

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION



A RESOLUTION

Delegating to the Executive Director the Authority to Certify Certain Political Subdivisions as Providing Regional Water and/or Wastewater Service.

Docket No. 2002-0510-RES

WHEREAS, Subchapter H, Chapter 151, of the Texas Tax Code exempts from taxes contained therein equipment, services or supplies used to construct or operate a water or wastewater system or component of a system sponsored by a political subdivision, as defined by the Texas Water Code, Section 15.001, which is certified by the Texas Natural Resource Conservation Commission ("Commission") as providing regional water or wastewater service; and

WHEREAS, political subdivision is defined by the Texas Water Code, Section 15.001 as any city, county, district or authority created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution, any other political subdivision of the state, any interstate compact commission to which the state is a party, and any nonprofit water supply corporation created and operating under Chapter 67 of the Texas Water Code; and

WHEREAS, the Texas Tax Code, Section 151.355(5) authorizes the Commission to certify certain political subdivisions, as defined by the Texas Water Code, Section 15.001, as providing regional water or wastewater service; and

WHEREAS, the Texas Water Code, Section 5.102 provides the Commission the powers to perform any acts whether specifically authorized or implied by the Texas Water Code or any other law, necessary and convenient to the exercise of its jurisdiction and powers as provided by the Legislature of the State of Texas, including the determination of findings of fact; and

WHEREAS, the Texas Water Code, Section 15.001(12) defines regionalization as the development of a water supply or wastewater collection and treatment system that incorporates multiple service areas into an area wide service facility or any such system that serves an area that includes more than a single county, city, special district, or other political subdivision of the state. The Commission will use the following criteria to determine whether or not the political subdivision meets the definition in Texas Water Code, Section 15.001(12) in order to be called a regional provider:

1. one owner and one large system serves several different communities or subdivisions or,
2. one owner and several isolated systems each provide service to one or more communities or subdivisions or,
3. several owners, each with individual systems operated through a centrally coordinated operating system or,
4. several owners, each with an isolated system, all served by a central wholesale provider; and

WHEREAS, the Texas Water Code, Section 5.122 provides the Commission the power to delegate to the Executive Director the Commission's authority to act on an application or other request to issue, renew, reopen, transfer, amend, extend, withdraw, revoke, terminate, or modify a permit, license, certificate, registration, or other authorization or approval if the conditions contained within the section are satisfied; and

WHEREAS, a substantial number of political subdivisions may seek certification as providing regional water and/or wastewater service; and

WHEREAS, in order to streamline the certification of political subdivisions as providing regional water and/or wastewater service, the Commission has elected to delegate its authority to review, issue, approve and act on such certification requests as authorized by Texas Tax Code, Section 151.355(5) to the Executive Director in accordance with Tex. Water Code, Section 5.122;

NOW, THEREFORE, BE IT RESOLVED BY THE TEXAS NATURAL RESOURCE CONSERVATION COMMISSION that

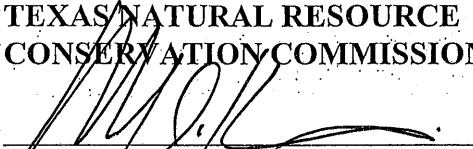
the Executive Director is delegated the Commission's authority to review, issue, approve and act on such certification requests as authorized by Texas Tax Code, Section 151.355(5);

the Executive Director must act on such request within ninety days of receipt of the request, effective upon the issuance of this resolution; and

a political subdivision may appeal the Executive Director's action by a motion to overturn according to the procedures set out in Texas Administrative Code, Chapter 30, Section 50.139.

ISSUED: MAY 13 2002

TEXAS NATURAL RESOURCE
CONSERVATION COMMISSION


Robert J. Huston, Chairman