

By: Birdwell, et al.

S.B. No. 626

A BILL TO BE ENTITLED

AN ACT

relating to the Guadalupe-Blanco River Authority; following the recommendations of the Sunset Advisory Commission.

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

SECTION 1. Section 1A(a), Chapter 75, Acts of the 43rd Legislature, 1st Called Session, 1933, is amended to read as follows:

(a) The District is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the District were a state agency scheduled to be abolished September 1, 2031 [~~2019~~], and every 12th year after that year.

SECTION 2. Section 2, Chapter 75, Acts of the 43rd Legislature, 1st Called Session, 1933, is amended to read as follows:

Sec. 2. Except as expressly limited by this Act, the District shall have and is hereby authorized to exercise all powers, rights, privileges, and functions conferred by General Law, now in force or hereafter enacted, upon any District or Districts created pursuant to Section 59, of Article 16, of the Constitution of the State of Texas (excluding underground water conservation districts), and the same are adopted by reference. Without limitation of the generality of the foregoing, the District shall

1 have and is hereby authorized to exercise the following powers,
2 rights, privileges, and functions;

3 (a) to control, store and preserve, within or adjoining the
4 boundaries of the District, the waters of any rivers and streams,
5 including the waters of the Guadalupe and Blanco Rivers and their
6 tributaries, for all useful purposes, and to use, distribute and
7 sell the same, within the boundaries of the District, for any such
8 purposes;

9 (b) to conserve, preserve and develop underground waters
10 within the boundaries of the District (subject to any applicable
11 regulation by the State or any political subdivision) for all
12 useful purposes, and to use, distribute and sell the same, within
13 the boundaries of the District for any such purposes;

14 (c) to acquire water, water supply facilities and
15 conservation storage capacity within or without the District from
16 any person, including the State or any of its agencies and
17 subdivisions and the United States of America and any of its
18 agencies and subdivisions;

19 (d) to use, distribute and sell, without the boundaries of
20 the District, any waters which may be controlled, stored,
21 preserved, conserved, developed or acquired by the District, if the
22 Board hereinafter referred to determines that adequate provision
23 can be made to continue to serve the water requirements within the
24 boundaries of the District, provided the District shall not enter
25 into any agreement which contemplates or results in the removal
26 from the watershed of the Guadalupe and Blanco Rivers and their
27 tributaries of any surface water of the District necessary to

1 supply the reasonably foreseeable future water requirements for
2 municipal uses during the next ensuing fifty-year period within
3 such watershed, except on a temporary, interim basis;

4 (e) to develop and generate water power and electric energy
5 within the boundaries of the District and to distribute and sell
6 water power and electric energy, within or without the boundaries
7 of the District;

8 (f) to prevent or aid in the prevention of damage to person
9 or property from the waters of the Guadalupe and Blanco Rivers and
10 their tributaries;

11 (g) to forest and reforest and to aid in the foresting and
12 reforesting of the watershed area of the Guadalupe and Blanco
13 Rivers and their tributaries and to prevent and to aid in the
14 prevention of soil erosion and floods within said watershed area;

15 (h) to develop the navigation of inland waters within the
16 boundaries of the District and any facilities in aid thereof;

17 (i) to develop the reclamation and drainage of overflowed
18 lands and other lands needing drainage within the boundaries of the
19 District and any facilities in aid thereof (but not to reclaim or
20 drain coastal wetlands or inland marshes);

21 (j) to develop the collection, transportation, treatment,
22 disposal and handling of any waste as such term may be defined by
23 General Law and any facilities in aid thereof (but only with the
24 consent of a city if sanitary sewer facilities for the collection,
25 treatment and disposal of sewage are to be constructed or acquired
26 within its corporate limits);

27 (k) to conserve and develop waters and lands for recreation

1 purposes and any facilities in aid thereof;

2 (l) to acquire by purchase, lease, gift or in any other
3 manner (otherwise than by condemnation) and to maintain, use and
4 operate any and all property of any kind, real, personal, or mixed,
5 or any interest therein, within or without the boundaries of the
6 District, necessary or convenient to the exercise of the powers,
7 rights, privileges and functions conferred upon it by this Act;

