H.B. No. 1535

AN ACT

relating to the San Antonio River Authority, following recommendations of the Sunset Advisory Commission; altering the terms of office of the members of the board of directors of the authority.

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

SECTION 1.  Section 1-a(a), Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, 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, 2035 [~~2023~~], and every 12th year after that year.

SECTION 2.  Section 3, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

Sec. 3.  POWERS OF THE DISTRICT. The District is hereby invested with all of the powers of the State of Texas under Article 16, Section 59, of the Constitution of the State of Texas to effectuate the construction, maintenance and operation of navigable canals or waterways, to effectuate flood control, to effectuate the conservation and use, for all beneficial purposes, of ground, storm, flood and unappropriated flow waters in the District, to effectuate irrigation, to effectuate soil conservation, to effectuate sewage treatment, to effectuate pollution prevention, to encourage and develop parks, recreational facilities and to preserve fish, to effectuate forestation and reforestation, and to do all things as are required therefor, subject only to: (i) declarations of policy by the Legislature of the State of Texas as to the use of water; (ii) continuing supervision and control by the State Board of Water Engineers and any board or agency which may thereafter succeed to its duties; (iii) the provisions of Section 4, page 212, Acts of the Thirty-fifth Legislature, 1917, as subsequently amended (codified under Article 7471, Vernon's Civil Statutes of the State of Texas), prescribing the priorities of uses for water; and (iv) the rights heretofore or hereafter legally acquired in water by municipalities and other users. Subject to the foregoing, it shall be the duty of the District to exercise for the greatest practicable measure of the conservation and beneficial utilization of all ground, storm, flood and unappropriated flow waters of the District, in the manner and for the particular purposes specified hereinafter in this Section 3 and elsewhere in this Act the following powers, rights, privileges and functions, to wit:

(a)  Navigation:

(1)  To promote, construct, maintain and operate, and/or to make practicable, promote, aid and encourage, the construction, maintenance and operation of navigable canals or waterways and all navigational systems or facilities auxiliary thereto using the natural bed and banks of the San Antonio River to its junction with the Guadalupe River where practicable and thence traversing such route as may be found by the District to be most feasible and practicable to connect with the Intracoastal Canal and/or with any new canal to be constructed and/or with any harbor at or near San Antonio Bay or the Gulf of Mexico, and also using such new correlated artificial waterways, together with all locks and other works, structures and artificial facilities as may be necessary and convenient for the construction, maintenance and operation of said navigable canals or waterways and all navigational systems or facilities auxiliary thereto. The District is empowered to construct, or cause to be constructed, said system of artificial waterways, canals, locks, works and other facilities so as to connect the watershed area of the San Antonio River, including navigation to or at a point near the City of San Antonio, with the Intracoastal Canal and/or with any new canal to be constructed and/or with any harbor at or near San Antonio Bay or the Gulf of Mexico;

(2)  To control, develop, store and use the natural flow and floodwaters of the San Antonio River and its tributaries for the purpose of operating and maintaining said navigable canals or waterways and all navigational systems or facilities auxiliary thereto, provided, however, that such navigational use shall be subordinate to consumptive use of water, and navigation shall be incidental thereto;

(3)  In the case of the construction of said navigable canals or waterways and all navigational systems or facilities auxiliary thereto by the Federal Government or otherwise, the District shall have the power to construct, maintain and operate lateral connecting canals and turning basins to serve local needs, and shall also have the power to provide, construct, acquire, purchase, take over, lease from others, lease to others, and to maintain and operate, develop, regulate and/or by franchise control wharves, docks, warehouses, grain elevators, bunkering facilities, belt or terminal railroads, floating plants, lighterage, towing facilities, and all other facilities incident to or in aid of the efficient operation and development of said canals or waterways and all navigational systems or facilities auxiliary thereto, and any ports incident thereto, whether the same be upon land or upon water;

(4)  In the event the construction and/or maintenance and operation of said navigable canals or waterways and all navigational systems or facilities auxiliary thereto is taken over by the Federal Government or any agency of the Federal Government, then and in such event the District shall be fully authorized to make and enter into any such contracts as may be lawfully required by the Federal Government, including such assignments and transfers of property and rights of property and easements and privileges and any and all other lawful things and acts may be necessary and required in order to meet the requirements of the Federal Government or any agency of the Federal Government in taking over the construction and/or maintenance and operation of said navigable canals or waterways and all navigational systems or facilities auxiliary thereto;

