

1-1 By: Armbrister S.B. No. 1276
1-2 (In the Senate - Filed March 12, 2003; March 19, 2003, read
1-3 first time and referred to Committee on Natural Resources;
1-4 April 22, 2003, reported favorably by the following vote: Yeas 11,
1-5 Nays 0; April 22, 2003, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the Lavaca-Navidad River Authority, formerly known as
1-9 the Jackson County Flood Control District.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subsections (a) and (b), Section 1, Chapter 186,
1-12 Acts of the 50th Legislature, Regular Session, 1947, are amended to
1-13 read as follows:

1-14 (a) There is hereby created and established within the State
1-15 of Texas, in addition to the Districts into which the state has
1-16 heretofore been divided, a Conservation and Reclamation District to
1-17 be known as the Lavaca-Navidad River Authority [Jackson County
1-18 Flood Control District], (hereinafter called the District), and
1-19 consisting of that part of the State of Texas which is known as and
1-20 included within the boundaries of Jackson County, Texas (the
1-21 boundaries of the District being coextensive with the boundaries of
1-22 Jackson County, Texas, and the District including all of the lands
1-23 and other property, both real and personal, within the boundaries
1-24 of said county). Such District shall be a governmental agency and
1-25 body politic and corporate, with the powers of government and with
1-26 the authority to exercise the rights, privileges, and functions
1-27 hereinafter specified, the creation and establishment of such
1-28 District being essential to the accomplishment of the purposes of
1-29 Section 59 of Article XVI, Constitution of Texas, including the
1-30 control, storing, preservation, and distribution of the storm and
1-31 flood waters, and the waters of the rivers and streams of Jackson
1-32 County and their tributaries, inside and outside the boundaries of
1-33 the District, for domestic, municipal, flood control, irrigation,
1-34 agricultural, mining and recovery of minerals, hydroelectric
1-35 power, navigation, recreation and pleasure, public parks, game
1-36 preserves, and other useful purposes, the development of parks on
1-37 lands owned or acquired by the District, the reclamation and
1-38 drainage of the overflow land of Jackson County, the conservation
1-39 and development of forests, development, generation, distribution,
1-40 and sale of electric power and energy inside or outside the
1-41 boundaries of the District, and to aid in the protection and
1-42 promotion of navigation on the navigable waters by regulating the
1-43 flood and storm waters that flow into said navigable streams. In
1-44 addition, the District may discover, develop, and produce
1-45 groundwater within the boundaries of the Lavaca River Basin for use
1-46 within that portion of a county located within the boundaries of the
1-47 Lavaca River Basin where groundwater is discovered, developed, and
1-48 produced and may coordinate and contract with groundwater
1-49 conservation districts to engage in conjunctive groundwater and
1-50 surface water management.

1-51 (b) The management and control of the District shall be
1-52 vested in a Board of Directors consisting of nine (9) members, who
1-53 must reside within the District and shall be freehold property
1-54 taxpayers and legal voters of the State of Texas. The [, the]
1-55 members of the Board of Directors shall be appointed by the Governor
1-56 of Texas with the advice and consent of [and confirmed by] the
1-57 Senate. As soon as practicable after the passage of this Act (as
1-58 hereby amended), the members of the Board of Directors shall be
1-59 appointed (hereinafter referred to as "First Board"). In
1-60 appointing the members of the First Board, the Governor shall
1-61 appoint three (3) members to serve until May 1, 1961, and until
1-62 their successors are appointed and qualified, three (3) members to
1-63 serve until May 1, 1963, and until their successors are appointed
1-64 and qualified, and three (3) members to serve until May 1, 1965, and

2-1 until their successors are appointed and qualified. Except for the
 2-2 First Board, the terms of office of the members of the Board of
 2-3 Directors shall be for six (6) years ending on May 1st, and until
 2-4 their successors are appointed and qualified, three (3) members to
 2-5 be appointed during the month of April of each odd-numbered year by
 2-6 the Governor to succeed the members whose terms of office shall
 2-7 expire on the following May 1st. If a vacancy on the Board of
 2-8 Directors occurs because of the resignation or death of a member, or
 2-9 otherwise, the Governor shall fill the same for the unexpired term
 2-10 by the appointment of a successor member. Each Director
 2-11 ~~[Directors]~~ shall qualify by taking the official oath of office and
 2-12 filing a good and sufficient bond with the Secretary of State in the
 2-13 amount of One Thousand Dollars (\$1,000.), which shall be payable to
 2-14 the District, conditioned upon the faithful performance of his (or
 2-15 her) official duties as a Director.