8 (m) to acquire by condemnation any and all property of any
9 kind, real, personal or mixed, or any interest therein, within or
10 without the boundaries of the District (other than such property or
11 any interest therein without the boundaries of the District as may
12 at the time be owned by any body politic) necessary or convenient to
13 the exercise of the powers, rights, privileges, and functions
14 conferred upon it by this Act, in the manner provided by General Law
15 with respect to condemnation or, at the option of the District, in
16 the manner provided by the Statutes relative to condemnation by
17 Districts organized under General Law pursuant to Section 59, of
18 Article 16, of the Constitution of the State of Texas;

19 (n) subject to the provisions of this Act from time to time
20 sell, lease, or otherwise dispose of any property of any kind, real,
21 personal, or mixed, or any interest therein, which shall not be
22 necessary to the carrying on of the business of the District or the
23 sale, lease, or disposition of which, in the judgment of the Board
24 hereinafter referred to, is necessary or convenient to the exercise
25 of the powers, rights, privileges and functions conferred upon the
26 District by this Act or by General Law;

27 (o) to overflow and inundate any public lands and public

1 property and to require the relocation of roads, pipelines,
2 transmission lines, railroads, cemeteries and highways in the
3 manner and to the extent permitted to Districts organized under
4 General Law pursuant to Section 59, of Article 16, of the
5 Constitution of the State of Texas; provided that if the District
6 requires the relocation, raising, lowering, rerouting, or change in
7 grade or alteration in the construction of any railroad,
8 transmission lines, conduits, poles, properties, or facilities, or
9 pipelines in the exercise of the power of eminent domain or any
10 other power, all of the relocation, raising, lowering, rerouting or
11 changes in grade or alteration of construction shall be the sole
12 expense of the District. The term 'sole expense' means the actual
13 cost of relocation, raising, lowering, rerouting, or change in
14 grade or alteration of construction to provide comparable
15 replacement without enhancement of facilities, after deducting the
16 net salvage value derived from the old facility;

17 (p) to construct, extend, improve, maintain, and
18 reconstruct, to cause to be constructed, extended, improved,
19 maintained and reconstructed, and to use and operate, any and all
20 facilities of any kind necessary or convenient to the exercise of
21 such powers, rights, privileges and functions;

22 (q) to sue and to be sued in its corporate name;

23 (r) to adopt, use and alter a corporate seal;

24 (s) to invest and re-invest its funds;

25 (t) to make by-laws for the management and regulation of its
26 affairs;

27 (u) to appoint officers, agents, and employees, to

1 prescribe their duties and to fix their compensation;

2 (v) to make contracts and to execute instruments necessary
3 or convenient to the exercise of the powers, rights, privileges,
4 and functions conferred upon it by this Act or General Law for such
5 term and with such provisions as the Board hereinafter referred to
6 may determine to be in the best interests of the District,
7 including, without in any way limiting the generality of the
8 foregoing, contracts with persons, including the State of Texas,
9 the United States of America and any corporation or agency thereof
10 and districts, cities, towns, persons, organizations,
11 associations, firms, corporations, entities or others, as such
12 Board may deem necessary or proper for, or in connection with, any
13 corporate purpose to provide for the construction, acquisition,
14 ownership, financing, operation, maintenance, sale, leasing to or
15 from, or other use or disposition of any facilities authorized to be
16 developed, preserved, conserved, acquired, or constructed under
17 this Act or General Law, including any improvements, structures,
18 facilities, equipment and all other property of any kind in
19 connection therewith and any lands, leaseholds, easements and any
20 interests in any of the foregoing;

21 (w) to authorize and allow any of such persons, including
22 the State of Texas, the United States of America and any corporation
23 or agency thereof and districts, agencies, cities, towns, persons,
24 organizations, associations, firms, corporations, entities or
25 others to participate with the District in the joint construction,
26 acquisition, ownership, financing, operation, and maintenance of
27 all of such improvements, structures, facilities, equipment and any

1 other property in connection therewith, and all such lands,
2 leaseholds, easements and interests therein as the Board
3 hereinafter referred to may determine is necessary or proper for,
4 or in connection with, any corporate purpose, and to allow such
5 persons to receive such portion of the revenues derived therefrom
6 as such Board shall deem just, equitable and proper;

