fixed interest rate and fixed maturity term for each pool position.

A public funds investment pool that uses amortized cost or fair value accounting must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1.00 net asset value, when rounded and expressed to two decimal places. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, the governing body of the public funds investment pool shall take action as the body determines necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and any other forms of reporting, a public funds investment pool that uses amortized cost shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.

15. Bond proceeds and pledged revenue, only to the extent permitted by the Public Funds Investment Act, in accordance with this policy and statutory provisions governing the debt issuance or the agreement, as applicable. "Pledged Revenue" means money pledged to the payment of or as security for: (1) bonds or other indebtedness issued by the District; (2) obligations under a lease, installment sale, or other agreement of the District; or (3) certificate of participation in a debt obligation described by Section 15(1) or Section 15(2).

VII. DIVERSIFICATION OF INVESTMENTS

The District recognizes that some level of risk is inherent in any investment transaction. Losses may be incurred due to issuer default, market price changes, or closing investments prior to maturity due to unanticipated cash flow needs. Diversification of the District's investment portfolio by institution, type of investment, instrument, and term to maturity is the primary method to minimize investment risk.

VIII. INVESTMENT STRATEGY BY FUND

1. Debt Service Funds – The District shall maintain as its primary objective to maximize the suitability of the investment in such funds to the financial requirements of the District, while preserving the safety of principal with regard to all monies collected or allocated for debt service. Secondly, the District will seek to maximize the return on such funds while insuring sufficient funds for timely payments of its debt obligations.

In order to accomplish this, the District will invest such funds in amounts and maturity dates that most likely match the debt service requirements of the District, taking into account the need for liquidity, marketability if the need arises to liquidate, diversification and yield.

2. Operating Fund – The District shall maintain as its primary objective to maximize the suitability of the investment in such funds to the financial requirements of the District, while preserving the safety of principal with regard to all monies collected or allocated for debt service. Secondly, the District will seek to maximize the return on such funds while insuring sufficient funds for timely payments of its debt obligations.

In order to accomplish this, the District will maintain adequate balances in short-term investments with necessary liquidity to ensure that sufficient funds are available for the continued operations of the District. Funds will not be invested in securities with stated maturities that exceed the reasonable expected expenditure time period. This strategy is intended to ensure that the District will avoid liquidating all or part of its investments in uncertain market conditions.

3. Debt Service Reserve Funds – Investment strategies for debt service reserve fund shall have as the primary objective to maximize the suitability of the investment in such funds to the financial requirements of the District, while preserving the ability to generate a dependable revenue stream to the appropriate debt service fund from securities with a low degree of volatility. Except as may be required by the bond ordinance specific to an individual issue, securities should be of high quality, with short to intermediate term maturities. Volatility shall be further controlled through the purchase of securities carrying the highest coupon available within the desired maturity and quality range, without paying a premium, if at all possible. Such securities will tend to hold their value during economic cycles.
4. Capital Improvement Fund – The District may choose to have a capital improvement fund or capital projects fund from time to time and, if so, shall maintain as its primary objective to maximize the suitability of the investment in such funds to the financial requirements of the District while preserving the safety of principal with regard to all monies collected or allocated for such fund. Secondly, the District will seek to maximize the return on such funds while insuring sufficient funds for timely payments of its budgeted capital obligations.

In order to accomplish this, the District will maintain adequate balances in short-term investments with necessary liquidity to ensure that sufficient funds are available for the capital programs of the District. Funds will not be invested in securities with stated maturities that exceed the reasonable expected expenditure time period. This strategy is intended to ensure that the District will avoid liquidating all or part of its investments in uncertain market conditions.

To the extent possible, the District will attempt to match its investments with uninterrupted cash flow requirements. Unless matched to a specific cash flow need, the District's funds should not, in general, be invested in securities maturing more than 10 (ten) years from the date of purchase.

IX. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The District's Investment Officer shall maintain a list of financial institutions authorized to provide investment services to the District. In addition, a list shall be maintained of approved security brokers/dealers who maintain an office in the State of Texas.

All financial institutions and broker/dealers who desire to provide investment services to the District shall execute a written statement stating that an authorized principal of the business has received and thoroughly reviewed the Investment Policy and that reasonable procedures and controls have been implemented to preclude imprudent investment activities. Additionally, these firms should supply the District's Investment Officer with information sufficient to adequately evaluate the institution and answer any and all inquiries posed by the District's Investment Officer or the governing body, including the following information:

- A. Audited financial statements.
- B. Regulatory reports on financial conditions.
- C. Written memorandum of Agreement for the deposit of public funds or trading resolution, as appropriate.
- D. Proof of National Association of Security Dealers certification and proof of state registration.
- E. Any additional information considered necessary to allow the District's Investment Officer to evaluate the credit worthiness of the institution.

The District's Investment Officer shall evaluate the financial capacity and credit worthiness of financial institutions and broker/dealers prior to the placement of the District's funds. The District's Investment Officer shall conduct an annual review of the financial condition and registrations of financial institutions and broker/dealers and, based on the review, make any recommendations regarding investment policy or program changes determined to be necessary.

X. SAFEKEEPING AND CUSTODY

To protect against potential fraud and embezzlement, investment assets shall be secured through third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party institutions. The District's Investment Officer and any other officers or employees of the District authorized to engage in investment transactions shall be bonded in an amount established by the governing body. Collateralized securities, such as repurchase agreements shall be purchased using the delivery vs. payment procedure. Money market mutual funds used for investments must provide for independent custodians of their portfolios and delivery vs. payment on their portfolio securities. The safekeeping procedures utilized in the District's investment program shall be reviewed annually by the independent auditor.

XI. COLLATERAL

It is the policy of the District to require that all cash and investments maintained in any financial institution named as a depository be collateralized. In order to anticipate market changes and provide a level of security for all funds, the collateralization level shall be 100% of the market value of principal, plus accrued interest. Collateral shall be limited to the types of instruments authorized as collateral for public funds under the Texas Public Funds Investment Act, Chapter 2256 of the Texas Government Code.

Collateral shall always be held by an independent third-party custodian with whom the District has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the District and retained by the District's Investment Officer. The right of collateral substitution is hereby granted.