2-16 SECTION 2. Section 2, Chapter 186, Acts of the 50th
 2-17 Legislature, Regular Session, 1947, is amended to read as follows:

2-18 Sec. 2. Except as expressly limited by this Act, the
 2-19 District shall have and is hereby authorized to exercise all
 2-20 powers, rights, privileges and functions which are now, or
 2-21 hereafter may be, conferred by General or Special Law upon any
 2-22 ~~[flood control]~~ District or Districts created pursuant to, or
 2-23 operating under, Section 59 of Article XVI, Constitution of Texas.
 2-24 Without in any way limiting the generality of the foregoing, the
 2-25 District shall have and is hereby authorized to exercise the
 2-26 powers, rights, privileges, and functions described by Section 1 of
 2-27 this Act. In addition, the District has the following powers,
 2-28 rights, privileges, and functions:

2-29 (a) To acquire by lease, gift, devise, purchase,
 2-30 condemnation, or in any other manner provided by law and to
 2-31 construct, maintain, use, and operate any property or any interest
 2-32 in property, including real or personal property, inside or outside
 2-33 the boundaries of the District, necessary or convenient to the
 2-34 District's powers, rights, privileges, and functions under this Act
 2-35 ~~[otherwise, lands and rights and interests therein and any other~~
 2-36 ~~character of property necessary or useful for any of the purposes~~
 2-37 ~~provided in Section 1(a) hereof].~~

2-38 (b) To lease, sell, trade, or otherwise dispose of any
 2-39 property or any interest in property, including real or personal
 2-40 property, [land or other property or rights therein] when the same
 2-41 are no longer needed for carrying on the business of the District
 2-42 ~~[such purposes].~~

2-43 (c) To appoint a manager and such other officers, agents,
 2-44 and employees, and to prescribe their duties and fix their
 2-45 compensation (including an engineer or engineers and legal
 2-46 counsel).

2-47 (d) To authorize its officers, employees, or agents to go
 2-48 upon any lands lying within the District for the purpose of making
 2-49 surveys and examining such lands in connection with any District
 2-50 plans or projects and for any other lawful purpose within the scope
 2-51 of its authority.

2-52 (e) To devise plans and construct works to lessen and
 2-53 control floods or to reclaim lands in the District; to prevent the
 2-54 deposit of silt in navigable streams; to remove obstructions,
 2-55 natural or artificial, from streams and water courses; to regulate
 2-56 the flow of surface and flood waters; to provide drainage; and to
 2-57 accomplish any other purpose within the scope of its authority.

2-58 (f) To borrow money for any of the purposes, consistent with
 2-59 the Constitution, provided by this Act or by the General Laws (and
 2-60 without limitation of the generality of the foregoing, to borrow
 2-61 money and accept grants from the United States of America, the State
 2-62 of Texas, or [from] any corporation or agency created or designated
 2-63 by the United States of America or the State of Texas, and in
 2-64 connection with any such loan or grant to enter into such agreements
 2-65 as the United States of America, the State of Texas, or such
 2-66 corporations or agencies may require), and to make and issue its
 2-67 notes and [negotiable] bonds (tax bonds or notes, revenue bonds or
 2-68 notes, and/or combination tax-revenue bonds or notes) for such
 2-69 borrowed money in the manner and to the extent provided herein.

3-1 (g) To cooperate with, or to contract with, any agency or
3-2 political subdivision of the state, or any city or town within the
3-3 boundaries of the District in relation to surveys, the acquisition
3-4 of land or right-of-ways, the construction or maintenance of
3-5 projects or parts thereof or the financing of the same in connection
3-6 with any matter within the scope of this Act.

3-7 (h) To sue and be sued in its corporate name.

3-8 (i) To adopt, use, and alter a corporate seal.

