

BILL ANALYSIS

S.B. 1531
By: Hinojosa
Transportation
Committee Report (Amended)

BACKGROUND AND PURPOSE

Over the last several sessions, a number of measures have been enacted addressing the competitive procurement requirements that navigation districts and port authorities follow, as well as the types of purchase contracts they may enter into.

Due to amendments and changes made to the port procurement statutes, some conflicting language and other issues have arisen. Additionally, existing law does not explicitly provide for the disposition of salvage and surplus property by navigation districts, as it does for other local government entities.

S.B. 1531 amends Chapter 60, Subchapter N of the Water Code, regarding Competitive Bidding Requirements and other procurement matters, and Subchapter O, regarding Purchase Contracts, to clarify the procurement powers of navigation districts and port authorities.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 60.120(b), Water Code, to provide that the executive director of a navigation district or an authorized representative of the executive director may execute any contract, lease, or agreement entered into by that district. Provides that the approval by resolution of the navigation and canal commission of any contract, lease, or agreement entered into need no longer be attested by the secretary of the commission.

SECTION 2. Amends Section 60.153, Water Code, to make a conforming change.

SECTION 3. Amends Sections 60.403(a) and (b), Water Code, to provide that the executive director of the district or the port authority or an authorized representative of the executive director, rather than an authorized designated employee of a port authority or district, may make routine purchases or contracts in an amount not to exceed \$25,000. Provides that an authorized representative of the executive director, rather than the authorized designated officer, of a district or port authority may sign a purchase order or other form of precommitment approval.

SECTION 4. Amends Section 60.410(b), Water Code, to provide that if a 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 an increase or decrease in cost of \$15,000 or less, a port commission may grant general authority to an employee to approve the change order.

SECTION 5. Amends Section 60.4125(a), Water Code, to provide that a district or port authority may 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, for the provisions of Section 60.4125(a).

SECTION 6. Amends Section 60.454, Water Code, to provide the method in which a district contract valued at more than the amount authorized in Section 60.403(a) for routine purchases or contracts, rather than \$25,000, may be made. Provides that such a district contract requires, rather than competitive sealed proposals, competitive sealed proposals for construction, repair,

rehabilitation, or alteration of a facility, and nonconstruction items. Provides that such a contract further requires a request for proposals, if the contract is for items, rather than services, other than construction services.

SECTION 7. Amends Section 60.463(d), Water Code, to provide that competitive sealed proposals submitted in response to a district request must no longer include an estimated budget.

SECTION 8. Amends Section 62.113, Water Code, to include the executive director of the district, or an authorized representative of the executive director, on the list of individuals who must sign a contract made by the commission. Provides that a copy of the contract need no longer be filed with the county clerk.

SECTION 9. Amends Subchapter D, Chapter 62, Water Code, by adding Section 62.122 as follows:

Sec. 62.122. DISPOSITION OF SALVAGE OR SURPLUS PERSONAL PROPERTY.
Provides that the commission may periodically dispose of surplus or salvage personal property in the same manner as the commissioners court of a county under Subchapter D, Chapter 263, Local Government Code.

SECTION 10. Amends Section 63.172, Water Code, to make a conforming change.

SECTION 11. Provides that changes in this Act to Sections 60.410 and 60.454, Water Code, apply to a contract entered into before, on, or after the effective date. Provides that changes in law made by this Act related to all other contracts and purchases apply only to contracts entered into or purchases made on or after the effective date.

SECTION 12. Effective date.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.

EXPLANATION OF AMENDMENTS

Committee Amendment #1 amends the Texas Water Code by clarifying that port police officers are officially designated peace officers, and that their jurisdiction is not limited in their efforts against terrorism.