(5)  The District may grant a franchise or right to any person or body politic or corporate for the use of said navigable canals or waterways and all navigational systems or facilities auxiliary thereto or any facility thereof in aiding navigation and no person or body politic or corporate may provide, maintain or operate any facility of aid of navigation in any way connected with said navigable canals or waterways and all navigational systems or facilities auxiliary thereto and intended for use by the public within the meaning and intent of this Act, except by and under the franchise granted by this District, in the form of an ordinance as provided by this Act, which franchise may be for any term not to exceed fifty (50) years. Such ordinance granting franchise may contain provisions for the payment of reasonable fees, and/or other charges to be paid to the District, and shall contain provisions adequate to regulate the fees, tolls, rates or exactions to be demanded for the use of, or service to be rendered by any means or facility to be provided or operated under any such franchise, to the end that the same will be uniform, reasonable, and without discrimination against any person, both as to charges and the conditions of use or service, and such ordinance shall contain all provisions reasonably required to procure service adequate to serve the public necessity and convenience. The District may grant a franchise for the design, construction, repair, enlargement, alteration, maintenance, operation of, and service from, or use of any facility to be provided for use in aid of navigation on said navigable canals or water ways and all navigational systems or facilities auxiliary thereto, whether upon land, or in or upon water. The right hereby granted shall include the right to require uniform and adequate analytic accounting systems and forms, periodic verified reports based thereon, and the right of audit by the District, and other reasonable regulations designed to protect the public. In order to procure observance of the conditions of a franchise granted hereunder, and/or compliance with the rules and regulations established by ordinance of the District (to be adopted and promulgated as elsewhere is provided in this Act) hereunder, such ordinance may provide reasonable and commensurate penalties as provided by Section 49.004, Water Code [~~fixed by General Law in Texas, and not to exceed the limit for penalties as fixed elsewhere in this Act~~]. The forfeiture or suspension of a franchise granted under this Act, where not otherwise provided in any such franchise, may be only because of discrimination in rendering service, affording use, or in taking or demanding a toll, rate or charge. Forfeiture or suspension of a franchise granted hereunder, unless otherwise provided therein, shall be upon a decree of a District Court within the County in which this District may maintain its general office. The District may likewise by ordinance establish rules necessary or designed to protect the physical property owned by it, or physical property owned or operated by another under a franchise hereunder granted, and/or to effect the safety or efficient use of the same, and in such ordinance may provide reasonable and commensurate penalties for the violation thereof, as provided by Section 49.004, Water Code [~~which penalties shall be cumulative of other penalties provided by the General Law of Texas, and not to exceed the limit for penalties as fixed elsewhere in this Act~~];

(b)  Flood Control and Flood Plain Management. To prevent and aid in the prevention of damage to persons and property by the overflow of any and all rivers, streams or tributaries thereof within the District including the study and designation of flood plains and the regulation thereof;

(c)  Water Conservation, Storage, Procurement, Distribution and Supply:

(1)  To store and conserve to the greatest beneficial use the storm, flood and unappropriated flow waters of any and all rivers, streams or the tributaries thereof within the District, so as to prevent the escape of any water without maximum beneficial use either within or without the District;

(2)  For the conservation of water for uses either within or without the District, including providing water supply for cities and towns, and the right to sell water and stand-by service to any person, firm, or corporation, including cities and towns and other public agencies within or without the District; provided that it is the intent of this Act to establish a District that is concerned primarily with the conservation, control, storage, distribution and sale of water in bulk quantities in the public interest and only incidentally with the retail sale of water insofar as it does not compete with municipal water distributors and then only when necessary or convenient as a service to the public;

(3)  To acquire water appropriation permits either within or without the District directly from the State Board of Water Engineers or to purchase or otherwise acquire such permits or certified filings either within or without the District from the owners thereof;

(4)  To purchase water, water supply facilities on conservation storage capacity either within or without the District from any person, firm, corporation, State agency or other public agency, or from the United States or its agencies;

(5)  To execute water supply contracts with users of water within or without the District. Included in the services for which the District may contract, and for which it may make charges, is that of standby service as well as for the actual delivery of water;

(6)  To provide water for the development of commercial and industrial enterprises within or without the District;

(7)  To bring water into the boundaries of the District;

(8)  To construct, acquire, equip, to acquire storage rights at, and operate and maintain dams and reservoirs, either within or without the District, had in carrying out the powers conferred upon the District, or to exercise such powers in conjunction with others;

(9)  To construct [~~contract~~], operate and maintain or otherwise provide water supply lines, water purification and water pumping systems and facilities either within or without the District;

(10)  Power to execute contracts with municipalities and others involving the construction of reservoirs, dams, water supply lines, water purification and pumping facilities, and the furnishing of water supply service substantially in the manner prescribed by Chapter 342, Acts of the Regular Session of the Fifty-first Legislature, for Districts organized and created pursuant to Article 16, Section 59, of the Constitution, extended so as to permit such contracts with individuals, partnerships, and all classes of corporations, and to permit the inclusion of provisions for the operation, maintenance and ownership of such properties, but the powers granted the District in this Subsection are not to be considered a limitation on the powers, rights, privileges and functions otherwise granted herein;