3-9 (j) To make bylaws, rules, and regulations for the
3-10 management and regulation of its affairs.

3-11 (k) To make contracts and execute instruments necessary or
3-12 convenient to the exercise of the powers, rights, privileges, and
3-13 functions conferred upon it by this Act or by general law.

3-14 (l) To do any and all other acts or things necessary or
3-15 convenient [proper] to the exercise of all of the powers, rights,
3-16 privileges, authority, or functions provided by the Constitution of
3-17 Texas, this Act, or other applicable law [carry into effect any of
3-18 the foregoing powers].

3-19 (m) In the event that the District, in the exercise of the
3-20 power of eminent domain or power of relocation, or any other power
3-21 granted hereunder, makes necessary the relocation, raising,
3-22 rerouting or changing the grade of, or altering the construction of
3-23 any highway, railroad, electric transmission line, telephone or
3-24 telegraph properties and facilities, or pipeline, all such
3-25 necessary relocation, raising, rerouting, changing of grade or
3-26 alteration of construction shall be accomplished at the sole
3-27 expense of the District.

3-28 (n) In no event shall the power of eminent domain be
3-29 exercised by said District beyond the limits of Jackson County.

3-30 (o) To own, construct, operate, and maintain facilities
3-31 relating to:

3-32 (1) water supply and treatment;

3-33 (2) wastewater treatment and distribution;

3-34 (3) solid waste;

3-35 (4) electric power generation;

3-36 (5) flood monitoring, warning, and control;

3-37 (6) water quality protection, including non-point
3-38 source pollution control measures;

3-39 (7) emergency communication support to other
3-40 political subdivisions;

3-41 (8) aquatic weed control and development;

3-42 (9) parks and recreation; and

3-43 (10) monitoring and collecting data to support the
3-44 facilities listed in Subdivisions (1)-(9) of this subsection.

3-45 (p) To effectively and efficiently meet current and future
3-46 water supply demands inside or outside the boundaries of the
3-47 District, the District may acquire, construct, develop, operate,
3-48 and maintain desalination projects inside or outside the boundaries
3-49 of the District. In relation to the development and operation of
3-50 desalination projects, the District may:

3-51 (1) own and operate a facility that is ancillary to a
3-52 desalination project, including an electric power generation
3-53 facility;

3-54 (2) incur debt and receive funding through grants; and

3-55 (3) form development corporations that may be funded
3-56 by the Texas Water Development Board.

3-57 SECTION 3. Section 3, Chapter 186, Acts of the 50th
3-58 Legislature, Regular Session, 1947, is amended to read as follows:

3-59 Sec. 3. The Board of Directors shall cause to be kept
3-60 complete and accurate records and accounts conforming to approved
3-61 methods of bookkeeping, and shall preserve their minutes,
3-62 contracts, records, notices, accounts, receipts, and records of all
3-63 kinds in a fireproof vault or safe. A regular office shall be
3-64 established and maintained for the conduct of District business
3-65 within the District.

3-66 Each Director shall receive fees of office not to exceed \$100
3-67 a day for each day the Director performs the duties of a Director,
3-68 or as state law otherwise authorizes, [for his services Ten Dollars
3-69 (\$10.) per day for each day served] plus actual traveling expenses,

4-1 provided that such compensation and expenses are approved by a vote
 4-2 of the Board, and provided further, that no Director shall receive
 4-3 more than \$6,000 [~~Six Hundred Dollars (\$600.)~~] per year or as state
 4-4 law otherwise authorizes for such fees of office [~~per diem~~
 4-5 ~~services~~]. Each Director shall file with the General Manager
 4-6 [~~Secretary~~] a statement showing the amount due him each month or as
 4-7 soon thereafter as practicable, before a check shall be issued
 4-8 therefor.

4-9 No Director, engineer, officer, or employee of the District,
 4-10 either for himself or as agent for anyone else, shall benefit
 4-11 directly or indirectly by reason of any sale, purchase, or contract
 4-12 entered into by the District [~~Board~~]. If any such person shall
 4-13 directly or indirectly become interested in any such sale,
 4-14 purchase, or contract, he shall be guilty of a misdemeanor and upon
 4-15 conviction thereof shall be punished by a fine in any sum of not to
 4-16 exceed One Thousand Dollars (\$1,000.) or by confinement in the
 4-17 county jail for not less than six (6) months nor more than one (1)
 4-18 year, or by both such fine and imprisonment.