XII. INVESTMENT MONITORING/REPORTING

The District's Investment Officer shall prepare and submit to the governing body at least quarterly a report to the District Board of Directors regarding the status of the District's investment program. The report shall:

- A. Describe in detail the investment position of the District;
- B. Name of financial institution from which the investment was purchased or in which assets are deposited.
- C. Type of investment.
- D. Certificate or other reference number, if applicable.
- E. Percentage yield on an annualized basis.
- F. Purchase date, purchase price and maturity date.
- G. Current market value of the investment.;
- H. State the reporting period beginning book and market value, fully accrued interest during the period, and ending book and market value for the period for each pooled fund group;
- I. State the reporting period ending book and market value for each investment security by asset type and fund type;
- J. State the maturity date of each investment security;
- K. State the fund type for which each investment security was purchased, and;
- L. State the compliance of the investment portfolio with the District's Investment Policy and the Public Funds Investment Act.

In addition, the report shall explain the quarter's total investment return and compare the return with budgetary expectations.

The quarterly report shall also explain the quarter's total investment return, compare the return with budgetary expectation, and shall summarize recent market conditions, economic developments and anticipated investment conditions, rating changes in the District's investments (if any), and indicate any areas of policy concern and suggested revisions of investment strategies. Copies of the report shall be submitted to the District Board of Directors. The Investment Officer shall make the reports from the holders of the District's investments available upon request.

XIII. AUDIT

In connection with the audit of the District's funds conducted by an independent certified public accountant, the auditor shall conduct a review of the District's investment program, including internal controls and procedures, and the results of the reviews, including recommended changes, shall be included in the District's audit.

XIV. INVESTMENT POLICY ADOPTION

The District's Investment Policy shall be adopted by order of the Board and shall become effective on the date set forth in the order. The Investment Policy shall be reviewed annually and revised, as appropriate. Any amendments to this policy must be made by order of the Board.

Any investment held on the date of the initial adoption of this policy which does not meet the guidelines of this Investment Policy shall be exempted from its provisions. At maturity or liquidation, the monies so invested, if reinvested, shall be reinvested only in accordance with this policy. The District's Investment Officer may take a reasonable period of time to adjust the existing portfolio to the provisions of this policy in order to avoid the premature liquidation of any current investment.

CERTIFICATION

I hereby certify that I have received and thoroughly reviewed the investment policy of Belvedere Municipal Utility District ("District") and have implemented reasonable procedures and controls designed to preclude imprudent investment activities arising out of investment transactions conducted between this firm and the District. Transactions between this firm and the District will be directed towards protecting the District from credit or market risk.

All the sales personnel of this firm dealing with the District's account have been informed and will be routinely informed of the District's investment horizons, limitations, strategy and risk constraints, whenever we are so informed.

This firm pledges due diligence in informing the District through its duly appointed Chief Financial Officer and its duly appointed Investment Officer of foreseeable risks associated with financial transactions connected to this firm.

(Firm)

(Signature of Registered Principal)

(Name)

(Title)

(Date)

Notification Phone Nos. & Addresses of the District:

Board of Directors

Belvedere Municipal Utility District
c/o David Klein
Lloyd Gosselink Rochelle
& Townsend, P.C.
816 Congress Avenue, Suite 1900
Austin, TX 78701
512-322-5814

Investment Officer

Jeff Monzingo
Montoya & Monzingo, LLP
P.O. Box 2029
203 Railroad Avenue North
Pflugerville, TX 78691-2029
512-251-5668

Agenda Item No. 14

Receive report concerning summary of 2023 Legislative Session.

CONFIDENTIAL/ATTORNEY-CLIENT COMMUNICATION

MEMORANDUM

TO: 2023 Legislative Session Client Group

FROM: David Klein, Danielle Lam, and Chloe Daniels

DATE: September 22, 2023

RE: Summary of Pertinent Bills from the 88th Texas Legislative Session

Client Group:

The 2023 Legislative Session once again proved to be an eventful endeavor. Over 8,100 bills were filed in the regular session, and a summary of the critical water/wastewater/local government bills that passed and that did not pass, are provided below.

PASSED LEGISLATION

Senate Bill 28 (Perry/Blanco/Creighton/Eckhardt/Flores/Hall/Hancock/Hinojosa/Kolkhorst/Parker/Schwertner/West/Zaffirini) and House Bill 10 (King, Tracy O./Troclair/Allison/Bell, Cecil/Bell, Keith/Bonnen/Buckley/Canales/Capriglione/Cook/Cunningham/Dean/Geren/Harless/Harris, Cody/Hernandez/Holland/Lambert/Landgraf/ Lopez, Janie/ Morales Shaw/Murr/Ordaz/Orr/Patterson/Paul/Plesa/Price/Raney/Rogers/Spiller/Tepper/Vasut/Walle) - Effective September 1, 2023, except that Section 2 of the Act takes effect January 1, 2024, if the constitutional amendment creating the “water supply for Texas fund” is approved by the voters. If that constitutional amendment is not approved by the voters, then Section 2 of this Act has no effect. Such legislation creates a new Subchapter C-1 to Chapter 15 of the Texas Water Code (TWC).

This Bill relates to financial assistance provided and programs administered by the Texas Water Development Board.

- Section 1 details the addition of Subchapter G-1 to Chapter 15, Water Code regarding the Water Supply for Texas Fund.
- Section 2 details the addition of Subchapter H-1, Texas Water Fund, which is a special state treasury fund outside the general revenue.
- Section 4 amends TWC § 15.994(c) regarding a program to provide technical assistance to retail public utilities in conducting water audits.

The purpose of such find is to focus on providing financial assistance to political subdivisions to develop water supply projects that create new water sources for the state, including:

- (A) desalination projects, including marine and brackish water desalination;
- (B) produced water treatment projects, other than projects that are only for purposes of oil and gas exploration;
- (C) aquifer storage and recovery projects; and
- (D) the development of infrastructure to transport water that is made available by a project described by this subdivision;

Senate Bill 317 (Hall) - This Bill relates to appellate jurisdiction of the Public Utility Commission (PUC) regarding the amount of membership fees assessed by a water supply or sewer service corporation to a new member. Specifically, TWC § 13.043 is amended with Subsection (g-1): *“An applicant for service from a water supply or sewer service corporation may appeal to the utility commission for a determination of whether the regular membership fee or tap fee required to be paid to obtain service is consistent with the tariff of the water supply or sewer service corporation. If the utility commission finds that the fee is inconsistent with the tariff of the water supply or sewer service corporation, the utility commission shall issue an order requiring the water supply or sewer service corporation to charge the applicant an amount consistent with the tariff. An appeal under this subsection must be initiated not later than the 30th day after the date the water supply or sewer service corporation provides the applicant with the cost of obtaining service.”*