(11)  To acquire from the United States Government, through the Secretary of the Army or the Secretary of the Interior or any other of its officials authorized to make such contracts, or from the State of Texas or any agency thereof, or from any privately financed reservoirs, unsold conservation storage capacity at any dam within or without the District now constructed or to be constructed either by or with the assistance of the United States Government or the State of Texas, or by both. It may acquire additional conservation storage capacity which may be provided at any such dam;

(d)  Irrigation: To provide water for irrigation of lands within and without the District, and incident thereto, to construct, operate and maintain supply lines and pumping systems and facilities either within or without the District;

(e)  Soil Conservation: For the conservation of soils and other surface resources within the District against destructive erosion, thereby preventing the increased flood menace incident thereto, and for the prevention of sedimentation and siltation of lands, channels and reservoirs, including the right either to act as local sponsoring agent of upstream soil and water conservation and flood prevention projects authorized by State or Federal Agencies in conjunction with Soil Conservation Districts or to aid and supplement the work of such upstream soil and water conservation and flood prevention projects, all in furtherance of the purposes of the District as provided by this Act [~~'Master Plan' as defined in Section 4-a~~]. In connection therewith, the District is authorized to make arrangements satisfactory to the Secretary of Agriculture of the United States for defraying costs of operating and maintaining such projects, in accordance with regulations presented by the Secretary of Agriculture; provided, however, that any portion of the total construction cost of any such project which is allocable to flood control and/or soil conservation shall be paid for or financed by funds which have their source in the county in which each particular project is situated and which funds may be of any kind or character, except taxes collected in accordance with the provisions of Sections 15-a and 15-b of this Act;

(f)  Sewage Treatment and Solid Waste Disposal. As a necessary aid to the conservation, control, preservation, purification and distribution of surface and ground waters within the District, the District shall have the power to construct, own, operate, maintain or otherwise provide, within the San Antonio River Basin, sewage gathering, treatment and/or disposal services, including solid waste disposal services, to charge for such services, and to make contracts in reference thereto with counties, municipalities and others. Provided, however, that the District shall not exercise the powers hereinabove granted by this Section 3(f) within the boundaries of Kerr, Real, or Bandera Counties unless the Commissioners Court of such county or counties shall first have consented by a majority vote thereof to the exercise of such power within such county or counties;

(g)  Pollution Prevention. To provide for the study, correcting and control of both artificial and natural pollution including organic, inorganic and thermal, of all ground or surface water within the San Antonio River Basin. In this connection, the District is given the power by ordinance to promulgate rules and regulations with regard to such pollution, both artificial and natural, with the right of policing by said District to enforce such rules and regulations and of providing reasonable and commensurate penalties for the violation of any rules and regulations, as provided by Section 49.004, Water Code [~~which penalties shall be cumulative of any penalties fixed by General Law in Texas, and not to exceed the limit for penalties as fixed elsewhere in this Act~~]. Provided, however, that no ordinance enacted pursuant to the powers hereinabove given the District by this Section 3(g) shall be promulgated in any county or counties outside the existing boundaries of the District;

(h)  Parks, Recreational Facilities and Preservation of Fish: For the encouragement and development of parks, recreational facilities and the preservation of fish, the District shall have the power to acquire additional land adjoining any permanent work of improvement constructed within the District for the purpose of developing parks, or recreational facilities. The District may negotiate contracts with any county, municipality, municipal corporation, person, firm, corporation, non-profit organization, or State or Federal agency for the operation and/or maintenance of any such park, or recreational facility. The preservation of fish shall be in accordance with rules and regulations, if any, prescribed by the Game and Fish Commission of the State of Texas;

(i)  Forestation and Reforestation: To forest and reforest and to aid in foresting and reforesting of all areas within the District;

(j)  Contractual: To make contracts and to execute instruments necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act, with the United States, its agencies, counties, cities, all municipal corporations, political subdivisions and districts, and with private persons, partnerships, associations, nonprofit organizations, and corporations. The District shall make and execute such contracts and instruments in accordance with the following procedures:

(1)  Concerning any wholesale contract for the sale, purchase, procurement, distribution and/or supply of water or conservation storage capacity, or for the construction of a navigable canal or waterway, or any contract authorized by Section 1, Chapter 84, page 140, Acts of the 52nd Legislature, 1951, as subsequently amended (codified under Article 7048b, Vernon's Civil Statutes of Texas), the Manager shall cause a notice describing the general nature of such contract to be published once each week for two (2) [~~three (3)~~] consecutive weeks in a newspaper of general circulation in each county in the District within which such contract is to have effect. Such contract may be considered and acted upon at the regular meeting of the Board next following the last date of publication or, without further notice, at any meeting thereafter. The affirmative vote of a majority of the membership [~~at least seven (7) members~~] of the Board shall be required for the approval of confirmation or ratification of any such contract. [~~Of those seven (7) affirmative votes, at least three (3) affirmative votes shall be cast by Board members from Bexar County, at least one (1) affirmative vote shall be cast by a Board member from Wilson County, at least one (1) affirmative vote shall be cast by a Board member from Karnes County, and at least one (1) affirmative vote shall be cast by a Board member from Goliad County.~~] The District may use any such contract as the sole basis, or as a supplement to the basis, for securing its bonds;

