No Texas families should have to live in residential subdivisions without adequate drinking water & wastewater services



The Texas Water Development Board (TWDB) has developed the Model Subdivision Rules to:

Safeguard residents by ensuring safe, sanitary water & sewer services

Creates new opportunities to receive financial assistance for water & wastewater infrastructure to areas in need

- During training, you will learn MSR:
 - Goals
 - Importance
 - Benefits to your community
 - Responsibility to implement them
 - Authority & obligation to enforce them

You will be empowered to ensure that residential subdivisions have:

- Adequate Water
- Wastewater
- Solid Waste Disposal
- Roads

- Electricity
- Gas
- Floodplain Management

Resources on the TWDB's MSR website & this training can:

Assist with applying for financial assistance from TWDB to address inadequacies with water & wastewater in economically distressed areas

All applicable information is available on the TWDB MSR website:

- Laws
- Rules
- Samples
- Forms
- Applications for financial assistance from TWDB

www.twdb.state.tx.us/assistance/msr/index.htm



Part 1

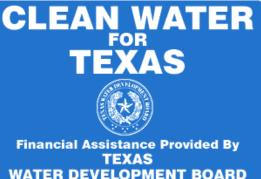
History of Model Subdivision Rules

Part 2

How MSRs Apply to Residential Subdivision Developers in Border Counties

Part 3

Adopting & Implementing Model Subdivision Rules in Border Counties & Cities



Part I History of Model Subdivision Rules



MSR History

MSRs were enacted by the Texas Legislature in 1989 to:

Empower counties to prevent colonia proliferation along the Texas-Mexico border



MSR History

These economically distressed areas often:

- Are located outside the boundaries of municipal government authority
- Lack clean drinking water
- Lack adequate sewer services
- Lack decent roads or
- Other essential utility services

MSR History

Since 1989, all counties adjacent to the Texas-Mexico border have been required to adopt & enforce MSRs.

In 2005, the law changed so any county eligible for EDAP assistance could adopt & enforce MSRs.

As of February 2009, more than 40 counties have adopted MSRs. Some 58 cities within those counties have also adopted MSRs.

MSR Goals

MSRs have three distinct goals:

- Empower cities & counties to prevent the growth of substandard residential developments lacking water & wastewater infrastructures, roadways, gas, & electricity
- 2. Prevent residential lots from being sold if utilities are not in place
- 3. Assist economically distressed areas to obtain the necessary infrastructure for water & wastewater services

- Enables any city or county to apply for grants & loans from TWDB's Economically Distressed Areas Program (EDAP), which:
- Encourages cost-effective water & wastewater systems to
- Maximize long-term economic development of eligible areas

EDAP projects include:

- Wastewater treatment plants
- Water towers
- Water storage tanks
- Sewers
- Pipelines
- Fire hydrants &
- Numerous other water delivery systems

Available funds for political subdivisions of the state include:

- Cities
- Counties
- Municipal utility districts
- Water supply corporations & others



- MSRs give you greater responsibility
- Provide greater authority to oversee residential subdivision development



Impact of EDAP

Since the creation of EDAP & other financial assistance programs targeted at economically distressed areas, the TWDB has committed:

- More than \$25.4 million in planning & design funds
 - More than \$578.7 million has been invested in construction projects to upgrade water & sewer services
 - More funds are available for your economically distressed communities that implement & enforce MSRs

Part II How MSRs Apply to Residential Developers in Border Counties

Residential Developers in Border Counties

Residential subdivision developers in Border Counties must:

- Plan,
- Design,
- Build &
- Document Activities related to essential services in the new subdivisions

Located in the TWDB MSR website



Residential Developers in Border Counties

MSRs require residential subdivision developers when platting subdivisions of two or more lots of five acres or less must:

- 1. Provide water & wastewater services meeting state rules
- 2. Furnish roads meeting min. county standards
- 3. Supply drainage meeting engineering standards
 - Make reasonable efforts for gas & electric

Residential Developers in Border Counties

When platting, residential subdivision developers must also submit to city and county governments:

- Purchase contracts that state how & when water, sewer, electricity & gas will be available
- 6. Purchase contracts must be filed with the county clerk

Additional Requirements for Border Residential Developers

- All brochures, publications & advertising are required to describe the availability of water & sewer facilities & gas & electric utilities in English & Spanish
- 2. Provide <u>all written documents regarding the sale</u>, including an executed contract, disclosure notices & annual statements <u>in English & Spanish</u>
- Attach a written disclosure statement regarding water, sewer, electric, gas, floodplain, roads, ownership interests, liens & property taxes to every contract

Additional Requirements for Border Residential Developers

4. If a lot is sold under an executory contract, an annual statement is required. The statement must include information on the amount paid, the remaining balance, the annual interest rate & the number of remaining payments

Amount Paid

Balance

5. If the developer's annual statement is late, a purchaser after notice, may deduct 15% of each monthly payment until the statement is received

"Build It or Bond It"

This provision is mandatory & requires developers to:

- Construct or install operable water & sewer facilities at the time the FINAL plat is approved or
- Provide the county with a bond or letter of credit in a sufficient amount to cover costs for construction of the facilities

MSR Border County Stipulations for Developer Plats

- 1. Plats, including the final engineering plans, must be in <u>English & Spanish</u>, describe water & sewer facilities, associated easements & roadways & when those facilities will be operable
- 2. Certify that water, sewer, gas & electricity meet minimum state standards

Civil & criminal penalties apply to developers for

- Failure to provide adequate water & wastewater,
- Failure to file a plat and/or
- Allowing conveyances without adequate services