7 (x) to borrow money for its corporate purposes and, without
8 limitation of the generality of the foregoing, to borrow money and
9 accept grants from persons, including the State of Texas, the
10 United States of America, or from any corporation or agency created
11 or designated by the State of Texas or the United States of America,
12 and, in connection with any such loan or grant, to enter into such
13 agreements as the State of Texas or the United States of America or
14 such corporations or agency may require; and to make and issue its
15 negotiable bonds or notes for moneys borrowed, in the manner and to
16 the extent provided in this Act, and to refund or refinance any
17 outstanding bonds or notes and to make and issue its negotiable
18 bonds or notes therefor in the manner and to the extent provided in
19 this Act. Nothing in this Act shall authorize the issuance of any
20 bonds, notes, or other evidences of indebtedness of the District,
21 except as specifically provided in this Act, and no issuance of
22 bonds, notes, or other evidences of indebtedness of the District
23 shall ever be authorized except by this Act or General Law;

24 (y) nothing herein shall be construed as conferring any
25 water rights on the District, or as fixing any priority of rights,
26 but said District shall obtain its water rights by application to
27 and permit from the Texas [~~Water Rights~~] Commission on

1 Environmental Quality as provided by General Statute; and nothing
2 herein shall be construed as authorizing the District to make any
3 regulation of the withdrawal of underground waters. To the extent
4 the provisions of General Law which are adopted by reference in this
5 Act may be in conflict with the express provisions of this Act, the
6 provisions of this Act shall prevail unless the General Law is made
7 cumulative. The rights, powers, privileges, authority, and
8 functions granted to the District under this Act, and the District
9 itself, are expressly subject to Chapters 5, 7, 11, 12, 17, 26, and
10 30 [~~5, 6, and 21~~], Water Code, and Chapter 366, Health and Safety
11 Code.

12 SECTION 3. Section 4, Chapter 75, Acts of the 43rd
13 Legislature, 1st Called Session, 1933, is amended to read as
14 follows:

15 Sec. 4. (a) The powers, rights, privileges and functions of
16 the District shall be exercised by a board of nine (9) directors
17 (herein called the Board), which is a state board of a state agency
18 as contemplated by Section 30a of Article XVI, Constitution of
19 Texas. Each member of the Board shall be a freehold property
20 taxpayer of the State of Texas and shall reside in one of the
21 counties which is included within the boundaries of the District,
22 but only one director shall be appointed from any county. The
23 directors shall be appointed by the Governor from nominations
24 furnished him by the Texas [~~Water Rights~~] Commission on
25 Environmental Quality and the appointments confirmed by the Senate
26 as in other cases of appointments by the Governor. Of the directors
27 first appointed, three (3) shall hold office for a term expiring

1 February 1, 1937, three (3) for a term expiring February 1, 1939,
2 and three (3) for a term expiring February 1, 1941. Thereafter,
3 directors shall hold office for a term of six (6) years. Each
4 director shall hold office until the expiration of the term for
5 which he was appointed and thereafter, until his successor shall
6 have been appointed and qualified unless sooner removed as in this
7 Act provided. Any director may be removed by the authority which
8 appointed him for inefficiency, neglect of duty or misconduct in
9 office, after at least ten (10) days' written notice of the charge
10 against him and an opportunity to be heard in person or by counsel
11 at public hearing. A vacancy resulting from the death, resignation
12 or removal of any director shall be filled by the authority which
13 appointed him for the unexpired term. Each director shall qualify
14 by taking the official oath of office prescribed by General
15 Statute.

16 ~~[(a) Each director shall receive Twenty-five Dollars (\$25)~~
17 ~~per day, or such amount as may hereafter be prescribed by general~~
18 ~~law, for each day spent in attending meetings of the Board, and any~~
19 ~~other business of the District that the Board thinks necessary,~~
20 ~~plus actual traveling and other expenses.]~~

21 (b) Until the adoption of by-laws fixing the time and place
22 of regular meetings and the manner in which special meetings may be
23 called, meetings of the Board shall be held at such times and places
24 as five (5) of the directors may designate in writing. Five (5)
25 directors shall constitute a quorum at any meeting and, except as
26 otherwise provided, in this Act or in the by-laws, all action may be
27 taken by the affirmative vote of a majority of the directors present

1 at any such meeting, except that no contracts which involve any
2 amount greater than \$100,000 [~~Ten Thousand Dollars (\$10,000)~~] or
3 which is to run for a period longer than a year, and no bonds, notes
4 or other evidence of indebtedness and no amendment of the by-laws
5 shall be valid unless authorized or ratified by the affirmative
6 vote of at least five (5) directors.

