Chapter 21

S.B. No. 625

DER AI)7 ee

1	AN ACT
2	relating to the Nueces River Authority, following recommendations
3	of the Sunset Advisory Commission.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Sections 1.02(6), (7), (8), and (9), Chapter
6	427, Acts of the 44th Legislature, 1st Called Session, 1935, are
7	amended to read as follows:
8	(6) "Commission" means the Texas <u>Commission on</u>
9	Environmental Quality [Water Rights Commission].
10	(7) [ <del>"Quality board" means the Texas Water Quality</del>
11	Board.
12	[ <del>(8)</del> ] "Development board" means the Texas Water
13	Development Board.
14	<pre>(8) [(9)] "Waste" means sewage, industrial waste,</pre>
15	municipal waste, recreational waste, agricultural waste, waste
16	heat, solid waste, or any other waste.
17	SECTION 2. Section 1.02A(a), Chapter 427, Acts of the 44th
18	Legislature, 1st Called Session, 1935, is amended to read as
19	follows:
20	(a) The authority is subject to review under Chapter 325,
21	Government Code (Texas Sunset Act), but may not be abolished under
22	that chapter. The review shall be conducted under Section 325.025,
23	Government Code, as if the authority were a state agency scheduled
24	to be abolished September 1, $2031$ [ $2019$ ], and every 12th year after

41)2

1 that year.

2 SECTION 3. Section 2.02(c), Chapter 427, Acts of the 44th 3 Legislature, 1st Called Session, 1935, is amended to read as 4 follows:

5 (c) If the directors find any land included in the field 6 notes other than land in San Patricio, Nueces, and Jim Wells counties, which is not actually included in the watershed of the 7 Nueces River, the board shall exclude the land from the authority 8 9 and file a certificate of exclusion with the county clerk of the county in which the land is located. The certificate of exclusion 10 shall describe the boundaries of the land excluded so that the land 11 12 remaining in the authority may be adequately identified.

13 SECTION 4. Section 2.03(i), Chapter 427, Acts of the 44th 14 Legislature, 1st Called Session, 1935, is amended to read as 15 follows:

The governor shall designate a member of the board as 16 (i) the president of the board to serve in that capacity at the pleasure 17 of the governor. The board shall elect [a president,] one or more 18 vice-presidents, a secretary, a treasurer, and such other officers 19 as the members of the board may determine in the bylaws or 20 21 otherwise. The [president,] vice-presidents, secretary, and 22 treasurer shall be members of the board, but other officers need not 23 be members of the board. The offices of secretary and treasurer may be combined, as may the offices of assistant secretary and 24 25 assistant treasurer.

26 SECTION 5. Subchapter 2, Chapter 427, Acts of the 44th 27 Legislature, 1st Called Session, 1935, is amended by adding Section

2.03A to read as follows: 1 Sec. 2.03A. DIRECTOR TRAINING. (a) A person who is 2 3 appointed to and qualifies for office as a director may not vote, deliberate, or be counted as a director in attendance at a board 4 5 meeting until the person completes a training program that complies 6 with this section. 7 (b) The training program must provide the person with 8 information regarding: 9 (1) the law governing authority operations; (2) the programs, functions, rules, and budget of the 10 11 authority; 12 (3) the results of the most recent formal audit of the 13 authority; 14 (4) the requirements of: (A) laws relating to open meetings, public 15 16 information, administrative procedure, and disclosure of conflicts 17 of interest; and 18 (B) other laws applicable to members of the 19 governing body of a river authority in performing their duties; and (5) any applicable ethics policies adopted by the 20 authority or the Texas Ethics Commission. 21 (c) A person appointed to the board is entitled to 22 reimbursement for the travel expenses incurred in attending the 23 training program regardless of whether the attendance at the 24 25 program occurs before or after the person qualifies for office. (d) The executive director shall create a training manual 26 27 that includes the information required by Subsection (b) of this

S.B. No. 625

S.B. No. 625 section. The executive director shall distribute a copy of the 1 training manual annually to each director. Each director shall 2 sign and submit to the executive director a statement acknowledging 3 that the director has received and reviewed the training manual. 4 SECTION 6. Section 2.05, Chapter 427, Acts of the 44th 5 Legislature, 1st Called Session, 1935, is amended by amending 6 7 Subsection (a) and adding Subsection (c) to read as follows: 8 (a) A director is entitled to receive an allowance in an amount not exceeding that provided under Section 49.060, Water Code 9 [general law of the State of Texas and reimbursement for actual and 10 11 necessary expenses incurred: 12 [(1) for each day he spends attending meetings of the 13 board; and [(2) for each day he spends attending to the business 14 of the authority which is authorized by the board]. 15 (c) In all areas of conflict with this section, Section 16 17 49.060, Water Code, takes precedence. SECTION 7. Subchapter 2, Chapter 427, Acts of the 44th 18 Legislature, 1st Called Session, 1935, is amended by adding 19 Sections 2.06A and 2.08A to read as follows: 20 Sec. 2.06A. PUBLIC TESTIMONY. (a) The board shall develop 21 and implement policies that provide the public with a reasonable 22 opportunity to appear before the board and to speak on any issue 23 under the jurisdiction of the authority. 24 (b) At each regular meeting of the board, the board shall 25 26 include public testimony as a meeting agenda item and allow members