Specific State Laws

State laws prohibit developers in counties/cities that adopt MSRs from:

Selling or conveying subdivided land for residential purposes until the

- Plat has been approved by the city or county &
- The final plat has been properly recorded by the county clerk

Specific State Laws

For information involving the platting process required by MSRs & other related information such as:

- Frequently Asked Questions
- Statutes
- Regulations
- Sample Forms

Please visit the TWDB MSR website



Part II Adopting & Implementing Model Subdivision Rules in Border Counties & Cities





How MSRs Apply to Local Governments The state's goal in creating MSRs is to:

- Protect the health & well being of its residents
- Improve the water
 & sewer services in
 residential communities



How MSRs Apply to Local Governments

To meet these goals, the state works with county & city governments by:

- Defining a set of rules for local governments to follow when approving the creation of residential subdivisions
- Granting these governments the responsibility for adopting, implementing & enforcing these rules

How MSRs Apply to Local Governments Before signing off on final residential subdivision plats:

- Local governments & staff must ensure that developers are complying with MSRs
- Certify that engineers have met their platting requirements



How MSRs Apply to Local Governments

- Eligibility for state financial assistance can be denied or revoked if the TWDB determines a county or city is not complying with its adopted MSRs through the platting process
- Complying with MSRs reap these benefits:
 - Better residential subdivisions & communities
 - Access to financial assistance for water & wastewater services

How MSRs Apply to Border Counties & Cities

MSRs ensure that residential subdivision developments with lots of five acres or less have:

- 1. No more than one single-family detached dwelling on a lot
- 2. Adequate drinking water
- 3. Adequate sewer services
- 4. Road or property setbacks that enable these services & reduce fire risks

How MSRs Apply to Border Counties & Cities

Highlights of Responsibilities for Border Counties & Cities:

- 1. Border counties are required to adopt & enforce MSRs
- 2. Rules must ensure new residential subdivisions have adequate water, wastewater, solid waste disposal, roads, electric, gas & floodplain management
- Counties must determine if a plat has been prepared, reviewed & approved & whether water, sewer, electric & gas services are constructed, installed & operable
- 4. Orders approving a residential subdivision plat must be published in a newspaper in <u>English & Spanish</u>
- 5. Ensure adequate developer bond is maintained for water & sewer services not constructed or installed

 Local governments cannot grant a developer an extension of time for operable water & wastewater services if a residence would be occupied without these services

2 2

- Once plats are approved, they may be reviewed by the TWDB at any time
- If the Board determines a political subdivision is not enforcing MSRs, financial assistance may be denied or discontinued

Before approving a FINAL residential subdivision plat, city & county governments should verify the plat includes:

- Method to provide adequate water service & wastewater service, roads, electric, gas & floodplain management
- 2. Copy of service contract from developer & utility provider
- 3. Certification from a licensed professional engineer regarding the method for providing these services
- 4. Proof plat was published in a newspaper in English & Spanish
- Ensure that adequate developer bond is maintained for water & sewer services not constructed or installed

There are three options for meeting the water supply requirements for adequate drinking water:

- 1. Connect to an existing public water system
- Create a new public water utility provider, complying with requirements of Texas Commission on Environmental Quality (TCEQ) or
- Install individual wells that meet public drinking water standards

ALL OPTIONS MUST CERTIFY 30 YEARS OF SERVICE OR SUPPLY Please refer to the TWDB MSR website for more details

How MSRs Apply to Border Counties & Cities There are 3 options to comply with MSR

Sewer Services:

- 1. Connect to an existing wastewater utility
- 2. Create a new central wastewater provider or
- 3. Install On-Site Sewerage Facilities (OSSF) meeting state requirements

ALL OPTIONS MUST CERTIFY 30 YEARS OF SERVICE OR CAPACITY Please refer to the TWDB MSR website for more details

Utilities:

- Are prohibited from connecting or serving any subdivision unless the county certifies the plat has been reviewed & approved
- 2. An electric or gas utility is prohibited from serving or connecting any subdivision unless adequate water & wastewater are provided

How to Implement MSRs

The TWDB can provide technical assistance for developing local MSRs in border counties & cities by providing the following resources on the TWDB website:

- Flow Charts
- Timelines
- Checklists
- Sample forms
- Examples of MSRs adopted by other communities

Available State Resources

In an effort to eliminate substandard subdivision developments, the State is authorized to prosecute violators. If you have concerns or need assistance:



The Office of the Attorney General has information regarding the laws that apply - <u>http://www.oag.state.tx.us</u>



 The Texas Secretary of State maintains a network of Ombudsmen who can provide assistance regarding potential violators - <u>http://www.sos.state.tx.us</u>



 The TCEQ provides inspections to ensure compliance <u>http://www.tceq.state.tx.us</u>

This completes your Model Subdivision Rules Training Course!

The TWDB appreciates your interest & commends you on accepting the responsibilities that will safeguard & enhance the health & welfare of your community.

As you work through the MSR adoption & implementation process, please refer to the:

- Documents
- Rules
- Regulations
- Application forms
- Frequently Asked Questions



Located in the TWDB MSR website

This presentation can be downloaded to your computer or a CD ROM

Those of you who may be required to complete this training can download the affidavit from the website & have it notarized as required by the Texas Water Development Board.



This training, along with the materials available on the TWDB MSR website, are designed to provide you & your staff with the tools you need to apply for financial assistance through the Economically Distressed Area Program from the Texas Water Development Board.



We encourage you to take the **survey** located on the TWDB MSR website to provide us with your opinion on this training course. All surveys are **anonymous**.