Senate Bill 469 (Springer/Zaffirini) - This Bill relates to eligibility of certain political subdivisions to receive financial assistance from the Texas Water Development Board (TWDB). Specifically, this Bill amends the TWC to change the rural political subdivisions eligible for assistance from the state water implementation fund for Texas under the Texas Water Assistance Program and the rural water assistance fund under the water financial assistance bond program from a nonprofit water supply or sewer service corporation, applicable conservation or reclamation district, or municipality with a service area of 10,000 or less in population or that otherwise qualifies for financing from a federal agency to the following:

- a nonprofit water supply or sewer service corporation created and operating under applicable Water Code provisions or a district or authority created under applicable constitutional provisions no part of the service area of which is located in an urban area with a population of more than 50,000;
- a municipality:
 - with a population of 10,000 or less part of the service area of which is located in an urban area with a population of 50,000 or more; or
 - located wholly in a county in which no urban area has a population of more than 50,000; or;
- an entity that:
 - is a nonprofit water supply or sewer service corporation created and operating under applicable Water Code provisions; a district or authority created under applicable

- constitutional provisions; a municipality, county, or other political subdivision of the state; or an interstate compact commission to which the state is a party; and
- demonstrates in a manner satisfactory to the TWDB that the entity is rural or the area to be served by the project is a wholly rural area despite not otherwise qualifying as a rural political subdivision under the other criteria.

The Bill retains as an applicable rural political subdivision a county in which no urban area has a population of more than 50,000. Last, this Bill repeals TWC § 15.992(4).

Senate Bill 471 (Springer) - This Bill relates to the investigation by the Texas Commission on Environmental Quality (TCEQ) of certain complaint investigations, through addition of TWC, Chapter 5, Subchapter E:

- *“Sec. 5.1774. FEES FOR MULTIPLE COMPLAINTS.*
 - *(a) The commission shall charge a person who files a complaint a fee before the commission investigates the complaint if, in the same calendar year in which the complaint is filed, the person has filed at least three complaints with the commission for which either the commission nor a local enforcement official took enforcement action before closing the file on the complaint.*
 - *(b) The commission by rule shall establish for each type of complaint a fee amount to be charged under Subsection (a) that the commission estimates is less than or equal to the cost to the commission of investigating most complaints of that type.*
 - *(c) the commission may waive the fee required by Subsection (a) for good cause.”*

Senate Bill 594 (Zaffirini/LaMantia) and House Bill 1612 (Lozano/Spiller) - These Bills add requirements for and charges for water service from public drinking water supply systems, proposing amendments to Texas Health and Safety Code (THSC) § 341.0305, with a focus on recreational vehicle parks:

- Requiring that each public drinking water supply system provide a sufficient quantity or capacity for the number of connections served.
- Empowering the TCEQ to establish connection equivalency values for each meter size used to serve a recreational vehicle park.
- See HB 2762 for echoed language on recreational vehicle connection counts and billing.

Senate Bill 893 (Zaffirini) - This Bill relates to the correction of a certificate of public convenience and necessity (CCN) for providing water or sewer utility service.

- TWC § 13.244 is amended with a new subsection (e): *“The executive director, at the discretion of the executive director or at the request of the certificate holder, may make a correction to a certificate of public convenience and necessity, without observing formal amendment procedures by reissuing the certificate or issuing an endorsement to the certificate. The executive director shall notify the certificate holder that the correction has been made and ensure that the reissued certificate or endorsement is recorded in the commission’s records. The executive director may make a correction under this subsection only:*
 - *(1) to correct a clerical or typographical error;*
 - *(2) to change the mailing address of the certificate holder to match updated contact information provided by the certificate holder;*
 - *(3) to change the name of an incorporated certificate holder on a certificate if:*

- (A) an amendment to the certificate holder’s articles of incorporation or certificate of formation, as applicable, is filed with the secretary of state that only changes the name of the certificate holder; and
- (B) the certificate holder provides verification from the secretary of state to the commission that the amendment only changed the name of the certificate holder;
- (4) to describe accurately the boundaries of the certificated area;
- (5) to correct a mapping error in a certificate to reflect the metes and bounds of the certificated area; or
- (6) to correct another similar nonsubstantive error or matter if authorized by the commission rule.”
- TWC § 13.246(j) is also amended: *“This section does not apply to an application under Section 13.258 or a correction under Section 13.244(e).”*

Senate Bill 1246 (Huffman/ Bonnen) – This Bill relates to authorized investments of public money by certain governmental entities and the confidentiality of certain information related to those investments.

- Government Code Chapter 2256 is amended with § 2256.011(a)(3) to allow securities or cash held by an entity to be pledged to the entity and held in the entity’s name either directly or through a joint account approved by the entity.
- Gov. Code § 2256.011 is amended with a new subsection (a-1): *“A repurchase agreement made by an investing entity under this section may be submitted for clearing and settlement to a covered clearing agency, as defined by the Securities and Exchange Commission in Rule 17Ad-22 (17 C.F.R. Section 240.17Ad-22).”*
- Gov. Code § 2256.011(b)(1) is amended: *“Joint account” means an account maintained by a custodian bank and established on behalf of two or more parties to engage in aggregate repurchase agreement transactions.”*
- Gov. Code § 2256.011 is amended with a new subsection (f): *“An investing entity that contracts with an investment management firm under Section 2256.003(b) may authorize the firm to invest the entity's public funds or other funds under the entity's control in repurchase agreements as provided by this section using a joint account.”*
- Gov. Code § 2256.011 is amended with a new subsection (g): *“An investment management firm responsible for managing a repurchase agreement transaction using a joint account on behalf of an investing entity as authorized under Subsection (f) must ensure that:*
 - (1) accounting and control procedures are implemented to document the investing entity's aggregate daily investment and pro rata share in the joint account;*
 - (2) each party participating in the joint account retains the sole rights of ownership to the party's pro rata share of assets invested in the joint account, including investment earnings on those assets; and*
 - (3) policies and procedures are implemented to prevent a party participating in the joint account from using any part of a balance of the joint account that is credited to another party.”*

Senate Bill 1289 (Perry/Zaffirini) - This Bill relates to the disposal of reclaimed wastewater.

- TWC, Chapter 26 is amended with § 26.02715, defining parameters for reuse of treated wastewater without a permit, as follows:

A wastewater treatment facility

or reclaimed water production facility that treats domestic wastewater for reuse may dispose of the treated wastewater without a permit for an alternative means of disposal if the facility:

(1) disposes of the treated wastewater through a wastewater collection system; and

(2) has the consent of the operator of:

(A) the wastewater collection system that will receive the treated wastewater; and

(B) any wastewater treatment facility that will further treat the treated wastewater.

