

AN ACT

relating to the composition of the board of directors and the powers of the Gulf Coast Water Authority.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 712, Acts of the 59th Legislature, Regular Session, 1965, is amended by adding Section 3A to read as follows:

Sec. 3A. In connection with the acquisition of water, or the treatment, storage, or transportation of water, the district may enter into retail service agreements within the Electric Reliability Council of Texas for the purchase of electricity for the district's own use and may sell electricity in a sale or resale only by way of a registered power marketer or power generation company in accordance with applicable public utility commission rules and requirements of the Electric Reliability Council of Texas. An agreement entered into under this section may provide for a term of years and include provisions that the Board of Directors determines are in the best interest of the district, including provisions for the posting of collateral or payment of an early termination amount in the event of early termination.

SECTION 2. Sections 5 and 5(a), Chapter 712, Acts of the 59th Legislature, Regular Session, 1965, are amended to read as follows:

Sec. 5. The management and control of the District is hereby

1 vested in a Board of 10 [~~nine~~] directors. [~~The seven directors~~
2 ~~appointed by the Commissioners Court of Galveston County shall~~
3 ~~represent the geographic and ethnic diversity of the county.~~]
4 Vacancies on the Board of Directors, whether by death, resignation
5 or termination of the term of office, shall be filled by appointment
6 by the commissioners court that appointed the director. All terms
7 of office shall be for a period of two (2) years. Terms shall be
8 staggered. [~~Three (3) of the members appointed by the Commissioners~~
9 ~~Court of Galveston County shall be registered professional~~
10 ~~engineers under the laws of Texas.~~]

11 Sec. 5(a). The directors of the district shall be appointed
12 as follows:

13 (1) five directors appointed by the Galveston County
14 Commissioners Court, one of whom represents municipal interests,
15 two of whom represent industrial interests, and two of whom
16 represent the county at large;

17 (2) two directors appointed by the Fort Bend County
18 Commissioners Court, one of whom represents municipal interests,
19 and one of whom represents the county at large; and

20 (3) three directors appointed by the Brazoria County
21 Commissioners Court, one of whom represents agricultural
22 interests, one of whom represents municipal interests, and one of
23 whom represents industrial interests. [~~One (1) director of the~~

24 ~~District shall be appointed by the Commissioners Court of Galveston~~
25 ~~County upon the recommendation of the City Council of the City of~~
26 ~~Galveston. Six of the remaining directors shall be appointed by the~~
27 ~~Commissioners Court of Galveston County with two directors~~

1 ~~appointed at-large and the remaining four of those directors~~
2 ~~appointed on the written recommendation of advisory committees~~
3 ~~appointed by the Board of Directors of the Gulf Coast Water~~
4 ~~Authority. Two of those directors shall be recommended by the~~
5 ~~Mainland Municipal Advisory Committee and two of those directors~~
6 ~~shall be recommended by the Industrial Advisory Committee. The~~
7 ~~Commissioners Court of Galveston County is entitled to accept or~~
8 ~~reject the recommendations made to the court by the advisory~~
9 ~~committees. If a recommendation made by an advisory committee is~~
10 ~~rejected, the advisory committee shall submit additional~~
11 ~~recommendations to the court.~~

12 ~~[The Industrial Advisory Committee is composed of one~~
13 ~~representative of each industrial customer of the Gulf Coast Water~~
14 ~~Authority. The Mainland Municipal Advisory Committee is composed~~
15 ~~of one representative of each municipal or water district customer~~
16 ~~of the Gulf Coast Water Authority that contracts for not less than 2~~
17 ~~million gallons of water a day. The names of the representatives of~~
18 ~~each of the committees shall be submitted to the Board of Directors~~
19 ~~of the Gulf Coast Water Authority by the respective industrial and~~
20 ~~municipal or water district customers. The directors of the Gulf~~
21 ~~Coast Water Authority shall submit the names of the advisory~~
22 ~~committee members to the Commissioners Court of Galveston County,~~
23 ~~which shall record the names in the minutes of the court.~~

24 ~~[One director shall be appointed by the Commissioners Court~~
25 ~~of Fort Bend County to represent District customers in that county.~~
26 ~~The director must be recommended by one or more of those customers~~
27 ~~and reside in that county.~~

1 ~~[One director shall be appointed by the Commissioners Court~~
2 ~~of Brazoria County to represent District customers in that county.~~
3 ~~The director must be recommended by one or more of those customers~~
4 ~~and reside in that county.]~~

5 SECTION 3. Chapter 712, Acts of the 59th Legislature,
6 Regular Session, 1965, is amended by adding Section 5(b) to read as
7 follows:

8 Sec. 5(b). A director appointed under Section 5(a) to
9 represent municipal or industrial interests must be a customer of
10 or represent an entity that is a customer of the district.

11 SECTION 4. (a) The terms of the members of the board of
12 directors of the Gulf Coast Water Authority serving on the
13 effective date of this Act expire September 1, 2015.

14 (b) Not later than September 1, 2015, the entities described
15 by Section 5(a), Chapter 712, Acts of the 59th Legislature, Regular
16 Session, 1965, as amended by this Act, shall make the appointments
17 required by that section.

18 (c) The members of the board appointed under Subsection (b)
19 of this section shall draw lots to determine which four board
20 members shall serve a one-year term and which five members shall
21 serve a two-year term.

22 SECTION 5. (a) The legal notice of the intention to
23 introduce this Act, setting forth the general substance of this
24 Act, has been published as provided by law, and the notice and a
25 copy of this Act have been furnished to all persons, agencies,
26 officials, or entities to which they are required to be furnished
27 under Section 59, Article XVI, Texas Constitution, and Chapter 313,

1 Government Code.

2 (b) The governor, one of the required recipients, has
3 submitted the notice and Act to the Texas Commission on
4 Environmental Quality.

5 (c) The Texas Commission on Environmental Quality has filed
6 its recommendations relating to this Act with the governor, the
7 lieutenant governor, and the speaker of the house of
8 representatives within the required time.

9 (d) All requirements of the constitution and laws of this
10 state and the rules and procedures of the legislature with respect
11 to the notice, introduction, and passage of this Act are fulfilled
12 and accomplished.

13 SECTION 6. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2015.

President of the Senate

Speaker of the House

I certify that H.B. No. 4168 was passed by the House on May 5, 2015, by the following vote: Yeas 80, Nays 8, 49 present, not voting; and that the House concurred in Senate amendments to H.B. No. 4168 on May 29, 2015, by the following vote: Yeas 112, Nays 30, 4 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 4168 was passed by the Senate, with amendments, on May 27, 2015, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor