

## **BILL ANALYSIS**

Senate Research Center

S.B. 1531  
By: Hinojosa  
Natural Resources  
6/7/2007  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

This bill links purchasing contract methods for routine purchases or contracts with Section 60.403(a), Water Code, in order to standardize the purchasing power of navigation districts at its current limit of \$25,000.

S.B. 1531 authorizes delegation of certain administrative powers by authorizing the executive director of a navigation district (district) to sign and execute a contract, lease, or agreement after the approval of the contract, lease, or agreement by the navigation and canal commission (commission). This bill repeals language requiring the district to request contractors to provide an estimated budget when responding to a district's request for comparative sealed proposals to encourage the best bid by vendors. This bill authorizes the commission of a district to periodically dispose of surplus or salvage personal property in the same manner as the commissioners court of a county.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 60, Water Code, by adding Section 60.004, as follows:

Sec. 60.004. ACT OR PROCEEDING OF DISTRICT PRESUMED VALID. (a) Provides that an act or proceeding of a navigation district (district), its governing body, or any local government corporation, development corporation, or nonprofit corporation of the district is conclusively presumed, as of the date it occurred, to be valid and to have occurred in accordance with all applicable statutes and ordinances if certain conditions are met.

(b) Sets forth the acts, proceedings, and matters to which this section does not apply.

SECTION 2. Amends Section 60.077, Water Code, as follows:

Sec. 60.077. AUTHORITY OF PEACE OFFICERS. (a) Creates this subsection from existing text.

(b) Provides that a peace officer employed or appointed by the navigation and canal commission (commission) has the same powers and duties as a peace officer described by Article 2.12 (Who Are Peace Officers), Code of Criminal Procedure.

SECTION 3. Amends Section 60.120(b), Water Code, as follows:

(b) Requires any contract, lease, or agreement entered into under Subsection (a) of this section to be approved by resolution of the commission and to be executed by the chairman, the executive director of the district, or an authorized representative of the executive director, rather than executed by the chairman and attested by the secretary of the commission.

SECTION 4. Amends Section 60.153, Water Code, as follows:

Sec. 60.153. EXECUTION OF CONTRACTS. Makes a conforming change.

SECTION 5. Amends Sections 60.403(a) and (b), Water Code, as follows:

(a) Authorizes the executive director of the district or the port authority or an authorized representative of the executive director to make routine purchases or contracts in an amount not to exceed \$25,000. Deletes existing text authorizing a designated employee of a port authority or district to make routine purchases or contracts in an amount not to exceed \$25,000. Makes a nonsubstantive change.

(b) Requires a purchase order or other form of precommitment approval to be signed by the executive director of the district or the port authority or an authorized representative of the executive director, rather than the authorized designated officer, before a purchase is made.

SECTION 6. Amends Section 60.410(b), Water Code, as follows:

(b) Authorizes a port commission to grant general authority to an employee to approve a change order if the change order involves an increase or decrease in cost less than or equal to the amount authorized in Section 60.403(a) for routine purchases or contracts, rather than of \$15,000 or less.

SECTION 7. Amends Section 60.4125(a), Water Code, to authorize a district or port authority to make a purchase or enter into a contract valued at more than the amount authorized in Section 60.403(a) for routine purchases or contracts, rather than \$25,000 or more, by any method available to a school district, including all procedures and limitations, under Subchapter B, Chapter 44, Education Code, that, in the opinion of the port commission, provides the best value to the district or port authority notwithstanding the other provisions of this subchapter or any other law.

SECTION 8. Amends Section 60.454, Water Code, as follows:

Sec. 60.454. PURCHASING CONTRACT METHODS. Authorizes a district contract valued at more than the amount authorized in Section 60.403(a) for routine purchases or contracts, rather than \$25,000 or more, in the aggregate for each 12-month period to be made by the method provided in this section that, in the opinion of the district's commission, provides the best value for the district relating to competitive sealed proposals for construction, repair, rehabilitation, or alteration of a facility, and nonconstruction items and a request for proposals, if the contract is for items, rather than services, other than construction services, notwithstanding any other provision of this chapter or other law.

SECTION 9. Amends Section 60.463(d), Water Code, to delete existing text requiring the district to prepare a request for competitive sealed proposals that includes an estimated budget.

SECTION 10. Amends Section 62.113, Water Code, as follows:

Sec. 62.113. FORM OF CONTRACTS. Deletes existing text requiring a copy of a contract made by the navigation and canal commission (commission) to be filed with the county clerk. Makes a conforming change.

SECTION 11. Amends Subchapter D, Chapter 62, Water Code, by adding Section 62.122, as follows:

Sec. 62.122. DISPOSITION OF SALVAGE OR SURPLUS PERSONAL PROPERTY. Authorizes the commission to periodically dispose of surplus or salvage personal property in the same manner as the commissioners court of a county under Subchapter D, Chapter 263 (Disposition of Salvage or Surplus Property), Local Government Code.

SECTION 12. Amends Section 63.172, Water Code, as follows:

Sec. 63.172. FORMAL REQUIREMENTS OF CONTRACT. Deletes existing text requiring a copy of a contract entered into by the district to be filed with the county clerk for reference. Makes a conforming change.

SECTION 13. (a) Makes application of contracts and purchases made by a navigation district or port authority prospective, except as provided by Subsection (b) of this section.

(b) Provides that Sections 60.410 and 60.454, Water Code, as added by this Act, apply to a contract entered into before, on, or after the effective date of this Act and validates certain contracts entered into before that date.

SECTION 14. Effective date: upon passage or September 1, 2007.