(b) The owner of a reclaimed water production facility that meets the requirements of Subsection (a) may not be required to be the owner of an associated domestic wastewater treatment facility that is permitted by the commission.

(c) The commission shall adopt rules to implement and enforce this section.

Senate Bill 1351 (Perry/Johnson/Paxton/Schwertner/Springer) and House Bill 1565 (Canales/Holland/Goldman/Bell, Keith/Clardy) – These Bills pertain to Sunset Act provisions relating to the functions of the TWDB and continuation and functions of the State Water Implementation Fund for Texas Advisory Committee.

- TWC § 6.013 is amended to update the Sunset review timeline to 2035 and every 12th year thereafter.
- TWC § 6.062 is amended regarding required training for Board members:
 - *“(b) The training program must provide the person with information regarding:
 - (1) the law governing board operations;
 - (2) the programs, functions, rules, and budget of the board;
 - (3) the scope of and limitations on the rulemaking authority of the board;
 - (4) the results of the most recent formal audit of the board;
 - (5) the requirements of: (A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and (B) other laws applicable to members of a state policy-making body in performing their duties; and
 - (6) any applicable ethics policies adopted by the board or the Texas Ethics Commission.*
 - *“(d) The executive administrator shall create a training manual that includes the information required by Subsection (b). The executive administrator shall distribute a copy of the training manual annually to each member of the board. Each member of the board shall sign and submit to the executive administrator a statement acknowledging that the member received and reviewed the training manual.”*
- TWC § 16.0511 adds language regarding a feasibility review of certain projects in a state water plan.
- TWC § 16.053 is proposed for amendment:
 - *“(e-2) A regional water planning group may plan for drought conditions worse than the drought of record when developing a regional water plan under Subsection (e).”*

- TWC § 16.147 proposes amendment language to add “*Establishment of Certain Performance Goals and Metrics*” ... *as part of a comprehensive evaluation of the board’s review of proposed projects for compliance with programmatic and design requirements.*”
- TWC § 17.276 is amended at subsections:
 - “*(d-1) The board by rule may adopt procedures allowing the use of different standards of review and approval of design criteria for plans and specifications for sewerage collection, treatment, and disposal systems ...*”

Senate Bill 1368 (Schwertner/Johnson/Paxton/Perry/Springer) and House Bill 1500 (Holland/Bell, Keith/Canales/Goldman/Clardy) – These Bills primarily relate to the continuation and functions of the PUC and Office of Public Utility Counsel and Sunset Act provisions, with the following water legislation:

- Texas Utilities Code (TUC) § 12.005 application of the Sunset Act as relates to the continuation and functions of the PUC and Office of Public Utility Counsel. Unless the PUC continues in existence as provided by Government Code Chapter 325 or Chapter 39, the commission is to be abolished on September 1, 2029.
- TUC § 12.059 is amended regarding a training program for commissioners.
- TUC § 12.202 is amended to state that “*The policies adopted under this section must require the agenda for each regular commission meeting to include public testimony as a meeting agenda item and allow members of the public to comment on (1) each meeting agenda item unrelated to a contested case; and (2) other matters under the commission’s jurisdiction. (a-2) The commission may prohibit public comment at a regular commission meeting on a meeting agenda item related to a contested case.*”
- TUC § 12.203 mandates that the commission prepare a biennial report, to include “*(1) suggestions regarding modification and improvement of the commission’s statutory authority and for the improvement of utility regulation in general, including the regulation of water and sewer service under Chapter 13, Water Code, that the commission considers appropriate for promoting and furthering the interest of the public.*”
- TWC § 13.4132(b-1) “*Notwithstanding Section 5.505, the term of an emergency order issued under this section by the utility commission or the commission may not exceed 360 days. The emergency order may be renewed:*
 - *(1) once for a period not to exceed 360 days; or*
 - *(2) if the utility is undergoing a sale, transfer, merger, consolidation, or acquisition required to be reported to the utility commission under Section 13.301, for a reasonable time until the sale, transfer, merger, consolidation, or acquisition is complete.*”

Senate Bill 1397 (Schwertner/Johnson/Paxton/Perry/Springer) and House Bill 1505 (Bell, Keith/Holland/Goldman/Canales/Clardy/Lopez, Janie/Plesa) – These Bills of varied pertinence, which primarily address air quality standards at the Texas Commission on Environmental Quality, cleans up wording and modifies various Code sections.

- The TCEQ is subject to the Sunset Act. “*Unless continued in existence as provided by that chapter the commission is abolished September 1, 2035.*”
- TWC § 5.035, regarding training programs.
- TWC § 5.113, regarding policy-making and management responsibilities of the executive director and commission staff.
- TWC § 5.129 regarding public notice issued by the commission.

- TWC § 5.1734 regarding electronic posting of permit applications:
 - *“(a) The commission shall post on its website at the time a permit application becomes administratively complete:*
 - *(1) the permit application and any associated materials; and*
 - *(2) for a permit application under Subchapter D, Chapter 11, any map accompanying the permit application.*
 - *(b) Notwithstanding any other law, the commission shall require each applicant for a permit, permit amendment, or permit renewal that requires notice be published to include in the notice the address of the website where the public can access information about the permit as described by Subsection (a).*
 - *(c) In implementing this section, the commission shall consider and accommodate residents of each area affected by a proposed permit, permit amendment, or permit renewal who may need assistance accessing the application and associated materials because of a lack of access to Internet services, particularly when there is a heightened interest in or response to public notice or comment.*
 - *(d) Notice posted under this section shall be in lieu of a requirement that a physical copy of the permit be made available in a public place.”*
- TWC, Chapter 5, Water Code is amended with the addition of subchapter M-1 regarding publication of notice and virtual public meetings.
- TWC § 5.754 is amended regarding classification of a person’s compliance history:
 - The commission shall establish criteria for classifying a repeat violator, including (c)(2)(A) *“setting the number of major, moderate, and minor violations needed to be classified as a repeat violator;”* and
 - (c-1) *“The commission may review, suspend, or reclassify a person’s compliance history at any time if the commission determines that exigent circumstances exist.”*
- TWC § 7.052(c) is proposed for amendment to increase the penalty for violations within the jurisdiction of the commission to enforce, from \$25,000/day to \$40,000/day.
- TWC §§ 11.02363 and 11.1471, Water Code are amended regarding periodic review of environmental flow recommendations.
- An amendment to TWC §49.001(b) requires the commission to provide public notice and hearing of applications: *“The commission shall provide the notice to each state representative and state senator who represents an area inside the proposed district’s boundaries.”*

Senate Bill 1406 (Perry/Springer) and House Bill 3232 (Rogers) – These Bills relate to the suspension of an enforcement action against a regional water supply, sewer, or wastewater treatment service for a violation committed by a retail public utility being integrated into the regional service.