ADY

27 of the public to comment on other agenda items and other matters

AD4 ec.

under the jurisdiction of the authority. The board may not
 deliberate on or decide a matter not included in the meeting agenda,
 except that the board may discuss including the matter on the agenda
 for a subsequent meeting.
 Sec. 2.08A. SEPARATION OF POLICY AND MANAGEMENT

6 RESPONSIBILITIES. The board shall develop and implement policies 7 that clearly separate the policymaking responsibilities of the 8 board and the management responsibilities of the executive director 9 and the staff of the authority.

10 SECTION 8. Sections 3.02, 3.05, and 3.08, Chapter 427, Acts 11 of the 44th Legislature, 1st Called Session, 1935, are amended to 12 read as follows:

Sec. 3.02. CONTROL AND EMPLOYMENT OF WATERS. (a) Subject to the provisions of the constitution and statutes of the state and the continuing right of supervision of the state through the commission, the Nueces River Authority has and may exercise authority and power over the storm water and floodwater of the Nueces River Basin, subject to the applicable provisions of Chapters 5, 11, and 12 [6], Water Code[, as amended].

(b) Subject to Chapters 5<u>, 11</u>, and <u>12</u> [6], Water Code, [as amended,] the authority may exercise the powers of control and employment of the state's water in the manner and for the particular purposes as follows:

(1) to provide for the control and coordination ofwater use in the Nueces River Basin as a unit;

26 (2) to provide by adequate organization and 27 administration for the preservation of the rights of the people of

1 the different sections of the river basin in the beneficial use of 2 water;

3 (3) to provide for conserving storm, flood, and 4 unappropriated flow water of the Nueces River Basin, including the 5 storing, controlling, transporting, treating, and distributing of 6 such water, and the prevention of the escape of any such water 7 without the maximum of public service and for the prevention of 8 devastation of land from recurrent overflows, and the protection of 9 life and property in the river basin from uncontrolled floodwater;

10 (4) to provide for the conservation of water essential 11 for domestic and other water uses of the people of the Nueces River 12 Basin, including all necessary water supplies for cities, towns, 13 and industrial districts;

(5) to provide for the irrigation of land in the Nueces 14 River Basin where irrigation is required for agricultural purposes 15 or may be deemed helpful to more profitable agricultural production 16 17 and for the equitable distribution of storm, flood, and unappropriated flow water to the regional potential requirements 18 19 for all uses; all plans and all works provided by the authority and 20 all works which may be provided under authorization of the authority should have primary regard to the necessary and potential 21 22 needs for water, by or within the respective areas constituting the 23 watershed of the Nueces River and its tributary streams;

(6) to provide for the encouragement and development of drainage systems and provisions for drainage of land in the valleys of the Nueces River and its tributary streams needing drainage for profitable agricultural and livestock production and

AD1

1 industrial activities and drainage of other land in the watershed 2 area of the authority requiring drainage for the most advantageous 3 use;

4 (7) to provide for the conservation of all soils
5 against destructive erosion, thereby preventing the increased
6 flood menace incident thereto;

7 (8) to control and make available for employment,
8 flood, storm, and unappropriated flow water as may be authorized by
9 the commission, in the development of commercial and industrial
10 enterprises in all sections of the watershed area of the authority;

(9) to provide as set forth by Chapters 5<u>, 11</u>, and <u>12</u> [6], Water Code, [as amended,] for the control, storing, and employment of flood, storm, and unappropriated flow water in the development and distribution of hydroelectric power, where this use may be economically coordinated with other and superior uses, and subordinated to the uses declared by law to be superior; and

(10) to provide in the manner set forth in Chapters 5, 18 <u>11</u>, and <u>12</u> [6], Water Code, [as amended,] for each and every purpose and use for which flood, storm, and unappropriated flow water when controlled and conserved may be utilized in the performance of a useful service as contemplated and authorized by the provisions of the constitution and statutes.

(c) Subject to Chapters 5, 11, and 12 [6], Water Code, [as amended,] the authority may control, store, and preserve the water of the Nueces River and its tributaries within the boundaries of the authority for any useful purpose, and may use, distribute, and sell the water for any beneficial purpose inside and outside the

AD1

authority, and may acquire water and water rights inside and
 outside the authority.