(2)  Concerning any construction, maintenance, operation or repair contract, contract for the purchase of material, equipment or supplies or any contract for services, not including any purchase, procurement, or contract described by Section 49.278, Water Code [~~other than professional services~~], if the contract will require an estimated expenditure of more than the maximum amount for which competitive bidding is required by Chapter 49, Water Code [~~statute for any political subdivision of the state or if the contract is for a term of two (2) years or more~~], the Board[~~, upon the affirmative vote of a majority of a quorum present at any regular or special meeting,~~] shall award such contract to the lowest and best bidder after publication of a notice to bidders once each week for two (2) [~~three (3)~~] consecutive weeks. The Board by bylaw shall promulgate the procedures for the publication of notice to bidders and related procedures and may, within the limitations set forth in this section, from time to time prescribe the amount of estimated expenditures to be subjected to competitive bidding. In the event of an emergency, the authority may let such contracts as are necessary to protect and preserve the public health and welfare or the properties of the authority, without such bidding procedures. Members of the Board of Directors shall be ineligible to submit such bids. Any provision of this Subsection to the contrary notwithstanding, the District may purchase surplus property from the United States by negotiated contract and without the necessity of advertising for bids. Notwithstanding any other provision of this Act, the District may use any procurement method under Chapter 49, Water Code, or other applicable general law.

(k)  General:

(1)  This District hereby is vested with such title and right of control as the State has, or may have, in, to and concerning the natural bed and banks of the San Antonio River in its entire length, and all of its tributaries as are within the District, as said District is defined in Section 2-a of this Act, and the District hereby is further vested with such title and right of control as the State has, or may have, in, to and concerning the natural bed and banks of any other navigable stream or tributary thereof as may be situated within the District, as said District is defined in Section 2-a of this Act; which investment, however, shall be in trust, and to authorize said District to make such uses, and/or disposition of such lands and rights (and the proceeds, income, revenues, or trading values thereof) as in actual experience may prove to be reasonably required for, or in aid of, the accomplishment of the purposes of this Act;

(2)  To make preliminary investigations and surveys in the manner and for the purposes specified in Chapters 49 and 51, Water Code, and any other applicable general law [~~said Chapter 25~~] (either independently at its own cost, or jointly with others, or to contribute to the cost thereof when done by another), whereby to procure cooperation by the Government of the United States of America, to the end that any project lawfully within the purposes of this Act may be approved for construction as a Federal project under such contractual terms and conditions as may be demanded by the Federal Congress;

(3)  To expend all sums reasonably deemed to be necessary or expedient for seeking cooperation in accomplishing the objects of this Act from the Federal Government, and/or any and all other persons, creatures, or entities, whether natural, or creatures of law or contract;

(4)  Subject to the provisions of this Act from time to time to sell or otherwise dispose of any property of any kind, real, personal, or mixed, or any interest therein, which shall not be necessary to the carrying on of the business of the District;

(5)  To overflow and inundate any public lands and public property and to require the relocation of roads and highways in manner and to the extent permitted to districts organized under General Laws pursuant to Section 59 of Article 16 of the Constitution of the State of Texas. In the event that the District, in the exercise of the power of eminent domain or power of relocation, or any other power granted hereunder, makes necessary the relocation, raising, rerouting or changing the grade of, or altering the construction of any railroad, or street railway, all such necessary relocation, raising, rerouting, changing of grade or alteration of construction shall be accomplished at the sole expense of the District;

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

(7)  To sue and to be sued in its corporate name;

(8)  To adopt, use, and alter a corporate seal;

(9)  To adopt and to amend its bylaws for the management of its affairs;

(10)  To appoint officers, agents, employees and professional consultants, none of whom shall have any interest, direct or indirect, in any contracts awarded by the District;

(11)  To prescribe the duties and fix the compensation of all officers, agents, employees and professional consultants;

(12)  To acquire by purchase, lease, gift, or in any other lawful manner and to maintain, use, and operate any and all property of any kind, real, personal or mixed, or any interest therein, within and without the boundaries of the District, necessary or convenient to the exercise of the powers, rights, privileges and functions conferred upon it by this Act, in the manner provided by general law with respect to condemnation or, at the option of the District, in the manner provided by the statutes relative to condemnation by Districts organized under general law pursuant to Section 59 of Article 16 of the Constitution of the State of Texas;

(13)  [~~To condemn lands used or dedicated for cemetery purposes in the manner provided by the General Law of Texas where reasonably necessary to effectuate the powers, rights, privileges and functions of the District, provided, however, that, when such power of condemnation is sought to be exercised with respect to any Perpetual Care cemetery, as defined in Article 912a, Vernon's Civil Statutes of the State of Texas, as to the condemnation of any such Perpetual Care cemetery or portion thereof, jurisdiction is hereby conferred for such purpose on the District Court or Courts of the county in which such cemetery land or any part thereof may be located, and such condemnation action shall likewise involve the issue of the removal of the dedication thereof as such Perpetual Care cemetery and the issue of the necessity for such taking;~~