4-19 All bonds required to be given by officers and employees of
 4-20 the District shall be executed by a surety company authorized to do
 4-21 business in the State of Texas as surety thereon, and the District
 4-22 shall be authorized to pay the premium on such bonds.

4-23 SECTION 4. Subsection (a), Section 6, Chapter 186, Acts of
 4-24 the 50th Legislature, Regular Session, 1947, is amended to read as
 4-25 follows:

4-26 Sec. 6. (a) For the purpose of providing funds for any of
 4-27 the purposes provided by this Act or any other laws relating to
 4-28 [~~flood control~~] districts created or operating under Section 59 of
 4-29 Article XVI of the Constitution of Texas, the Board of Directors
 4-30 shall have the power from time to time to issue negotiable bonds for
 4-31 and on behalf of the District, which bonds may be secured by any one
 4-32 of the following methods:

4-33 (1) Solely by a pledge of and payable from the net
 4-34 revenues derived from the operation of all or a designated part of
 4-35 the improvements and facilities of the District then in existence
 4-36 or to be constructed or acquired, with the duty on the Board of
 4-37 Directors to charge and collect fees, tolls, and charges, so long as
 4-38 the bonds are outstanding, sufficient to pay all maintenance and
 4-39 operation expenses of the improvements and facilities (the income
 4-40 of which is pledged), the interest on such bonds as it accrues, the
 4-41 principal of such bonds as it matures, and to make any and all other
 4-42 payments as may be prescribed in the bond order or resolution; or

4-43 (2) By a pledge of and payable from an ad valorem tax
 4-44 upon all taxable property within the District under Section 59 of
 4-45 Article XVI of the Constitution of Texas, with the duty on the Board
 4-46 of Directors each year while the bonds, or any part of them, are
 4-47 outstanding to levy, and cause to be assessed and collected, a tax
 4-48 sufficient to pay the interest on such bonds as it accrues and the
 4-49 principal of such bonds as it matures; or

4-50 (3) By a combination of the methods prescribed under
 4-51 (1) and (2) above, wherein the bonds are supported and secured by an
 4-52 ad valorem tax, with the duty on the Board of Directors to charge
 4-53 and collect fees, tolls, and charges, so long as the bonds are
 4-54 outstanding, so the (in the manner prescribed in the bond order or
 4-55 resolution) amount of tax to be collected from time to time may be
 4-56 reduced or abated to the extent that the revenues from the operation
 4-57 of said improvements and facilities (the income of which is
 4-58 pledged) are sufficient to meet the requirements for maintenance
 4-59 and operation of said improvements and facilities and to provide
 4-60 funds for the bonds as prescribed in said bond order or resolution.

4-61 "Net revenues" as used herein shall mean the gross revenues
 4-62 derived from the operation of those improvements and facilities of
 4-63 the District the income of which is pledged to the payment of the
 4-64 bonds less the reasonable expense of maintaining and operating said
 4-65 improvements and facilities, and said maintenance and operation
 4-66 expenses shall include, among other things, necessary repair,
 4-67 upkeep, and insurance of said improvements and facilities.

4-68 In the resolution or order adopted by the Board of Directors
 4-69 authorizing the issuance of bonds payable in whole or in part from

5-1 net revenues, the Board may provide for the flow of funds, the
 5-2 establishment and maintenance of the interest and sinking fund,
 5-3 reserve fund, and other funds, and may make such additional
 5-4 covenants with respect to the bonds and the pledged revenues and the
 5-5 operation, maintenance, and upkeep of those improvements and
 5-6 facilities (the income of which is pledged), including provision
 5-7 for the leasing of all or a part of said improvements and facilities
 5-8 and the use or pledge of moneys derived from leases thereof, as it
 5-9 may deem appropriate. Said resolution or order may also prohibit
 5-10 the further issuance of bonds or other obligations payable from the
 5-11 pledged net revenues, or may reserve the right to issue additional
 5-12 bonds to be secured by a pledge of and payable from said net
 5-13 revenues on a parity with, or subordinate to, the lien and pledge in
 5-14 support of the bonds being issued, subject to such conditions as are
 5-15 set forth in said resolution or order. Such resolution or order may
 5-16 contain such other provisions and covenants, as the Board of
 5-17 Directors shall determine, not prohibited by the Constitution of
 5-18 Texas or by this Act, and the Board may adopt and cause to be
 5-19 executed any other proceedings or instruments necessary and/or
 5-20 convenient in the issuance of said bonds.