7 SECTION 4. Chapter 75, Acts of the 43rd Legislature, 1st
8 Called Session, 1933, is amended by adding Section 4A to read as
9 follows:

10 Sec. 4A. (a) A person who is appointed to and qualifies for
11 office as a director may not vote, deliberate, or be counted as a
12 director in attendance at a Board meeting until the person
13 completes a training program that complies with this section.

14 (b) The training program must provide the person with
15 information regarding:

16 (1) the law governing District operations;

17 (2) the programs, functions, rules, and budget of the
18 District;

19 (3) the results of the most recent formal audit of the
20 District;

21 (4) the requirements of:

22 (A) laws relating to open meetings, public
23 information, administrative procedure, and disclosure of conflicts
24 of interest; and

25 (B) other laws applicable to members of the
26 governing body of a river authority in performing their duties; and

27 (5) any applicable ethics policies adopted by the

1 District or the Texas Ethics Commission.

2 (c) A person appointed to the Board is entitled to
3 reimbursement for the travel expenses incurred in attending the
4 training program regardless of whether the attendance at the
5 program occurs before or after the person qualifies for office.

6 (d) The general manager shall create a training manual that
7 includes the information required by Subsection (b) of this
8 section. The general manager shall distribute a copy of the
9 training manual annually to each director. Each director shall
10 sign and submit to the general manager a statement acknowledging
11 that the director has received and reviewed the training manual.

12 SECTION 5. Section 5, Chapter 75, Acts of the 43rd
13 Legislature, 1st Called Session, 1933, is amended to read as
14 follows:

15 Sec. 5. The Governor shall designate a member of the Board
16 as the presiding officer of the Board to serve in that capacity at
17 the pleasure of the Governor. The Board shall select a Secretary
18 who shall keep true and complete records of all proceedings of the
19 Board. Until the appointment of a Secretary, or in the event of his
20 absence or inability to act, a secretary pro tem shall be selected
21 by the Board. The Board shall also select a General Manager, who
22 shall be the chief executive officer of the District, and a
23 treasurer. All such officers shall have such powers and duties,
24 shall hold office for such term and be subject to removal in such
25 manner as may be provided in the by-laws. The Board shall fix the
26 compensation of such officers. The Board may appoint such
27 officers, agents and employees, fix their compensation and term of

1 office and the method by which they may be removed, and delegate to
2 them such of its power and duties as it may deem proper.

3 SECTION 6. Chapter 75, Acts of the 43rd Legislature, 1st
4 Called Session, 1933, is amended by adding Section 5A to read as
5 follows:

6 Sec. 5A. The Board shall develop and implement policies
7 that clearly separate the policymaking responsibilities of the
8 Board and the management responsibilities of the general manager
9 and the staff of the District.

10 SECTION 7. Section 11, Chapter 75, Acts of the 43rd
11 Legislature, 1st Called Session, 1933, is amended to read as
12 follows:

13 Sec. 11. The District shall have power and is hereby
14 authorized to issue, from time to time, bonds or notes as herein
15 authorized for any corporate purpose. Such bonds or notes
16 (hereinafter called 'bonds') may either be (1) sold for cash, at
17 public or private sale, at such price or prices as the Board shall
18 determine, provided that the interest cost of the money received
19 therefor, computed to maturity, shall not exceed ten (10) percent
20 per annum, or (2) may be issued on such terms as the Board shall
21 determine in exchange for property of any kind, real, personal or
22 mixed or any interest therein which the Board shall deem necessary
23 or convenient for any such corporate purpose, or (3) may be issued
24 in exchange for like principal amounts of other obligations of the
25 District, matured or unmatured. The proceeds of sale of such bonds
26 shall be deposited in such bank or banks or trust company or trust
27 companies, and shall be paid out pursuant to such terms and