[~~(14)~~]  To borrow money for its corporate purposes and to execute proper notes or other evidences of indebtedness, and without limitation of the generality of the foregoing, to borrow money and accept grants from the United States of America, and in connection with any such loan or grant, to enter into such agreements as the United States of America or such corporation or agency may require; and to make and issue its negotiable bonds for moneys borrowed in the manner and to the extent provided in Section 16. Nothing in this Act shall authorize the issuance of any bonds, notes, or other evidences of indebtedness of the District, except as specifically provided in this Act, and no issuance of bonds, notes, or other evidences of indebtedness, except as specifically provided in this Act, shall ever be authorized except by an Act of the Legislature;

(14) [~~(15)~~]  To obtain loans from and accept grants from the United States and its agencies, and from the State of Texas, and its agencies, and it shall have the right to participate in and be the beneficiary of any plan which may be evolved by the State or Federal Government for guaranteeing or otherwise subsidizing the obligations of the District;

(15) [~~(16)~~]  The District shall have the power to adopt and promulgate by ordinance all reasonable rules and regulations for purposes elsewhere provided in this Act and generally to secure and protect any and all of its property and any and all of its works of improvement, and to regulate residence, hunting, fishing, boating and camping, and all recreational and business privileges on any navigable river of the District, or any reservoir of the District, or upon any land owned by the District. The District may prescribe reasonable and commensurate penalties for the violation of any and all such rules and regulations of the District, as provided by Section 49.004, Water Code [~~which penalties shall be cumulative of any penalties fixed by the General Law in Texas and shall not exceed fines of more than Two Hundred Dollars ($200), or imprisonment for not more than one hundred eighty (180) days, or may provide for both such fine and imprisonment~~]. No rule or regulation which provides a penalty for the violation thereof shall be in effect, as to enforcement of the penalty, until five (5) days next after the District may have caused a substantive statement of the particular rule or regulation and the penalty for the violation thereof to be published once a week for two (2) [~~three (3)~~] consecutive weeks in a newspaper of general circulation in each county in which it is to be effective. The substantive statement so to be published shall be as condensed as is possible to afford an intelligent direction of the mind to the act forbidden by the rule or regulation; one (1) notice may embrace any number of regulations; there must be embraced in the notice advice that breach of the particular regulation, or regulations, will subject the violator to the infliction of a penalty and there also shall be included in the notice advice that the full text of the regulations sought to be enforced is on file in the principal office of the District, where the same may be read by any interested person. Five (5) days after the second [~~third~~] publication of the notice hereby required, the advertised regulation shall be in effect, and ignorance of any such regulation shall not constitute a defense to a prosecution for the enforcement of a penalty and, the rules and regulations authorized hereby, after the required publication, shall judicially be known to the courts [~~and shall be considered of a nature like unto that of valid penal ordinance of a city of the State~~]. Section 49.004, Water Code, governs costs incurred by the District before the court in any suit by the District to enforce its rules or regulations [~~The District shall be primarily liable for any court costs incurred hereunder, and the cost to maintain any offender committed for imprisonment hereunder. Any fine imposed in any such proceeding and paid in money shall be payable to this District and applied as its Board may direct~~];

(16) [~~(17)~~]  To designate an official newspaper of the District in each county in the District, each of which newspapers shall be a newspaper having general circulation in the county in which it is situated;

(17) [~~(18)~~]  To acquire such rights-of-way as are necessary to construct, operate and maintain such roads as are necessary for ingress and egress to any work of improvement or to any park, recreational facility, or fish or wildlife preserve or reserve;

(18) [~~(19)~~]  To grant concessions and franchises upon the premises of any works of improvement or any park, recreational facility or fish or wildlife preserve or reserve to any person or corporation;