- Language is proposed for TWC § 7.0026, adding Subsection (c) to expand suspension of enforcement rights to include a water supply, sewer, or wastewater treatment service operated by a retail public utility during integration into a regional service administered by another entity.
- Section 2 specifies that the TCEQ shall adopt rules to implement this section by December 1, 2023.

Senate Bill 1778 (Alvarado) and House Bill 3417 (Rogers/Oliverson) – These Bills relate to the process for initiating, transferring, or terminating water or sewer service, through an addition of TWC § 13.152, as follows:

- “A retail public utility may initiate, transfer, or terminate a customer’s retail water or sewer service on receipt of a customer request by mail, by telephone, through an Internet website, or through another electronic transmission.”

Senate Bill 1865 (Nichols) and House Bill 2774 (Thompson, Ed) – These Bills address the treatment of income tax expenses in rate proceedings for water and sewer utilities, as follows:

- TWC § 13.1785(f) is proposed for amendment to provide that where certain expenses are included in utility rate base, the related tax benefit must also be included.

Senate Bill 2038 (Bettencourt) and House Bill 5217 (Bell, Cecil/Metcalf/Schofield/Bell, Keith/Tepper/Anderson/Ashby/Burns/Burrows/Cain/Harris,Cody/Harrison/Hefner/Holland/Hull/Kacal/Kitzman/Longoria/Oliverson/Price/Raymond/Reynolds/Rogers/Schaefer/Sherman, Sr./Spiller/Stucky/Tinderholt/Toth/VanDeaver/Wilson) – These Bills relate to release of an area from and limitations on the expansion of a municipality’s extraterritorial jurisdiction by petition or election.

- Section 1 amends Texas Local Government Code (TLGC), Chapter 42 with an addition of Subchapter D regarding petition of landowner or residents and Subchapter E regarding authority to request a municipal election for release.

Senate Bill 2097 (Birdwell) and House Bill 3514 (Burns) – These Bills relate to the authority of a municipality to annex property in certain water districts, providing an additional subsection to TLGC § 43.071(e)(4) “*property by a municipality with a population of 3,000 or less if the governing body of the district consents to the annexation.*”

Senate Bill 2521 (Creighton) and House Bill 2815 (Jetton/Troxclair) – These expansive Bills amend several chapters in the TWC related to the powers, authorities, duties and responsibilities of certain conservation and reclamation districts and to providing notice to a person who proposes to sell or convey real property located in any of certain conservation and reclamation districts to a prospective purchaser of that property.

- Language is modified for director qualifications, and appointed directors must be qualified.
- Additional language regarding division of district is added, amending TWC, Chapter 49, Subchapter J.
- Directors’ fee limit of \$150/day is stricken and replaced: “*The daily fee of office shall be set by resolution of the board and may not be more than the legislative per diem as set by the Texas Ethics Commission.*”
- Directors’ personal email is defined at § 49.065(d).
- Confirmation election mandates are listed at § 49.102, Water Code.
- The board is authorized to submit new money bond authorizations and refunding bond authorization in a single proposition at an election.
- Subchapter H is amended to state that “*A district operating under Chapters 51, 53, and 54 may not exercise the power of eminent domain outside the district boundaries to acquire ...*” certain property types.

- A new alternative resolution procedure is authorized at § 51.7131: *“In the alternative to the provisions of this subchapter for the substitution of land within the district, a district may substitute land in the manner provided by Sections 54.739 through 54.747, Water Code.”*
- Consolidation of districts is authorized at § 54.728(b).
- An amendment to the TLGC § 375.022 is proposed: *“(d) A petition may request that succeeding boards be elected under Section 375.0645 rather than be appointed under Section 375.064.”*
- Language is also added regarding elected directors, at § 375.0645, TLGC, including a clause for disqualification.

Senate Bill 2522 (Creighton) and House Bill 2816 (Jetton) (not companion) – These Bills relate to notice provided to purchasers of property and information filed with the county clerk by certain special districts amends TWC §§ 49.452 and 49.453.

- *“(a)(1) Any person who proposes to sell or convey real property located in a district as defined by this subsection must give to the purchaser the written notices as provided in this section.”*
- *“(2) For the purposes of this section, “district” means a district that: (A) operates pursuant to Chapter 375, Local Government Code; or (B) is created under this title or by a special Act of the legislature ...”*
- *“(3) The provisions of this section shall not be applicable to ... (E) transfers of title for the purpose of qualifying a director.”*
- Section 49.4525 is also amended regarding form of notice to purchaser of special taxing or assessment district.

Section 49.453 is also amended with added language:

- *“(e) A district required by Section 26.18, Tax Code, to maintain an Internet website or have access to a generally accessible Internet website for the purposes of that section, shall post or cause to be posted on the Internet the district’s form of notice to purchasers under Section 49.4525.”*

House Bill 1620 (Holland/Canales/Goldman/Bell, Keith/Clardy) - This Bill relates to Sunset review timelines for the TWDB.

- **Amendment:**
 - 05/24/23 authored by Schwertner – amendment adopted.
- TWC § 6.013. *“SUNSET PROVISION. The Texas Water Development Board is subject to review under Chapter 325, Government Code (Texas Sunset Act), but is not abolished under that chapter. The board shall be reviewed during the period in which state agencies abolished in 2025.”*

House Bill 2442 (Guillen) - This Bill relates to the procedure for amending or revoking CCNs issued to certain retail public utilities, applicable to proceedings commenced after the effective date of the Act:

- TWC § 13.2541(b-1) *“On the day a petitioner submits a petition to the utility commission under this section, the petitioner shall send, via certified mail, a copy of the petition to the certificate holder, who may submit information to the utility commission to controvert information submitted by the petitioner.”*

- TWC § 13.255(b-1) *“On the day a municipality submits an application for single certification to the utility commission under this section, the municipality shall send, via certified mail or hand-delivery, a copy of the application to the retail public utility.”*
- TWC § 13.255(c) *“The utility commission shall make a finding to grant single certification to the municipality. The utility commission shall also determine in its order the monetary amount that is adequate and just to compensate the retail public utility for retail public utility property being rendered useless or valueless by the single certification as requested by the municipality as determined by the utility commission ...”*
- TWC § 13.255(c-3) *“Before filing an appeal under Subsection (e), and within seven calendar days of the finding by the utility commission under Subsection (c), the retail public utility may appeal to the utility commission in a separate hearing before the utility commission a final order of the utility commission issued under Subsection (c).”*

House Bill 2561 (Tepper) and House Bill 3053 (Dean/Burns/Wilson/Bell, Keith/Troxclair/Bumgarner/Frazier/Hefner/Isaac/Rogers/Tepper) – These Bills relate to the municipal disannexation of areas annexed during a certain period of time. The proposed amendment adds TLGC § 43.1463, addressing disannexation of areas annexed during transition from nonconsent to consent annexation model.