1 conditions, as may be agreed upon between the District and the
2 purchasers of such bonds. All such bonds shall be authorized by
3 resolution or resolutions of the Board concurred in by at least five
4 (5) of the members thereof, and shall bear such date or dates,
5 mature at such time or times, bear interest at such rate or rates
6 which may be fixed, variable, floating or otherwise (not exceeding
7 ten (10) per centum per annum), payable annually, semiannually or
8 otherwise, be in such denominations, be in such form, either coupon
9 or registered, carry such registration privileges as to principal
10 only or as to both principal and interest, and as to exchange of
11 coupon bonds for registered bonds or vice versa, and exchange of
12 bonds of one denomination for bonds of other denominations, be
13 executed in such manner and be payable at such place or places
14 within or without the State of Texas, as such resolution or
15 resolutions may provide. Any resolution or resolutions authorizing
16 any bonds may contain provisions, which shall be part of the
17 contract between the District and the holders thereof from time to
18 time.

19 (a) Reserving the right to redeem such bonds or requiring
20 the redemption of such bonds, at such time or times, in such amounts
21 and at such prices, not exceeding one hundred and five per centum
22 (105%) of the principal amount thereof, plus accrued interest, as
23 may be provided;

24 (b) Providing for the setting aside of sinking funds or
25 reserve funds and the regulation and disposition thereof;

26 (c) Pledging to secure the payment of the principal of and
27 interest on such bonds and of the sinking fund or reserve fund

1 payments agreed to be made in respect of such bonds all or any part
2 of the gross or net revenues thereafter received by the District in
3 respect of the property, real, personal or mixed, to be acquired
4 and/or constructed with such bonds or the proceeds thereof, or all
5 or any part of the gross or net revenues thereafter, received by the
6 District from whatever source derived;

7 (d) Prescribing the purposes to which such bonds or any
8 bonds thereafter to be issued, or the proceeds thereof, may be
9 applied;

10 (e) Agreeing to fix and collect rates and charges sufficient
11 to produce revenues adequate to pay the items specified in
12 subdivisions (a), (b), (c), (d), and (e) of Section 9 hereof, and
13 prescribing the use and disposition of all revenues;

14 (f) Prescribing limitations upon the issuance of additional
15 bonds and subordinate lien bonds and upon the agreements which may
16 be made with the purchasers and successive holders thereof;

17 (g) With regard to the construction, extension,
18 improvement, reconstruction, operation, maintenance and repair of
19 the properties of the District and carrying of insurance upon all or
20 any part of said properties covering loss or damage or loss of use
21 and occupancy resulting from specified risks;

22 (h) Fixing the procedure, if any, by which, if the District
23 shall so desire, the terms of any contract with the holders of such
24 bonds may be amended or abrogated, the amount of bonds the holders
25 of which must consent thereto, and the manner in which such consent
26 may be given;

27 (i) For the execution and delivery by the District to a bank

1 or trust company authorized by law to accept trusts, or to the
2 United States of America or any officer or agency thereof, of [~~or~~]
3 indentures and agreements for the benefit of the holders of such
4 bonds setting forth any or all of the agreements herein authorized
5 to be made with or for the benefit of the holders of such bonds and
6 such other provisions as may be customary in such indentures or
7 agreements; and

8 (j) Such other provisions, not inconsistent with the
9 provisions of this Act, as the Board may approve.

10 (1) Any such resolution and any indenture or agreement
11 entered into pursuant thereto may provide that in the event that:

12 (a) default shall be made in the payment of the
13 interest on any or all bonds when and as the same shall become due
14 and payable, or;

15 (b) default shall be made in the payment of the
16 principal of any or all bonds when and as the same shall become due
17 and payable, whether at the maturity thereof, by call for
18 redemption or otherwise, or;

19 (c) default shall be made in the performance of
20 any agreement made with the purchasers or successive holders of any
21 bonds;

22 (2) And such default shall have continued such period,
23 if any, as may be prescribed by said resolution in respect thereof,
24 the trustee under the indenture or indentures entered into in
25 respect of the bonds authorized thereby, or, if there shall be no
26 such indenture, a trustee appointed in the manner provided in such
27 resolution or resolutions by the holders of twenty-five per centum