(19) [~~(20)~~]  When germane to the accomplishment and the purposes of this Act, and not otherwise adequately provided by Chapter 49 or 51, Water Code [~~Chapter 25~~], or provided elsewhere in this Act, the Directors of the District shall have the power to adopt and promulgate ordinances, which may be done by a majority of the membership of the Board [~~(except as specifically provided elsewhere in this Act) of those Directors present at any meeting held in compliance with the provisions of the bylaws at which there must be present a majority of the Board, constituting a quorum~~]. No notice shall be required before the passage of such ordinance, except such notices of special or regular meetings of the Board as may be provided elsewhere in this Act. After having adopted such ordinances, the Directors shall cause the same to be filed and recorded in the official records of the Authority. The Directors may, if they deem necessary and proper, in addition to filing and recording same in the official records of the Authority, either caused certified copies of same to be forthwith filed of record in the office of the County Clerk of each county situated in whole or in part within the District within which such ordinance is intended to have application and/or to be published once or more each week for two (2) [~~three (3)~~] or more consecutive weeks in a newspaper or newspapers of general circulation in each county within the District within which ordinance is intended to have application, following either or all of which methods of recording and/or publication the ordinance shall be in full force and effect; and thereafter all courts and persons shall be held to have knowledge thereof, just as though the same had been embraced in the body of this Act and the County Clerk in any county is authorized and directed to file and record all certified copies of such county and to charge therefor the same fees as is provided for recording deeds of conveyance. And the powers of said District to adopt ordinances shall include, among other things as follows: in any case in which Chapters 49 and 51, Water Code, do [~~said Chapter 25 does~~] not provide a specific power or right germane to, or appropriate, or adequate to accomplish an object of this Act, and such specific power has been, or hereafter may, conferred by law on Counties, Cities, Water Improvement Districts, Water Control and Improvement Districts, Drainage Districts, Navigation Districts, Canal Corporations, Channel and Dock Corporations, Deep Water Corporations, Railway Corporations, Terminal Railway Corporations, Telegraph and Telephone Corporations, or other like creatures of the law, then to the extent [~~intent~~] required to make adequate hereto the powers and rights of this District, it may by ordinance adopt and have as part of the law of its being so much of the power and right of any of the herein designated creatures of the law as will enable it effectively to accomplish that purpose of this Act. The adoption of a power or mode of procedure hereunder shall not be held to include any incidental limitation which would impede the lawful accomplishment of the purposes of this Act. As to this, there shall be no limit hereof save such as would violate the provisions of the Constitution of the United States and the State of Texas concerning the rights of others;

(20) [~~(21)~~]  This District shall have all such powers and rights, and regulations for government and procedure, as are contained in Chapters 49 and 51, Water Code, and any other applicable general law [~~said Chapter 25~~], which shall be cumulative of those provided by this Act, and those rules for procedure which may be provided by ordinances adopted by the District under other provisions of this Act.

SECTION 3.  Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended by adding Section 5 to read as follows:

Sec. 5.  PARTNERSHIP WITH NONPROFIT ORGANIZATION. (a) In this section, "affiliated nonprofit organization" means a nonprofit organization:

(1)  created by the District; or

(2)  for which the District, the Board, or the District's employees have a right to appoint one or more of the members of the governing body of the nonprofit organization.

(b)  The District may contract or otherwise coordinate with a nonprofit organization, including an affiliated nonprofit organization, to accomplish the purposes of the District.

(c)  Members of the Board may not constitute a majority of the board of directors or other governing body of an affiliated nonprofit organization. Employees of the District may not serve on the board of directors or other governing body of an affiliated nonprofit organization.

(d)  The Board shall develop a policy regarding fund-raising activities of any nonprofit organizations that enter into a partnership with the District. The policy must:

(1)  include acceptable and prohibited fund-raising activities;

(2)  specify how fund-raising is conducted and supervised; and

(3)  include criteria for seeking and selecting corporate sponsors to ensure that sponsorships serve the public interest and are consistent with the purposes of the District.

(e)  A memorandum of understanding between the District and an affiliated nonprofit organization entered into under this section must include the policy developed by the Board under Subsection (d) of this section.

SECTION 4.  Section 9, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

Sec. 9. GOVERNING BODY OF THE DISTRICT; QUALIFICATIONS OF MEMBERS OF THE BOARD; VACANCIES; TERM OF OFFICE. The government and control of the District shall be vested in a Board of Directors consisting of 12 [~~twelve (12)~~] members, 6 [~~six (6)~~] of whom shall be elected from Bexar County, 2 [~~two (2)~~] of whom shall be elected from Wilson County, 2 [~~two (2)~~] of whom shall be elected from Karnes County, and 2 [~~two (2)~~] of whom shall be elected from Goliad County. Each director shall serve for a term of four [~~six (6)~~] years, and shall hold office until the director's [~~his~~] successor has been elected and has qualified by taking the oath of office. Before entering upon the duties of the member's [~~his~~] office, each member of the Board shall take the Constitutional Oath of Office and the same shall be filed in written form with the Secretary of the Board. Vacancies occurring on the Board from any county shall be filled by appointment by the Governor of the State, with the advice and consent of the Senate, for such unexpired term. Any person over the age of 21 [~~twenty-one (21)~~] years, residing within the District and within the county from which the person [~~he~~] is elected or appointed, and possessing the qualifications of a juror shall be eligible to be elected or appointed and to serve as a director.