5-21 SECTION 5. Chapter 186, Acts of the 50th Legislature,
 5-22 Regular Session, 1947, is amended by adding Section 8A to read as
 5-23 follows:

5-24 Sec. 8A. The Board of Directors, without an election, may
 5-25 borrow money on negotiable or nonnegotiable notes of the District
 5-26 to be paid solely from the revenues of the District derived from the
 5-27 ownership of all or a designated part of the District's works,
 5-28 plant, improvements, facilities, equipment, or water rights, after
 5-29 deduction of the reasonable cost of maintaining and operating the
 5-30 facilities. The District may not pay any part of an obligation from
 5-31 taxes levied or collected by the District. The Board of Directors
 5-32 may designate the notes as first lien or subordinate lien notes. An
 5-33 obligation shall be a charge on the revenues pledged for the payment
 5-34 of the obligation, not a charge on the property of the District or
 5-35 on the taxes levied or collected by the District.

5-36 SECTION 6. Section 9, Chapter 186, Acts of the 50th
 5-37 Legislature, Regular Session, 1947, is amended to read as follows:

5-38 Sec. 9. All maintenance tax elections shall be called and
 5-39 held as is provided in Section 6(b) of this Act relating to
 5-40 elections for bonds payable in whole or in part from taxes, and the
 5-41 following shall appear on the ballot in such maintenance tax
 5-42 elections:

5-43 "For maintenance tax"; and the contrary thereof.

5-44 This being a county-wide District, the regular voting or
 5-45 election precincts established by the Commissioners Court of
 5-46 Jackson County for county-wide elections shall be the voting or
 5-47 election precincts for all elections called and held under the
 5-48 provisions of this Act. Except as modified herein, the General
 5-49 Election Laws of the State of Texas shall apply to and govern all
 5-50 elections called and held under the provisions hereof.

5-51 SECTION 7. Section 10a, Chapter 186, Acts of the 50th
 5-52 Legislature, Regular Session, 1947, is amended to read as follows:

5-53 Sec. 10a. The Board of Directors may contract as provided by
 5-54 Chapter 791, Government Code, [the Interlocal Cooperation Act
 5-55 (Article 4413(32c), Vernon's Texas Civil Statutes)] with the Board
 5-56 of Directors of the Jackson County Appraisal District for the
 5-57 performance of duties relating to assessment or collection of taxes
 5-58 on behalf of the Lavaca-Navidad River Authority. The Board of
 5-59 Directors may contract with any other political subdivision of this
 5-60 state having authority to assess or collect taxes in Jackson
 5-61 County, either now existing or created in the future, for the
 5-62 assessment or collection of taxes on behalf of the Lavaca-Navidad
 5-63 River Authority.

5-64 SECTION 8. Section 12, Chapter 186, Acts of the 50th
 5-65 Legislature, Regular Session, 1947, is amended to read as follows:

5-66 Sec. 12. Lavaca-Navidad River Authority [Jackson County
 5-67 Flood Control District] heretofore created is in all things
 5-68 validated, and any and all acts relating to the District heretofore
 5-69 performed or done by said District or its governing body or any

6-1 other officials of the State or of Jackson County are in all things
6-2 validated.

6-3 SECTION 9. The following sections are repealed:

6-4 (1) Section 1(a), Chapter 186, Acts of the 50th
6-5 Legislature, Regular Session, 1947, as added by Chapter 417, Acts
6-6 of the 61st Legislature, Regular Session, 1969; and

6-7 (2) Sections 11 and 11a, Chapter 186, Acts of the 50th
6-8 Legislature, Regular Session, 1947.

6-9 SECTION 10. This Act takes effect September 1, 2003.

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