

Amend CSSB 341 (house committee report) as follows:

(1) In SECTION 2.01 of the bill (page 9, line 27, through page 10, line 9), strike Subsections (e) and (f) and substitute the following:

(e) The ballot for an election under this section must be printed to permit voting:

(1) for or against the proposition: "The dissolution of the Bexar Metropolitan Water District."; and

(2) for one of the following propositions:

(A) "In the event the Bexar Metropolitan Water District is dissolved, the district's assets, obligations, and duties shall be transferred to the water utility owned by the municipality with the largest population in the area served by the district."; or

(B) "In the event the Bexar Metropolitan Water District is dissolved, the district's assets, obligations, and duties shall be transferred to a new water district called the Alamo Water District."

(f) The board shall certify:

(1) that a majority of the voters voting in the district have voted under Subsection (e)(1):

(A) in favor of dissolution; or

(B) not in favor of dissolution; and

(2) whether the proposition under Subsection (e)(2)(A) or (B) received the most votes, or if a tie exists.

(f-1) If a tie exists under Subsection (f)(2), the board shall certify the proposition under Subsection (e)(2)(B) as receiving the most votes.

(2) Strike SECTION 2.02 of the bill (page 10, lines 15-27) and substitute the following:

SECTION 2.02. (a) Not later than the 20th day after the date on which the election results are officially declared, the board shall certify the results to the secretary of state.

(b) If the proposition under Section 2.01(e)(1) is approved by a majority of the voters voting in the election, Article 3 of this Act does not take effect and:

(1) if the board certifies the proposition under

Section 2.01(e)(2)(A) as receiving the most votes, Article 4 of this Act takes effect on the date the results are certified; or

(2) if the board certifies the proposition under Section 2.01(e)(2)(B) as receiving the most votes, Article 4A of this Act takes effect on the date the results are certified.

(c) If a majority of the voters voting in the election do not approve the proposition under Section 2.01(e)(1):

(1) Article 3 of this Act takes effect on the date the results are certified; and

(2) Article 4 or 4A of this Act does not take effect.

(3) Strike ARTICLE 2A of the bill (page 11, line 1, through page 13, line 25).

(4) In the heading to ARTICLE 4 of the bill (page 22, line 21), between "LIABILITIES" and "IF", insert "TO AN EXISTING WATER UTILITY".

(5) On page 27, between lines 25 and 26, insert ARTICLE 4A to the bill as follows:

ARTICLE 4A. TRANSFER OF DISTRICT ASSETS AND LIABILITIES TO, AND CREATION OF, THE ALAMO WATER DISTRICT IF VOTERS DISSOLVE THE BEXAR METROPOLITAN WATER DISTRICT UNDER ARTICLE 2

SECTION 4A.01. (a) The Bexar Metropolitan Water District is dissolved. The district shall stay in effect to complete the transfer under Section 4A.05 of this article.

(b) The Texas Commission on Environmental Quality shall enter an order dissolving the Bexar Metropolitan Water District.

SECTION 4A.02. Sections 1 and 8, Chapter 306, Acts of the 49th Legislature, Regular Session, 1945, are amended to read as follows:

Sec. 1. Under [~~In obedience to the provisions of~~] Article 16, Section 59 of the Constitution of Texas, there is [~~hereby~~] created the Alamo Water District. [~~Bexar Metropolitan Water District, hereinafter in this Act sometimes called the "District."~~]

Sec. 8. (a) [~~-~~] The seven [~~five (5)~~] members of the Board of Directors are [~~shall hereafter be~~] elected to staggered two-year terms in an election held on the uniform election date in November. Directors are elected from numbered single-member districts established by the Board. The Board shall revise each

single-member district after each decennial census to reflect population changes and to conform with state law, the federal Voting Rights Act of 1965 (42 U.S.C. Section 1973 et seq.), and any applicable court order [~~for a term of six (6) years each, provided that an election for two (2) Directors for a term of six (6) years shall be held on the first Tuesday in April, 1954; the terms of three (3) members of the present Board shall be, and are, hereby, extended to the first Tuesday in April, 1957; and the present Directors shall determine such three (3) by lot. Three (3) Directors shall be elected on the first Tuesday in April, 1957, and two (2) Directors and three (3) Directors, alternately, shall be elected each three (3) years thereafter on the first Tuesday in April as the six-year terms expire]. At an election of Directors, the candidate from each single-member district who receives [~~The two (2) or three (3) persons, respectively, receiving]~~ the greatest number of votes is [~~shall be declared]~~ elected to represent that single-member district. Each Director shall hold office until his successor is [~~shall have been]~~ elected or appointed and has [~~shall have]~~ qualified.~~

(a-1) A person is not eligible to serve as a Director for more than three terms or for more than a total of seven years of service. [↗]

(b) Such [~~such~~] elections shall be called, conducted and canvassed in the manner provided by the Election Code. [~~Chapter 25, General Laws of the Thirty-ninth Legislature, Regular Session, 1925, and any amendments thereto,~~]

(c) The [~~the~~] Board of Directors shall fill all vacancies on the Board by appointment and such appointees shall hold office until a successor elected at the next scheduled election date has qualified. [~~for the unexpired term for which they were appointed,~~]

(d) Any four [~~any three~~] members of the Board are [~~shall constitute]~~ a quorum for the adoption or [~~of~~] passage of any resolution or order or the transaction of any business of the District. [↗]

(e) A Director must [~~Directors succeeding the first Board, whether now or hereafter elected, shall]~~ be a qualified voter of the single-member district from which the Director is elected [~~resident~~]

~~electors of Bexar County, Texas, and owners of taxable property within the area comprising said District, and shall organize in like manner].~~

(f) A payment to a Director for fees of office under Section 49.060, Water Code, may not be made for a meeting that occurs in a different fiscal year from the one in which the payment is made.

SECTION 4A.03. Chapter 306, Acts of the 49th Legislature, Regular Session, 1945, is amended by adding Sections 1A, 8A, 8B, 8C, 10A, and 10B to read as follows:

Sec. 1A. In this Act:

(1) "Board" means the District's Board of Directors.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Director" means a Board member.

(4) "District" means the Alamo Water District.

Sec. 8A. (a) To be eligible to be a candidate for or to be elected or appointed as a Director, a person must have:

(1) resided continuously in the single-member district that the person seeks to represent for 12 months immediately preceding the date of the regular filing deadline for the candidate's application for a place on the ballot;

(2) viewed the open government training video provided by the attorney general and provided to the Board a signed affidavit stating that the candidate viewed the video;

(3) obtained 200 signatures from individuals living in the District; and

(4) paid a filing fee of \$250 or filed a petition in lieu of the filing fee that satisfies the requirements prescribed by Section 141.062, Election Code.

(b) In this subsection, "political contribution" and "specific-purpose committee" have the meanings assigned by Section 251.001, Election Code. A Director or a candidate for the office of Director may not knowingly accept political contributions from a person that in the aggregate exceed \$500 in connection with each election in which the person is involved. For purposes of this subsection, a contribution to a specific-purpose committee for the purpose of supporting a candidate for the office of Director,

opposing the candidate's opponent, or assisting the candidate as an officeholder is considered to be a contribution to the candidate.

Sec. 8B. (a) A person who is elected or appointed to and qualifies for office as a Director may not vote, deliberate, or be counted as a member in attendance at a meeting of the Board until the person completes a training program on District management issues. The training program must provide information to the person regarding:

(1) the enabling legislation that created the District;

(2) the operation of the District;

(3) the role and functions of the Board;

(4) the rules of the Board;

(5) the current budget for the Board;

(6) the results of the most recent formal audit of the Board;

(7) the requirements of the:

(A) open meetings law, Chapter 551, Government Code;

(B) open records law, Chapter 552, Government Code; and

(C) administrative procedure law, Chapter 2001, Government Code;

(8) the requirements of the conflict of interest laws and other laws relating to public officials; and

(9) any applicable ethics policies adopted by the Board or the Texas Ethics Commission.

(b) The Texas Commission on Environmental Quality may create an advanced training program designed for a person who has previously completed a training program described by Subsection (a) of this section. If the commission creates an advanced training program under this subsection, a person who completes that advanced training program is considered to have met the person's obligation under Subsection (a) of this section.

(c) Each Director who is elected or appointed shall complete a training program described by Subsection (a) or (b) of this section at least once in each term the Director serves.

(d) The Board shall adopt rules regarding the completion of the training program described by Subsection (a) or (b) of this section by a person who is elected or appointed to and qualifies for office as a Director. A Director described by this subsection who does not comply with Board rules is considered incompetent as to the performance of the duties of a Director in any action to remove the Director from office.

(e) A Director may not:

(1) accept or solicit a gift, favor, or service, the value of which exceeds \$25 per gift, favor, or service, that:

(A) might reasonably influence the Director in the discharge of an official duty; or

(B) the Director knows or should know is being offered with the intent to influence the Director's official conduct;

(2) accept other employment or engage in a business or professional activity that the Director might reasonably expect would require or induce the Director to disclose confidential information acquired by reason of the official position;

(3) accept other employment or compensation that could reasonably be expected to impair the Director's independence of judgment in the performance of the Director's official duties;

(4) make personal investments that could reasonably be expected to create a substantial conflict between the Director's private interest and the interest of the District;

(5) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the Director's official powers or performed the Director's official duties in favor of another; or

(6) have a personal interest in an agreement executed by the District.