SECTION 5.  Section 10, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

Sec. 10.  ELECTION OF DIRECTORS. All elections within the District shall be carried out in accordance with rules set forth in the bylaws and the Election Code, and the results of all elections shall be canvassed by the Board of Directors of the District at the regular meeting next following each biennial election. All elections shall be held on the uniform election date in November [~~third Saturday in January~~] of each odd-numbered year and at the polling places designated by the Board of Directors of the District. The terms of office of Directors elected at each election after the said first election shall commence on the first day of January [~~February~~] following their election. In all elections the following rules shall apply:

(a)  Those persons seeking to have their names placed on the official ballot shall make application to the Secretary of the Board in accordance with rules prescribed by the Board either in the ordinance calling the election or in the bylaws.

(b)  The Secretary of the Board shall make up the official ballot for each county from the names of candidates who have filed applications, and the placing of the names of the candidates on the ballots shall be determined by lot. The drawing of lots for the placing of the names of the candidates on the ballots shall be by the Secretary of the Board, and all candidates, or their designated representatives, may be present at such drawing.

(c)  The Directors from Wilson, Karnes, and Goliad Counties shall be elected at large from each county. Four (4) Directors from Bexar County shall be elected from single-member districts and two (2) Directors shall be elected at large. The four (4) single-member districts shall be coterminous with and bear the same number as the Bexar County Commissioners Precincts. A candidate for a single-member district position must live in the district the candidate seeks to represent.

(d)  The candidates receiving the greatest number of votes, that is a plurality, shall be declared elected. Should there be a tie in the votes received, the winner of the election shall be determined by the majority of the Board. The two (2) at-large Directors of Bexar County shall be elected simultaneously by plurality, and the two (2) candidates receiving the greatest number of votes shall be declared elected.

(e)  Directors of the District serving from single-member districts at the time new single-member districts are adopted shall serve for the remainder of the terms to which they were elected regardless of the redistricting.

SECTION 6.  Section 13, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

Sec. 13.  ORGANIZATION AND MEETINGS OF THE BOARD; OFFICERS; QUORUM. There [~~At the first regular meeting of the Board held in the month of February of each odd-numbered year, there~~] shall be appointed by a majority vote of the Board of Directors from its membership a Chairman, a Vice-Chairman, a Secretary and a Treasurer, and any other officers or assistant officers the Board considers necessary. Assistant officers[~~, if deemed proper, an Assistant Secretary and an Assistant Treasurer, who~~] need not be members of the Board of Directors and [~~who~~] may be granted limited powers in the bylaws. The officers so appointed shall serve for a term of two (2) years and until their successors have been appointed, except that assistant officers [~~the Assistant Secretary and the Assistant Treasurer~~], if such officers are appointed, shall hold office at the pleasure of the Board. A quorum at all meetings of the Board of Directors shall consist of not less than seven (7) members. [~~A quorum at all meetings of the Executive Committee shall consist of not less than three (3) members.~~] Regular and special meetings of the Board of Directors shall be held as provided by general law and the bylaws, and notice of such meetings shall be given as required by general law and the bylaws. [~~The Board shall meet periodically with the Texas Water Commission.~~] All meetings of the Board shall be open to the public.

SECTION 7.  Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended by adding Sections 13-a, 13-b, 13-c, and 13-d to read as follows:

Sec. 13-a.  TRAINING FOR BOARD MEMBERS. (a) A person who is elected or appointed to and qualifies for office as a member of the Board 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 that complies with this section.

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

(1)  the law governing the District's operations;

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

(3)  the scope of and limitations on the rulemaking authority of the Board;

(4)  the results of the most recent formal audit of the District;

(5)  the requirements of:

(A)  laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

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

(6)  any applicable ethics policies adopted by the District or the Texas Ethics Commission.

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

(d)  The Manager of the District shall create a training manual that includes the information required by Subsection (b) of this section. The Manager of the District shall distribute a copy of the training manual annually to each member of the Board. Each member of the Board shall sign and submit to the Manager of the District a statement acknowledging that the member received and reviewed the training manual.

Sec. 13-b.  POLICIES TO SEPARATE POLICY-MAKING AND STAFF FUNCTIONS. The Board shall develop and implement policies that clearly separate the policy-making responsibilities of the Board and the management responsibilities of the Manager and the staff of the District.

Sec. 13-c.  PUBLIC TESTIMONY AT BOARD MEETINGS. The Board shall develop and implement policies that provide the public with a reasonable opportunity to appear before the Board and to speak on any issue under the jurisdiction of the District.

Sec. 13-d.  COMPLAINT INFORMATION REQUIREMENTS. (a) The District shall maintain a system to promptly and efficiently act on complaints filed with the District. The District shall maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

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

(c)  The District shall periodically notify the complaint parties of the status of the complaint until final disposition unless the notice would jeopardize an investigation.