1 (25%) in aggregate principal amount of the bonds authorized thereby
2 and at that time outstanding, and upon the written request of the
3 holders of twenty-five per centum (25%) in aggregate principal
4 amount of the bonds authorized by such resolution or resolutions at
5 the time outstanding, shall, in his or its own name, but for the
6 equal and proportionate benefit of the holders of all the such
7 bonds; and with or without having possession thereof;

8 (a) by mandamus or other suit, action or
9 proceeding at law or in equity, enforce all rights of the holders of
10 such bonds;

11 (b) bring suit upon such bonds and/or the
12 appurtenant coupons;

13 (c) by action or suit in equity, require the
14 District to account as if it were the trustee of an express trust
15 for the bondholders;

16 (d) by action or suit in equity, enjoin any acts
17 or things which may be unlawful or in violation of the rights of the
18 holders of such bonds, and/or;

19 (e) after such notice to the District as such
20 resolution may provide, declare the principal of all of such bonds
21 due and payable, and if all defaults shall have been made good, then
22 with the written consent of the holders of twenty-five (25) per
23 centum in aggregate principal amount of such bonds at the time
24 outstanding, annul such declaration and its consequences;
25 provided, however, that the holders of more than a majority in
26 principal amount of the bonds authorized thereby and at the time
27 outstanding shall by [~~be~~] instrument or instruments in writing

1 delivered to such trustee have the right to direct and control any
2 and all action taken or to be taken by such trustee under this
3 paragraph. Any such resolution, indenture or agreement may provide
4 that in any such suit, action, or proceeding, any such trustee,
5 whether or not all of such bonds shall have been declared due and
6 payable, and with or without possession of any thereof, shall be
7 entitled as of right to the appointment of a receiver who may enter
8 and take possession of all or any part of the properties of the
9 District, and operate and maintain the same, and fix, collect, and
10 receive rates and charges sufficient to provide revenues adequate
11 to pay the items set forth in subparagraphs (a), (b), (c), (d) and
12 (e) of Section 9 hereof and the costs and disbursements of such
13 suit, action or proceeding, and to apply such revenues in
14 conformity with the provisions of this Act and the resolution or
15 resolutions authorizing such bonds. In any suit, action or
16 proceeding by any such trustee, the reasonable fees, counsel fees
17 and expenses of such trustee and of the receiver or receivers, if
18 any, shall constitute taxable disbursements and all costs and
19 disbursements allowed by the Court shall be a first charge upon any
20 revenues pledged to secure the payment of such bonds. Subject to
21 the provisions of the Constitution of the State of Texas, the courts
22 of the County of Comal shall have jurisdiction of any suit, action
23 or proceeding by any such trustee on behalf of the bondholders and
24 of all property involved therein. In addition to the powers
25 hereinabove specifically provided for, each such trustee shall have
26 and possess all powers necessary or appropriate [~~appropriated~~]
27 the exercise of any thereof, or incident to the general

1 representation of the bondholders in the enforcement of their
2 rights.

3 (3) Pending the issuance of definitive bonds, the
4 District is authorized to make and issue interim bonds. The interim
5 bonds so issued will be taken up with the proceeds of the definitive
6 bonds, or the definitive bonds may be issued and delivered in
7 exchange for and in substitution of such interim bonds. After any
8 such exchange and substitution the District shall file proper
9 certificates with the Comptroller of Public Accounts of the State
10 of Texas as to such exchange, substitution and cancellation, and
11 such certificates shall be recorded by the Comptroller of Public
12 Accounts in the same manner as the record of proceedings
13 authorizing the issuance of the bonds. The District is also
14 authorized to make and issue temporary bonds for the purpose of
15 interim financing and to make agreements or other provision to
16 refinance such temporary bonds with bonds to provide permanent
17 financing at such time, in such manner and on such conditions as may
18 be determined by the Board.