(f) Not later than April 30 each year, a Director shall file with the Bexar County clerk a verified financial statement complying with Sections 572.022, 572.023, 572.024, and 572.0252, Government Code. The District shall keep a copy of a financial statement filed under this section in the main office of the District.

Sec. 8C. (a) A Director may be recalled for:

(1) incompetency or official misconduct as defined by Section 21.022, Local Government Code;

(2) conviction of a felony;

(3) incapacity;

(4) failure to file a financial statement as required by Section 8B(f) of this Act;

(5) failure to complete a training program described by Section 8B(a) or (b) of this Act; or

(6) failure to maintain residency in the District.

(b) If at least 10 percent of the voters in the District submit a petition to the Board requesting the recall of a Director, the Board, not later than the 10th day after the date the petition is submitted, shall mail a written notice of the petition and the date of its submission to each registered voter in the District.

(c) Not later than the 30th day after the date a petition requesting the recall of a Director is submitted, the Board shall order an election on the question of recalling the Director.

(d) A recall election under this section may be held on any uniform election date.

(e) If a majority of the District voters voting at an election held under this section favor the recall of the Director, the Director is recalled and ceases to be a Director.

Sec. 10A. All Board reimbursements and expenditures must be approved by the Board in a regularly scheduled meeting.

Sec. 10B. The Board may not select the same auditor to conduct an audit required by Section 49.191, Water Code, for more than three consecutive annual audits.

SECTION 4A.04. Sections 7, 27A, 27D, 27F, 27G, and 33A, Chapter 306, Acts of the 49th Legislature, Regular Session, 1945, are repealed.

SECTION 4A.05. Not later than one month after the effective date of this article under Section 2.02 of this Act:

(1) all functions and activities performed immediately before that date by the Bexar Metropolitan Water District are transferred to the Alamo Water District;

(2) a rule, form, policy, procedure, or decision of

the Bexar Metropolitan Water District continues in effect as a rule, form, policy, procedure, or decision of the Alamo Water District and remains in effect until amended or replaced by the Alamo Water District;

(3) a reference in law or administrative rule to the Bexar Metropolitan Water District means the Alamo Water District;

(4) all money, contracts, leases, rights, property, records, and bonds and other obligations of the Bexar Metropolitan Water District are transferred to the Alamo Water District;

(5) a court case, administrative proceeding, contract negotiation, or other proceeding involving the Bexar Metropolitan Water District is transferred without change in status to the Alamo Water District, and the Alamo Water District assumes, without a change in status, the position of the Bexar Metropolitan Water District in a negotiation or proceeding relating to an activity transferred by this article to the Alamo Water District to which the Bexar Metropolitan Water District is a party; and

(6) an employee of the Bexar Metropolitan Water District who earns less than \$50,000 per year becomes an employee of the Alamo Water District.

SECTION 4A.06. (a) Not later than the transfer under Section 4A.05 of this article, commissioners courts shall appoint the initial board of the Alamo Water District as follows:

(1) five members appointed by the Commissioners Court of Bexar County;

(2) one member appointed by the Commissioners Court of Atascosa County; and

(3) one member appointed by the Commissioners Court of Medina County.

(b) The initial board serves until directors are elected as provided by Section 8, Chapter 306, Acts of the 49th Legislature, Regular Session, 1945, as amended by this article, on the first uniform election date in November following the date the district is created that allows compliance with that section.

(c) The initial board may not include a person serving as a director on the day before the effective date of this article.

(d) Sections 8B(a)(1), 8A(a)(3), 8A(a)(4), 8A(b), 8B(a),

8B(c), and 8B(f), Chapter 306, Acts of the 49th Legislature, Regular Session, 1945, as added by this article, do not apply to an initial director.

(e) The initial board shall draw seven single-member voting districts in the district according to Section 8(a), Chapter 306, Acts of the 49th Legislature, Regular Session, 1945, as amended by this article.

SECTION 4A.07. The first members of the board of directors of the Alamo Water District elected under the changes in law made by this article shall agree on, or draw lots to determine, which member's term expires one year from the date the term began, and which member's term expires two years from the date the term began.

SECTION 4A.08. The boundaries of the Alamo Water District are coterminous with the boundaries of the Bexar Metropolitan Water District as they existed immediately before the effective date of this article under Section 2.02 of this Act.