- *See SB 369/HB 1246 for the proposed addition of Subchapter G, with a listing of items meeting the definition of “full municipal services” together with a list of described exceptions.*

House Bill 3810 (Landgraf) - This Bill relates to certain notices provided to the TCEQ by public drinking water supply systems.

- THSC § 341.033 is amended with the addition of Subsection (i)(6): *“a condition that has caused or could cause a public water supply outage or a public water supply system to issue a boil water notice, a do-not-use advisory, or a do-not-consume advisory.”*
- and Subsection (i-1): *“The commission may collaborate with the Texas Division of Emergency Management in regulating the method of notifications provided under Subsection (i)(6).”*

House Bill 4559 (Darby) - This Bill amends certain TLGC sections relating to classification of political subdivisions according to population, including:

- TLGC § 342.901(a) is amended for population figures pertaining to counties that are served by a district governed by Chapter 51, Water Code, limiting applicability to municipalities with populations of more than 1.2 million (rather than 1 million) and are adjacent to a county with a population of 600,000 (rather than 420,000).
- TLGC § 552.024(b) relates to home-rule municipalities that own and operate a water system, sewer system, or combined system.
- TLGC § 552.044(1) regarding *“benefitted property”* to which drainage service is made available and which discharges into part of the municipality’s drainage utility system.
- TLGC § 562.016 authorizing a county to operate a water or sewer utility system to serve an unincorporated area of the county under the same regulations as a municipality under Chapter 552, and may issue bonds or acquire any interest in property necessary to operate a system through means including eminent domain.

- TLGC § 615.002(a) is amended regarding applicability to adjust threshold figures for eligible county populations.
- TWC § 13.2541(b) is amended to adjust applicable population figures as a threshold determination:
 - *“As an alternative to decertification or expedited release under Section 13.254, the owner of a tract of land that is at least 25 acres and that is not receiving water or sewer service may petition for expedited release of the area from a certificate of public convenience and necessity in the manner provided by this section and is entitled to that release if the landowner’s property is located in a county with a population of at least 1.2 million, a county adjacent to a county with a population of at least 1.2 million, or a county with a population of more than 200,000 and less than 233,500 that does not contain a public or private university that had a total enrollment in the most recent fall semester of 40,000 or more, and not in a county that has a population of more than 50,500 and less than 52,000.*”
- TWC § 26.179(o) is also amended regarding extraterritorial jurisdiction: *“of a municipality with a population greater than 1.3 million that has extended to the extraterritorial jurisdiction of the municipality an ordinance whose purpose is to prevent the pollution of an aquifer which is the sole or principal drinking water source for the municipality.”*
- TWC § 36.121 *“Except as provided by Section 36.117, a district that is created under this chapter on or after September 1, 1991, shall exempt from regulation under this chapter a well and any water produced or to be produced by a well that is located in a county that has a population of 15,500 or less if the water is to be used solely to supply a municipality that has population of 125,500 or less and the rights to the water produced from the well are owned by a political subdivision that is not a municipality, or by a municipality that has a population of 133,000 or less ...”*
- TWC § 51.537(a) *“applies only to a municipality any portion of which is located in a county with a population of more than 1.2 million and less than 1.5 million.”*
- TWC § 54.016(h) is amended to change the population threshold for a city of one million located primarily in a county with a population of *“2.5 million or more”* pertaining to annexation and rates for *“water and/or sewer services for property that was within the territorial boundary of such district at the time of annexation ...”*
- TWC § 54.813(a) is amended to apply to a *“municipality any portion of which is located in a county with a population of more than 1.2 million and less than 1.5 million.”*

VETOED LEGISLATION

Senate Bill 2192 (Hall) - This Bill relates to the notice and petition for creation of a municipal utility district submitted to the TCEQ, attempting to amend TWC § 54.015, as follows:

- *“(4)(A) include a copy of a letter sent by certified mail by the petitioners to the commissioners court of a county described by Section 54.011 (a-1). A letter sent under this subsection shall: (i) describe the proposed district as required by (1), (2), and (3) of this Section; (ii) solicit feedback on the proposed district; and (iii) be postmarked not later than 90 days before the date a petition is filed with the commission; and*

- “(5) include a copy of a response received to a letter described by (4)(A). The failure of a commissioner's court to respond to a letter sent under this Section is considered an assumption of support for the petition at the time of filing with the commission.”

House Bill 4106 (Dean) - This Bill attempted to amend TWC §13.5051 regarding the procedure for resolving customer complaints before the Public Utility Commission of Texas:

- “(a) The utility commission by rule may adopt a simplified procedure to resolve a complaint by a tenant against an owner about a bill for water or wastewater service brought under Section 13.503, 13.5031, or 13.505.
- “(b) ... does not apply to the resolution of a complaint using a procedure described in Subsection (a).”

BILLS OF GENERAL INTEREST THAT DID NOT PASS

Senate Bill 239 (Miles) - This Bill attempted to impose employment restrictions on the TCEQ staff, applicable on or after the effective date of the Act:

Senate Bill 788 (Eckhardt/Alvarado/Gutierrez/LaMantia/Miles) – This Bill attempted to create the Office of Environmental Justice within the TCEQ.

Senate Bill 1412 (Hughes) and House Bill 2789 (Holland) – These Bills attempted to add regulation of accessory dwelling units by political subdivisions.

Senate Bill 1419 (Birdwell) and House Bill 4940 (Martinez Fischer) – These Bills attempted to limit the use of public money under certain economic development agreements or programs adopted by certain political subdivisions.