3 Sec. 3.05. WATER QUALITY CONTROL. (a) The authority has 4 and may exercise all of the powers vested in river authorities under 5 <u>Chapters 5, 7, 17, 26, and 30, [Chapter 21 of the</u>] Water Code, [<del>as</del> 6 <del>amended,</del>] and Chapter <u>366, Health and Safety Code</u> [<del>25 of the Water</del> 7 <del>Code, as amended</del>].

8 (b) The authority is authorized to perform the licensing and 9 other functions authorized to be delegated to local governments by 10 the <u>commission</u> [quality board] in connection with the regulation of 11 private sewage facilities under <u>Chapter 366</u>, <u>Health and Safety</u> 12 [Section 21.083, Water] Code.

13 (c) The authority may serve as the entity to provide 14 regional or area-wide waste collection, treatment, and disposal 15 services, as provided in Subchapter <u>C</u> [ $\oplus$ ], Chapter <u>26</u> [<del>21</del>], Water 16 Code.

Sec. 3.08. PERMITS AND LICENSES. In the manner provided by 17 Chapters 5, 11, and 12 [6], Water Code, the [as amended, the 18 19 authority shall apply for any permits, licenses, franchises, and 20 other grants of authority it may require from the commission. The] 21 authority may apply for any permits, licenses, franchises, and 22 other grants of authority it may require from the commission 23 [quality board], the development board, or any other federal, state, or local governmental agencies in exercising its powers and 24 25 accomplishing the purposes under this Act.

26 SECTION 9. Section 3.15(i), Chapter 427, Acts of the 44th 27 Legislature, 1st Called Session, 1935, is amended to read as

1 follows:

The provisions of this section do not prohibit the 2 (i) authority from purchasing or acquiring land or interests in land 3 from any person, or from acquiring, constructing, or improving 4 5 pollution control or waste collection and disposal facilities in accordance with Chapter 30 [25], Water Code, [as amended,] the 6 Clean Air Financing Act (Chapter 4477-5a, Vernon's Texas Civil 7 Statutes), or other applicable statutes, or purchasing or acquiring 8 surplus property from any governmental entity by negotiated 9 contract and without necessity for advertising for bids. 10

11 SECTION 10. Subchapter 3, Chapter 427, Acts of the 44th 12 Legislature, 1st Called Session, 1935, is amended by adding Section 13 3.18A to read as follows:

14Sec. 3.18A. ALTERNATIVE DISPUTE RESOLUTION PROCEDURES.15(a) The board shall develop a policy to encourage the use of16appropriate alternative dispute resolution procedures under17Chapter 2009, Government Code, to assist in the resolution of18internal and external disputes under the authority's jurisdiction.19(b) The authority's procedures relating to alternative20dispute resolution must conform, to the extent possible, to any

21 model guidelines issued by the State Office of Administrative
22 Hearings for the use of alternative dispute resolution by state
23 agencies.

24

(c) The authority shall:

25 (1) coordinate the implementation of the policy
26 adopted under Subsection (a) of this section;

27 (2) provide training as needed to implement the

ADZ

### 1 procedures for alternative dispute resolution; and

2

3

# (3) collect data concerning the effectiveness of those procedures.

4 SECTION 11. Sections 3.22A and 3.23, Chapter 427, Acts of 5 the 44th Legislature, 1st Called Session, 1935, are amended to read 6 as follows:

7 Sec. 3.22A. CONSERVATION PROGRAM. The board shall adopt and implement a program of water conservation that incorporates the 8 9 practices, techniques, and technologies that will reduce the 10 consumption of water, reduce the loss or waste of water, improve the efficiency in the use of water, or increase the recycling and reuse 11 of water so that a water supply is made available for future or 12 alternative uses and that the commission and development board 13 determine [Texas Department of Water Resources determines] will 14 meet reasonably anticipated local needs and conditions. 15

Sec. 3.23. WORK WITH DEVELOPMENT BOARD. The authority has and may exercise all the powers vested in political subdivisions under <u>Chapters 5, 16, and 17</u> [Chapter 11], Water Code, [as amended,] including [without limitation] the powers necessary to enable the authority to participate in:

21 <u>(1)</u> [the] programs administered by the development 22 board for:

23 (A) the acquisition and development of 24 facilities;[7]

25 (B) the sale or lease of facilities; and[7]
26 (C) financial assistance to political
27 subdivisions;[7] and

O≡e ADY ee.