19 (4) Before any bonds shall be sold by the District, a
20 certified copy of the proceedings for the issuance thereof,
21 including the form of such bonds, together with any other
22 information which the Attorney General of the State of Texas may
23 require, shall be submitted to the Attorney General, and if he shall
24 find that such bonds have been issued in accordance with law, and if
25 he shall approve such bonds, he shall execute a certificate to that
26 effect which shall be filed in the office of the Comptroller of the
27 State of Texas and be recorded in a record kept for that purpose. No

1 bonds shall be issued until the same shall have been registered by
2 the Comptroller, who shall so register the same if the Attorney
3 General shall have filed with the Comptroller his certificate
4 approving the bonds and the proceedings for the issuance thereof as
5 hereinabove provided.

6 (5) All bonds approved by the Attorney General as
7 aforesaid, and registered by the Comptroller as aforesaid, and
8 issued in accordance with the proceedings so approved shall be
9 valid and binding obligations of the District and shall be
10 incontestable for any cause from and after the time of such
11 registration.

12 (6) If any bonds recite that they are secured by a
13 pledge of the proceeds of a contract, lease, sale or other agreement
14 (herein called 'contract'), a copy of such contract and the
15 proceedings of the contracting parties will also be submitted to
16 the Attorney General. If such bonds have been authorized and such
17 contracts made in compliance with law, the Attorney General shall
18 approve the bonds and contracts, and the bonds shall then be
19 registered by the Comptroller of Public Accounts. When so
20 approved, such bonds and the contracts shall be valid and binding
21 and shall be incontestable for any cause from and after the time of
22 such registration.

23 (7) The District is authorized to make and issue bonds
24 or notes (herein called 'refunding bonds') for the purpose of
25 refunding or refinancing any outstanding bonds or notes authorized
26 and issued by the District pursuant to this Act or other law (herein
27 called 'bonds') and the interest and premium, if any, thereon to

1 maturity or on any earlier redemption date specified in the
2 resolution authorizing the issuance of the refunding bonds. Such
3 refunding bonds may be issued to refund more than one series of
4 outstanding bonds, may combine the pledges of the outstanding bonds
5 for the security of the refunding bonds or may be secured by other
6 or additional revenues. All provisions of this Act with reference
7 to the issuance of bonds, the terms and provisions thereof, their
8 approval by the Attorney General, and the remedies of the
9 bondholders shall be applicable to refunding bonds. Refunding
10 bonds shall be registered by the Comptroller upon surrender and
11 cancellation of the bonds to be refunded, but in lieu thereof, the
12 resolution authorizing the issuance of refunding bonds may provide
13 that they shall be sold and the proceeds thereof deposited at the
14 places at which the original bonds are payable, in which case the
15 refunding bonds may be issued in an amount sufficient to pay the
16 interest and premium, if any, on the original bonds to their
17 maturity date or specified earlier redemption date, and the
18 Comptroller will register them without concurrence, surrender and
19 cancellation of the original bonds. The District may also refund
20 any outstanding bonds in the manner provided by any applicable
21 General Law.

22 SECTION 8. Chapter 75, Acts of the 43rd Legislature, 1st
23 Called Session, 1933, is amended by adding Sections 23, 24, 25, and
24 26 to read as follows:

25 Sec. 23. (a) The Board shall develop a policy to encourage
26 the use of appropriate alternative dispute resolution procedures
27 under Chapter 2009, Government Code, to assist in the resolution of

1 internal and external disputes under the District's jurisdiction.

2 (b) The District's procedures relating to alternative
3 dispute resolution must conform, to the extent possible, to any
4 model guidelines issued by the State Office of Administrative
5 Hearings for the use of alternative dispute resolution by state
6 agencies.

7 (c) The District shall:

8 (1) coordinate the implementation of the policy
9 adopted under Subsection (a) of this section;

10 (2) provide training as needed to implement the
11 procedures for alternative dispute resolution; and

12 (3) collect data concerning the effectiveness of those
13 procedures.

14 Sec. 24. (a) The Board shall develop and implement
15 policies that provide the public with a reasonable opportunity to
16 appear before the Board and to speak on any issue under the
17 jurisdiction of the District.

18 (b) At each regular meeting of the Board, the Board shall
19 include public testimony as a meeting agenda item and allow members
20 of the public to comment on other agenda items and other matters
21 under the jurisdiction of the District. The Board may not
22 deliberate on or decide a matter not included in the meeting agenda,
23 except that the Board may discuss including the matter on the agenda
24 for a subsequent meeting.