Senate Bill 1432 (Hinojosa) and House Bill 2778 (Leach) – These Bills attempted to address various operation and administration duties of the State Office of Administrative Hearings.

Senate Bill 2383 (Miles) and House Bill 4793 (Anchia) – These Bills attempted to address development of a *severe* weather adaptation plan by certain entities.

House Bill 495 (Meza/Morales Shaw) - This Bill attempted to address rest breaks for employees of contractors with governmental entities and administrative penalties for violations.

House Bill 2437 (Zwiener) - This Bill attempted to address the regulation, monitoring, and enforcement of matters under the jurisdiction of the TCEQ.

House Bill 3326 (Goodwin) - This Bill attempted to address the development of an *extreme* weather adaptation plan.

House Bill 4184 (Toth) - This Bill attempted to add to a list of officers subject to removal under TLGC § 87.012.

DISTRICTS BILLS THAT DID NOT PASS

Senate Bill 917 (Hall) and House Bill 1312 (Vasut/Bell, Keith) – These Bills attempted to modify the location of a meeting of a Board of Directors of a municipal utility district.

Senate Bill 1829 (Hinojosa) - This Bill attempted to authorize a County Commissioners Court to issue an order of dissolution after a municipality within the district’s boundaries adopts an ordinance stating that it will assume district obligations.

Senate Bills 1830 and 1848 (Hinojosa) - These Bills attempted to modify the ability to dissolve water districts in “urban areas,” a new classification.

House Bill 1793 (Swanson/Paul/Leo-Wilson/Morales Shaw/Schatzline) - This Bill attempted to amend the qualifications for a person to serve on the Board of Directors of a municipal utility district.

House Bill 1852 (Holland) - This Bill attempted to prohibit the TCEQ from being able to create a special district.

House Bill 2784 (Holland) - This Bill attempted to limit the ability of a water district to issue bonds paid for with ad valorem tax revenues.

House Bill 3225 (Tepper) - This Bill attempted to place additional requirements on districts as to the recording of open meetings and availability of the same.

House Bill 4806 (Hernandez) - This Bill attempted to amend laws pertaining to impact fees.

ELECTION BILLS THAT DID NOT PASS

Senate Bill 359 (Eckhardt) and House Bill 259 (Goodwin/Gonzalez, Jessica) – These Bills attempted to regulate the use of preferential voting in certain elections.

Senate Bill 647 (Springer) and House Bill 455 (Schofield/Spiller) – These Bills attempted to amend Texas Election Code (TEC) § 41.0052(a) related to authorizing certain political subdivisions to change the date on which their general election for officers is held.

Senate Bill 1642 (Hall) and House Bill 4548 (Toth/Lopez, Janie) – These Bills attempted to amend the TEC regarding the disposition of certain election records.

House Bill 824 (Buckley) - This Bill attempted to authorize certain political subdivisions to change the date on which their general election for officers is held by amending TEC § 41.0052(a).

House Bill 2133 (Thimesch/Swanson/Bumgarner) - This Bill also attempted to authorize certain political subdivisions to change the date on which the general election for officers is held. The Bill proposed the addition of Subsection (a-1) to § 41.0052, Election Code.

House Bill 2776 (Bucy) - This Bill related to early voting by mail.

House Bill 2825 (Goodwin/Flores/Bucy/Talarico/Cole/Vo) - This Bill related to the use of preferential voting in an election of officers of a municipality.

House Bill 4943 (Kitzman) - This Bill attempted to add TWC § 65.104, providing an option to implement single-member districts.

EXTRA TERRITORIAL JURISDICTION BILLS THAT DID NOT PASS

Senate Bill 2037 (Bettencourt) and House Bill 4991 (Oliverson) – These Bills attempted to amend Texas Government Code (TGC) § 212.003 regarding the regulation of platting and subdivisions of land by a municipality or county.

Senate Bill 2349 (Bettencourt) and House Bill 5222 (Bell, Cecil) – These Bills attempted to enact amendments to TLGC § 42.042 related to prior consent for creation of certain political subdivisions, including those for sewer services, in a municipal extraterritorial jurisdiction.

House Bill 375 (Bell, Cecil) - This Bill attempted to regulate the release and inclusion of extraterritorial jurisdiction by a municipality in certain areas.

House Bill 442 (Schofield/Leo-Wilson) - This Bill related to the extraterritorial jurisdiction of and municipal annexation by certain municipalities, as defined by population statistics.

House Bill 1307 (Toth/Leo-Wilson) and House Bill 4751 (Schofield) – These Bills attempted to regulate the municipal release of extraterritorial jurisdiction and disannexation in certain areas.

MUNICIPALITY BILLS THAT DID NOT PASS

Senate Bill 1334 (Creighton) and House Bill 4328 (Bell, Cecil) – These Bills attempted to add TLGC § 552.915, concerning a prohibition on rate discrimination:

Senate Bill 1786 (Bettencourt) - This Bill attempted to modify the approval procedures for property development review by a municipality.

House Bill 2281 (Anchia) - This Bill attempted to authorize certain municipalities to prohibit open carrying of a handgun within the municipality.

OPEN MEETINGS BILLS THAT DID NOT PASS

Senate Bill 42 (Zaffirini/Hinojosa/West) - This Bill attempted to propose an addition of TGC § 551.008 relating to public access to open meetings where a majority of members appear other than physically in person.

Senate Bill 2095 (West) - This Bill attempted to amend Texas Penal Code § 46.03 relating to prosecution involving the carrying of a firearm, location-restricted knife, club, or prohibited weapon on the premises or property of a polling place, any government court or office used by the court, or an open meeting location.

Senate Bill 2108 (Johnson) and House Bill 4373 (Canales) – These Bills attempted to address the public meeting/hearing notice procedure for regional water planning groups.

House Bill 192 (Schaefer/Bumgarner/Cain/Harrison/Hayes/Patterson/Spiller/Stucky/Thimesch/Tinderholt/ Toth/Troxclair) - This Bill attempted to piggyback SB 2095 regarding carrying firearms.

House Bill 390 (Howard/Capriglione/Anchia/Anderson/Tepper/Bailes/Cain) - This Bill attempted to amend TGC, Chapter 551 relating to internet broadcast and archive of open meetings.

House Bill 2279 (Anchia/Lalani) - This Bill attempted to regulate the prosecution of certain offenses involving the carrying of weapons in certain locations per SB 2095.

House Bill 3442 (Canales) - This Bill attempted to amend TGC, Chapter 551 to make information available as to the participants in a closed session of an open meeting.