## <u>S.B. No. 625</u>

1	(2) other programs as are now or may hereafter be
2	authorized.
3	SECTION 12. Subchapter 3, Chapter 427, Acts of the 44th
4	Legislature, 1st Called Session, 1935, is amended by adding
5	Sections 3.27 and 3.28 to read as follows:
6	Sec. 3.27. COMPLAINTS. (a) The authority shall maintain a
7	system to promptly and efficiently act on complaints filed with the
8	authority. The authority shall maintain information about the
9	parties to and subject matter of the complaint, a summary of the
10	results of the review or investigation of the complaint, and the
11	disposition of the complaint.
12	(b) The authority shall make information available
13	describing its procedures for complaint investigation and
14	resolution.
15	(c) The authority shall periodically notify the complaint
16	parties of the status of the complaint until final disposition.
17	Sec. 3.28. FIVE-YEAR STRATEGIC PLAN. (a) The authority
18	shall adopt and promptly publish on the authority's Internet
19	website a written, five-year strategic plan that:
20	(1) sets the authority's goals for the following five
21	years;
22	(2) establishes the authority's mission; and
23	(3) describes the anticipated activities that the
24	authority will perform in the Nueces River Basin over the following
25	five years.
26	(b) The authority shall update the five-year strategic plan
27	regularly and publish the updated versions of the plan on the

DER AD-1 Re.

### 1 authority's Internet website.

2 SECTION 13. Section 5.01(a), Chapter 427, Acts of the 44th 3 Legislature, 1st Called Session, 1935, is amended to read as 4 follows:

5 (a) For the purpose of carrying out any power or authority 6 conferred by this Act, including [the expense of] preparing the 7 master plan and [the] payment of engineering and <u>related</u> [other] 8 expenses [in connection with this], the authority may issue its 9 bonds in three general classes:

10

bonds secured by ad valorem taxes;

11 (2) bonds secured by a pledge of all or part of the 12 revenues accruing to the authority, including without limitation 13 those received from sale of water or other products, rendition of 14 service, tolls, charges, and from all other sources other than ad 15 valorem taxes;

16 (3) bonds secured by a combination pledge of all or 17 part of the revenues described in Subdivision (2) of this 18 subsection, and taxes.

SECTION 14. Section 2, Chapter 699, Acts of the 64th
 Legislature, Regular Session, 1975, is amended to read as follows:

Sec. 2. The rights, privileges, authority, and functions herein granted to the authority and the authority itself are expressly subject to Chapters 5, <u>7, 17</u> [<del>6</del>], and <u>26</u> [<del>21</del>], Water Code<u>,</u> and Chapter 366, Health and Safety Code.

25 SECTION 15. Section 5.03, Chapter 427, Acts of the 44th 26 Legislature, 1st Called Session, 1935, is repealed.

27 SECTION 16. (a) The term of the president of the board of

ADS

directors of the Nueces River Authority serving on the effective date of this Act expires September 1, 2019. The director serving as president on the effective date of this Act may continue to serve on the board of directors until the director's successor is appointed and has qualified.

6 (b) Not later than September 2, 2019, the governor shall 7 designate a director as president of the board of directors of the 8 Nueces River Authority as required by Section 2.03(i), Chapter 427, 9 Acts of the 44th Legislature, 1st Called Session, 1935, as amended 10 by this Act.

SECTION 17. (a) Notwithstanding Section 2.03A, Chapter 427, Acts of the 44th Legislature, 1st Called Session, 1935, as added by this Act, a person serving on the board of directors of the Nueces River Authority may vote, deliberate, and be counted as a director in attendance at a meeting of the board until December 1, 2019.

17

(b) This section expires January 1, 2020.

18 SECTION 18. (a) The legal notice of the intention to 19 introduce this Act, setting forth the general substance of this 20 Act, has been published as provided by law, and the notice and a 21 copy of this Act have been furnished to all persons, agencies, 22 officials, or entities to which they are required to be furnished 23 under Section 59, Article XVI, Texas Constitution, and Chapter 313, 24 Government Code.

(b) The governor, one of the required recipients, has
submitted the notice and Act to the Texas Commission on
Environmental Quality.

DEA

1 (c) The Texas Commission on Environmental Quality has filed 2 its recommendations relating to this Act with the governor, the 3 lieutenant governor, and the speaker of the house of 4 representatives within the required time.

(d) All requirements of the constitution and laws of this
state and the rules and procedures of the legislature with respect
to the notice, introduction, and passage of this Act are fulfilled
and accomplished.

9

SECTION 19. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

AD & De

I hereby certify that S.B. No. 625 passed the Senate on April 8, 2019, by the following vote: Yeas 30, Nays 0.\_

Secretary of the

I hereby certify that S.B. No. 625 passed the House on April 26, 2019, by the following vote: Yeas 138, Nays 0, two present not voting.\_\_



Approved:

<u>J-ZOI9</u> Date ee Albart Gove rnor