25 Sec. 25. (a) The District shall maintain a system to
26 promptly and efficiently act on complaints filed with the District.
27 The District shall maintain information about the parties to and

1 subject matter of the complaint, a summary of the results of the
2 review or investigation of the complaint, and the disposition of
3 the complaint.

4 (b) The District shall make information available
5 describing its procedures for complaint investigation and
6 resolution.

7 (c) The District shall periodically notify the complaint
8 parties of the status of the complaint until final disposition.

9 Sec. 26. (a) In this section, "system" means a system for
10 the:

11 (1) provision of water to the public for human
12 consumption; or

13 (2) collection and treatment of wastewater.

14 (b) The District shall adopt an asset management plan by:

15 (1) preparing an asset inventory that identifies the
16 assets of each system and the condition of the assets;

17 (2) developing criteria to prioritize assets for
18 repair or replacement, including:

19 (A) the date by which the asset will need to be
20 repaired or replaced;

21 (B) the importance of the asset in providing safe
22 drinking water and complying with regulatory standards;

23 (C) the importance of the asset to the effective
24 operation of the system; and

25 (D) other criteria as determined by the District;

26 (3) estimating asset repair and replacement costs;

27 (4) identifying and evaluating potential financing

1 options; and

2 (5) prioritizing systems that are not in compliance
3 with federal or state regulatory standards, including water quality
4 standards.

5 (c) The District shall review and revise the asset
6 management plan annually to account for regulatory changes and
7 other developments.

8 (d) The Board shall approve the asset management plan
9 annually as part of its budgeting process.

10 (e) The findings of the asset management plan must be posted
11 on the District's publicly accessible Internet website.

12 SECTION 9. Section 8, Chapter 75, Acts of the 43rd
13 Legislature, 1st Called Session, 1933, is repealed.

14 SECTION 10. (a) The term of the president of the board of
15 directors of the Guadalupe-Blanco River Authority serving on the
16 effective date of this Act expires September 1, 2019. The director
17 serving as president on the effective date of this Act may continue
18 to serve on the board of directors until the director's successor is
19 appointed and has qualified.

20 (b) Not later than September 2, 2019, the governor shall
21 designate a director as president of the board of directors of the
22 Guadalupe-Blanco River Authority as required by Section 5, Chapter
23 75, Acts of the 43rd Legislature, 1st Called Session, 1933, as
24 amended by this Act.

25 SECTION 11. (a) Notwithstanding Section 4A(a), Chapter
26 75, Acts of the 43rd Legislature, 1st Called Session, 1933, as added
27 by this Act, a person serving on the board of directors of the

1 Guadalupe-Blanco River Authority may vote, deliberate, and be
2 counted as a director in attendance at a meeting of the board until
3 December 1, 2019.

4 (b) This section expires January 1, 2020.

5 SECTION 12. The repeal by this Act of Section 8, Chapter 75,
6 Acts of the 43rd Legislature, 1st Called Session, 1933, does not
7 apply to an offense committed before the effective date of this Act.
8 An offense committed before the effective date of this Act is
9 governed by the law as it existed on the date the offense was
10 committed, and the former law is continued in effect for that
11 purpose. For purposes of this section, an offense was committed
12 before the effective date of this Act if any element of the offense
13 occurred before that date.

14 SECTION 13. (a) The legal notice of the intention to
15 introduce this Act, setting forth the general substance of this
16 Act, has been published as provided by law, and the notice and a
17 copy of this Act have been furnished to all persons, agencies,
18 officials, or entities to which they are required to be furnished
19 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
20 Government Code.

21 (b) The governor, one of the required recipients, has
22 submitted the notice and Act to the Texas Commission on
23 Environmental Quality.

24 (c) The Texas Commission on Environmental Quality has filed
25 its recommendations relating to this Act with the governor, the
26 lieutenant governor, and the speaker of the house of
27 representatives within the required time.

1 (d) All requirements of the constitution and laws of this
2 state and the rules and procedures of the legislature with respect
3 to the notice, introduction, and passage of this Act are fulfilled
4 and accomplished.

5 SECTION 14. This Act takes effect September 1, 2019.