House Bill 3811 (Jetton/Sherman, Sr.) - This Bill attempted to adjust language relating to videoconferencing of board meetings of certain conservation and reclamation districts.

PUBLIC DRINKING WATER SYSTEMS BILLS THAT DID NOT PASS

Senate Bill 382 (Zaffirini/West) and House Bill 583 (Raymond) – These Bills attempted to require the TCEQ to produce an annual report on public drinking water supply systems.

House Bill 2762 (Guillen) – This Bill attempted to amend THSC regarding connection equivalency values and recreational vehicle parks.

PUBLIC INFORMATION BILLS THAT DID NOT PASS

Senate Bill 44 (Zaffirini) - This Bill attempted to amend TGC § 552.221 regarding a response to a request for public information:

Senate Bill 185 (Miles) - This Bill pertained to the retention and required disclosure under the public information law of certain complaints alleging official oppression.

Senate Bill 618 (Johnson) and House Bill 2135 (Canales/Leo-Wilson) - These Bills attempted to regulate the procedure to responding to a request for public information.

Senate Bill 965 (Johnson) and House Bill 2493 (Capriglione/Talarico/Leo-Wilson/Cook/Cain) and Senate Bill 45 (Zaffirini) – These Bills pertained to maintenance and production of electronic public information and attempted to expand the definition of public information.

Senate Bill 1579 (Bettencourt) - This Bill attempted to regulate an expedited response by a governmental body to a request for public information.

House Bill 3167 (Moody) - This Bill pertained to the production of public information.

SEWAGE / SOLID WASTE BILLS THAT DID NOT PASS

Senate Bill 1091 (Parker) and House Bill 3128 (Kitzman/Morales Shaw) - These Bills attempted to amend THSC §§ 366.001, 366.052(a), and 366.071(a) and (d) related to regulation of on-site sewage disposal systems.

Senate Bill 2552 (Middleton) - This Bill attempted to amend TWC, Chapter 26 regarding test gathering requirements for wastewater treatment facilities.

TAXATION BILLS THAT DID NOT PASS

Senate Bill 976 (Middleton, Bettencourt) - This Bill attempted to modify the procedure for the adoption of an ad valorem tax rate by a taxing unit.

Senate Bill 978 (Bettencourt, Middleton) - This Bill mimicked SB 976, attempting to repeal provisions providing for the calculation and effect of a de minimis ad valorem tax rate.

Senate Bill 1324 (Middleton) - This Bill related to the effect of an election at which the voters fail to approve or vote to reduce the ad valorem tax rate adopted by the governing body of a taxing unit.

Senate Bill 1997 (Bettencourt) - This Bill related to the calculation of the ad valorem tax rate of a taxing unit.

Senate Bill 2516 (Bettencourt) - This Bill pertained to the calculation of certain ad valorem tax rates of certain taxing units, concerning notice of public hearing on tax rate with language modifying a homestead exemption age to 65 years.

House Bill 2220 (Harrison/Isaac/Leo-Wilson/Rogers) - This Bill related to ad valorem tax issues of a water district.

House Bill 3355 (Landgraf/Paul) - This Bill related to exemption from taxation of facilities, devices, or methods used to control pollution through Tax Code amendments adding water to the types of pollution addressed.

TEXAS WATER DEVELOPMENT BOARD BILLS THAT DID NOT PASS

Senate Bill 53 (Zaffirini) - This Bill related to TWDB financial assistance for backup power generators in economically distressed areas for public water supply and sanitary sewer systems.

Senate Bill 837 (Perry/Blanco/Eckhardt/Flores/Hinojosa) and House Bill 2483 (King, Tracy O.) - These Bills related to financial assistance by the TWDB.

Senate Bill 1823 (Johnson) - This Bill related to the provision by the TWDB of financial assistance for the development of residential drainage projects in economically distressed areas.

Senate Bill 2234 (LaMantia) and House Bill 4299 (Lopez, Janie/Guerra) – These Bills were other bills relating to the provision of financial assistance by the TWDB for certain projects in economically distressed areas.

Senate Bill 2541 (Blanco) and House Bill 5016 (Kitzman) – These Bills attempted to establish the Water Technical Assistance Consortium under the TWDB.

House Bill 4818 (Martinez) - This Bill attempted to expand the form of financial assistance offered by the TWDB to include grants.

WATER AND WASTEWATER BILLS THAT DID NOT PASS

Senate Bill 894 (Zaffirini) and House Bill 874 (Bowers/Allen/Morales Shaw) - These Bills attempted to create an exemption to the cancellation of a water right for nonuse.

Senate Bill 2202 (Zaffirini/Blanco) - This Bill attempted to amend TWC, Chapter 6, Subchapter D regarding assessments of the condition of water utilities.

Senate Bill 2441 (Perry) - This expansive Bill proposed amendments to the TWC effecting a transfer of the economic regulation functions of water and sewer service from the Public Utility Commission and Office of Public Utility Counsel to a newly formed Water Public Utility Commission and Office of Water Public Utility Counsel.

House Bill 933 (Dutton) - This Bill attempted to amend the process for issuing notice of an intent to obtain a permit from the TCEQ.

House Bill 973 (Zwiener) - This Bill attempted to address the creation and uses of the critical infrastructure resiliency fund and the eligibility of certain water-related projects for state financial assistance.

House Bill 1360 (Morales Shaw/Bowers/Meza) - This Bill attempted to amend the process for issuing notice of certain environmental and water use permit applications.

House Bill 2369 (Kitzman) - This Bill attempted to regulate publishing notices on an Internet website concerning National Pollutant Discharge Elimination System permits, proposing an amendment to TWC § 26.0273.

House Bill 2496 (Swanson/Leo-Wilson) - This Bill attempted to regulate providing notice by a public water system regarding a water outage in an area served by a provider of fire protection services.

House Bill 2531 (Plesa) - This Bill attempted to amend TWC, Chapter 13, Subchapter E with regard to providing notice after intentional shutoff of water service.

House Bill 2783 (Holland) - This Bill attempted to add TWC § 13.1361, relating to the reporting of names of directors of a water supply or sewer service corporation.

House Bill 3666 (Kuempel) - This Bill attempted to address judicial review of the TCEQ permitting decisions.

House Bill 4623 (Goldman) - This Bill attempted to address water markets in the regional water planning process.

House Bill 4874 (Bailes) - This Bill attempted to address the issuance of notice of a water right amendment application filed with the TCEQ concerning a change in purpose of use.