

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Bonnen of Brazoria, Miller of Fort Bend,  
Zerwas, Reynolds, Thompson of Brazoria

H.B. No. 4168

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

21 SECTION 2. Sections 5 and 5(a), Chapter 712, Acts of the  
22 59th Legislature, Regular Session, 1965, are amended to read as  
23 follows:

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

1 vested in a Board of nine directors. [~~The seven directors appointed~~  
2 ~~by the Commissioners Court of Galveston County shall represent the~~  
3 ~~geographic and ethnic diversity of the county.~~] Vacancies on the  
4 Board of Directors, whether by death, resignation or termination of  
5 the term of office, shall be filled by appointment by the  
6 commissioners court that appointed the director. All terms of  
7 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) four directors appointed by the Galveston County  
14 Commissioners Court, one of whom represents municipal interests,  
15 two of whom represent industrial interests, and one of whom  
16 represents 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.

# ADOPTED

MAY 27 2015

*Atay Law*  
Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY:

*Larry Taylor*

1 Amend H.B. No. 4168 (senate committee report) as follows:

2 (1) In SECTION 2 of the bill, in amended Section 5 of Chapter  
3 712, Acts of the 59th Legislature, Regular Session, 1965 (page 1,  
4 line 41), strike "nine" and substitute "10 [~~nine~~]".

5 (2) In SECTION 2 of the bill, in amended Section 5(a) of  
6 Chapter 712, Acts of the 59th Legislature, Regular Session, 1965  
7 (page 1, lines 53-56), strike Subdivision (1) and substitute the  
8 following:

9 (1) five directors appointed by the Galveston County  
10 Commissioners Court, one of whom represents municipal interests,  
11 two of whom represent industrial interests, and two of whom  
12 represent the county at large;

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 28, 2015**

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4168** by Bonnen, Dennis (Relating to the composition of the board of directors and the powers of the Gulf Coast Water Authority. ), **As Passed 2nd House**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 473 Public Utility Commission of Texas, 580 Water Development Board,  
582 Commission on Environmental Quality

**LBB Staff:** UP, KK, KVe, SZ, JJ, PM

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 24, 2015**

**TO:** Honorable Kelly Hancock, Chair, Senate Committee on Administration

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4168** by Bonnen, Dennis (Relating to the composition of the board of directors and the powers of the Gulf Coast Water Authority.), **As Engrossed**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 473 Public Utility Commission of Texas, 580 Water Development Board,  
582 Commission on Environmental Quality

**LBB Staff:** UP, KK, KVe, SZ, JJ, PM



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 19, 2015**

**TO:** Honorable Jim Keffer, Chair, House Committee on Natural Resources

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4168** by Bonnen, Dennis (relating to the composition of the board of directors and the powers of the Gulf Coast Water Authority.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 473 Public Utility Commission of Texas, 580 Water Development Board,  
582 Commission on Environmental Quality

**LBB Staff:** UP, KVe, SZ, JJ, PM

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 8, 2015**

**TO:** Honorable Jim Keffer, Chair, House Committee on Natural Resources

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4168** by Bonnen, Dennis (Relating to the composition of the board of directors and the powers of the Gulf Coast Water Authority.), **As Introduced**

**No fiscal implication to the State is anticipated.**

**Local Government Impact**

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 580 Water Development Board, 582 Commission on Environmental Quality

**LBB Staff:** UP, SZ, JJ, PM, KVe