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Lavender (Senate Sponsor - Eltife)
                                                                          H.B. No. 3847
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       (In the Senate - Received from the House May 4, 2011; May 5, 2011, read first time and referred to Committee on Natural
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       Resources; May 11, 2011, reported favorably by the following vote: Yeas 10, Nays 0; May 11, 2011, sent to printer.)
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                                    A BILL TO BE ENTITLED
                                             AN ACT
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       relating to the Riverbend Water Resources District.
               BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
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               SECTION 1. Section 9601.001, Special District Local Laws
       Code, is amended by adding Subdivision (6) to read as follows:
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                      (6) "Temporary administrator" means a person
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       appointed under Subchapter B-1.
               SECTION 2. Subchapter A, Chapter 9601, Special District
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       Local Laws Code, is amended by adding Section 9601.008 to read as
       follows:
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               Sec. 9601.008.
                                  MEMBER IMMUNITY. A member has immunity from
              and immunity from liability in any action or proceeding
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       brought by another member arising out of or relating to the changes
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       in law made by the Act enacting this section.
SECTION 3. Section 9601.051, Special District Local Laws
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       Code, is amended by amending Subsections (b) and (f) and adding
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       Subsections (b-1), (b-2), and (g) to read as follows:
                     The board consists of five directors, appointed as
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               (b)
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       follows:
                            two directors appointed by the City of Texarkana;
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                      (2) one director appointed by the City of New Boston;
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                      (3) one director appointed by
                                                                     the
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       Redevelopment Authority or its successor; and
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       (4) one director appointed by the members not named in Subdivisions (1) through (3), including any members added under
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       Section 9601.005(b).
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               (b-1) The governing body of each member required to [shall]
       appoint a director under Subsection (b)(1), (2), or (3) shall appoint the required number of directors to represent the member on the board. The members not named in Subsections (b)(1) through (3)
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       shall appoint a single director in the manner provided by
       Subsection (b-2) to represent those members on the board. A [and
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       shall promptly fill a vacancy in a [that] board position shall be
       promptly filled in accordance with the [member's] policies, resolutions, and procedures of the applicable member or members.
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               (b-2) The members not named in Subsections (b)(1) through
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            may each nominate a person qualified to serve as a director.
       The governing body of each of those members shall cast one vote for a candidate chosen from the list of nominees. The nominee receiving a majority of the votes cast by the governing bodies of those
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       members becomes the director representing those members on
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       board.
       (f) A director may <u>not</u> serve <u>more than two</u> consecutive terms. A former director may not serve again before the fourth anniversary of the last day of the director's previous term.

(g) The initial directors shall draw lots to achieve
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       staggered terms, with three of the directors serving three-year
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       terms and two of the directors serving four-year terms.
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               SECTION 4. Section 9601.052,
                                                      Special District Local Laws
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       Code, is amended to read as follows:
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               Sec. 9601.052. QUALIFICATIONS FOR OFFICE.
                                                                           (a)
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       eligible to be appointed or to serve as a director, a person must be
       a resident, qualified voter of the district.
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               (b) A person is not eligible to be appointed or to serve as a
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       director while the person:
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subdivision or other governmental body; or

(2) is an employee of a member.

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(1) is serving as an elected official of a political

H.B. No. 3847 SECTION 5. Section 9601.057, Special District Local Laws 2 - 1Code, is amended to read as follows: 2-2

(a) A director appointed under Sec. 9601.057. RECALL. Section 9601.051(b)(1), (2), or $\overline{(3)}$ may be recalled at any time by a two-thirds vote of the governing body of the member that appointed the director.

(b) A director appointed under Section 9601.051(b)(4) may recalled by a two-thirds vote of the members that appoint a director under that section.

SECTION 6. Chapter 9601, Special District Local Laws Code, is amended by adding Subchapter B-1 to read as follows:

SUBCHAPTER B-1. TEMPORARY ADMINISTRATOR

9601.071. DEFINITION. In subchapter,

"commission" means the Texas Commission on Environmental Quality.

Sec. 9601.072. APPOINTMENT. On the effective date of the Act enacting this subchapter, Clyde M. Siebman is appointed as temporary administrator for the district, and the term of each person who is serving as a director expires on that date.

Sec. 9601.073. TERM. (a) The temporary administrator shall serve until the 180th day after the date that a board conforming to the structure described by Section 9601.051(b), as amended by the Act enacting this subchapter, is appointed and the directors have qualified.

(b) The commission may extend the term of the temporary administrator if the commission determines, after consultation with each state senator and representative who represents a district that includes territory in the district, that an extension is necessary to manage the transition between boards.

Sec. 9601.074. POWERS AND DUTIES. (a) The temporary administrator shall have the same powers and duties of the board, except that the temporary administrator may not issue bonds.

(b) The temporary administrator shall:

(A) the contracts to which the district is party, including an evaluation of the benefit to the district each contract; and

district assets and liabilities; (B)

retrieve district assets that are possession or under the control of persons not authorized by the temporary administrator, including keys, passwords, books, records, and personal, real, and intangible property;

(3) work to secure and protect the assets the

district;

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(4)obtain a financial audit of the district;

(5) determine the current operational, functional, and financial condition of the district;

(6) recruit a qualified executive director and other

- management personnel;

 (7) provide oversight and supervision of the board;
 (8) provide for a program to educate the incoming board and management personnel on laws applicable to the district,

 are alreadies negotiation skills, conflict of sound management strategies, negotiation skills, conflict interest policies and law, financial integrity, and contracting issues;
- (9) develop and implement strategies to carry out the of the district and to provide a safe, secure, and plentiful supply of water for use within the northeast area of this state;
- (10)review and accept new member petitions from political subdivisions; and

(11) at least every three months, report to commission on the progress of the duties described by this section.

(c) In the period after the appointment of a new board and before the end of the temporary administrator's term, the temporary administrator shall work cooperatively with the board in performing

the duties under Subsection (b).
Sec. 9601.075. PERSONNEL. The temporary administrator may employ persons to assist the temporary administrator in carrying out the duties assigned by this subchapter.

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COMPENSATION AND REIMBURSEMENT. 9601.076. (a) The temporary administrator and any person hired under Section 9601.075 is entitled to reasonable compensation, based on the education, training, and experience of the person, and reimbursement of the reasonable and necessary expenses incurred in carrying out duties assigned by this subchapter.

(b) The district shall pay the cost of compensation and

reimbursement.

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(c) The amount of compensation and reimbursement shall be determined by agreement of the temporary administrator and the board, except that before the appointment and qualification of the board as provided by Soction Oct board as provided by Section 9601.051, as amended by the Act enacting this subchapter, the amount of compensation reimbursement shall be determined by agreement of the temporary administrator and the executive director of the commission. In the event an agreement cannot be reached, the commission shall determine the compensation and reimbursement, after obtaining the approval of each state senator and representative who represents a

district that includes territory in the district.

Sec. 9601.077. REMOVAL AND REPLACEMENT. The commission after obtaining the consent of each state senator and representative who represents a district that includes territory in

the district, remove the temporary administrator and:

(1) appoint a new temporary administrator; or

(2) return control of the district to the board.

Sec. 9601.078. IMMUNITY FROM SUIT. For acts or omissions undertaken in the course and scope of carrying out the duties assigned by this subchapter, the temporary administrator is entitled to the same immunity from suit and liability that applies to a state district judge acting in a judicial capacity.

Sec. 9601.079. EXPIRATION OF SECTIONS. Sections 9601.071

through 9601.077 and this section expire September 1, 2013.

SECTION 7. Section 9601.104(a), Special District Local Laws Code, is amended to read as follows:

- (a) A person, entity, public agency, [or a] county, municipality, or other political subdivision of this state or another state may enter into a contract or agreement with the district, on terms agreed to by the parties, for:
 - (1)the purchase or sale of water;
- (2)waste collection, transportation, processing, or disposal; or
- (3) any purpose relating to the district's powers or functions.

SECTION 8. Sections 9601.051(d) and 9601.059, Special District Local Laws Code, are repealed.

SECTION 9. Not sooner than the 150th day and not later than the 180th day after the effective date of this Act, the City of Texarkana, the City of New Boston, the Red River Redevelopment Authority or its successor, and the members described by Section 9601.051, Special District Local Laws Code, as amended by this Act, shall appoint members, as appropriate, to the board of directors of the Riverbend Water Resources District.

SECTION 10. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

- The governor has submitted the notice and Act to the (b) Texas Commission on Environmental Quality.
- (c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of 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.

H.B. No. 3847 SECTION 11. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011. 4-1 4-2

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