SECTION 8.  Section 14, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

Sec. 14.  POWERS OF THE BOARD AND EXECUTIVE COMMITTEE; BONDS REQUIRED. The Board of Directors shall be responsible for the management and control of all affairs of the District. In connection therewith, the Board of Directors shall have the power:

(a)  To exercise all the powers, rights, privileges and functions conferred by law upon the District;

(b)  To adopt all such bylaws as are not inconsistent with the law[~~. The bylaws may provide for the designation by the Board of an Executive Committee of five (5) members upon whom the District's Manager may call for policy decisions and advice concerning matters which arise between meetings of the Board and which may authorize, on behalf of the District, the execution of any contract involving the expenditure of an amount no greater than Twenty Thousand Dollars ($20,000)~~];

(c)  To appoint and fix the salary of a Manager, who shall be the chief executive officer of the District. The Manager shall employ and supervise, subject to policies promulgated by the Board, all employees, agents, accountants, attorneys, engineers and others rendering professional services necessary and required to accomplish the purposes of this Act. The Manager may execute, on behalf of the District, without specific authorization of the Board, any contract not subject to competitive bidding. The Manager may execute on behalf of the District and with specific authorization of the Board, any other contract.

Except as specifically provided elsewhere in this Act, all the powers, rights, privileges and functions of the District may be exercised by a majority of the membership of the Board [~~those Directors present at any meeting of the Board (or of the Executive Committee if the sum involved is no greater than Twenty Thousand Dollars ($20,000) held in compliance with the provisions of the bylaws at which meeting there must be present a majority of the Board (or of the Executive Committee), constituting a quorum~~].

Said Board of Directors shall have all such additional powers as may be conferred on this District by the other provisions of this Act, Chapters 49 and 51, Water Code, and any other general law applicable to river authorities or water control and improvement districts [~~and said Chapter 25~~], and of said Article 16, Section 59, of the Constitution of the State of Texas; provided, however, that members of the Board shall be ineligible to engage in any transaction for gain or profit with the District.

The Directors and all officers of the District who are not Directors shall, within fifteen (15) days after their election or appointment, file a good and sufficient bond with the Secretary of the Board; the official bond of each Director and Officer shall be in the sum of Five Thousand Dollars ($5,000), shall be payable to the District, shall be conditioned upon the faithful performance of their duties as such Directors or Officers, and shall be subject to approval by the Secretary of the Board.

SECTION 9.  Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended by adding Section 14-b to read as follows:

Sec. 14-b.  FISCAL YEAR. The District's fiscal year ends on September 30 of each year.

SECTION 10.  Section 15-a, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

Sec. 15-a.  TAXATION. Subject to the limitation as to the maximum rate of tax as prescribed in this Section, the District may levy and collect throughout the territory of the District such ad valorem taxes as are voted at an election or elections called by the Board for that purpose and conducted throughout the territory of the District. The maximum rate of tax which can be levied and collected for any year shall be two cents (2¢) on the One Hundred Dollars ($100) of taxable property based on its assessed valuation, in accordance with the following conditions and procedures:

(a)  The Board of Directors of the District may, by ordinance, call an election to submit to the voters for approval such taxation; provided that a public hearing to discuss the proposed tax issue shall be held in each county in the District, said public hearing to be held not less than ten (10) days nor more than twenty-five (25) days prior to the scheduled date of any such election, and said hearings shall be called by the Board of Directors of the District and notice of the time, day, date, place and purpose of said meeting shall be given by publishing said notice in at least one (1) newspaper of general circulation in each county where the meeting is to be held at least ten (10) days prior to such hearing;

(b)  [~~Only qualified electors, owning taxable property within the boundaries of the District and who have duly rendered their property for taxation shall be entitled to vote in any such election. An elector otherwise qualified must vote in the county of his residence and at the polling place designated for the precinct of his residence.~~] The order [~~ordinance~~] calling the election shall specify the polling place or places in each of the several counties. The notice of election will be sufficient as to any county within the District if it states that the election is to be held throughout the territory comprising the District and if it specifies the polling place or places in such county. But it shall not be necessary to publish such details except in the county in which they are applicable;

(c)  Returns of the election shall be made to the Board, and the Board shall canvass the returns of the election and adopt an ordinance declaring the results thereof. The Board may levy taxes within the maximum rate thus voted if a majority of the votes cast throughout the District are in favor of the levy of the tax and if a majority of the votes cast in any three (3) counties in the District are in favor of the levy of the tax;

(d)  The rate of tax shall be uniform throughout the territory comprising the District, and shall be certified by the Chairman and the Secretary of the Board of Directors of the District to the Tax Assessor and the Tax Collector of each included county;

(e)  After an election has resulted favorably to the levy of a tax, the Board of Directors may borrow money payable therefrom and may evidence such loan by a negotiable note given in the name of the District;

(f)  Any taxes thus collected shall be used for the purpose of general administration[~~, preparation of the Master Plan provided for in Section 4-a,~~] and for [~~other~~] planning and other services with respect to any of the purposes, rights, privileges and functions of the District; provided, however, that none of the taxes thus collected shall be used to pay for or finance the construction of any dams, reservoirs, levees, channels, pipelines or other major physical works of the District, or pay for the cost of any right-of-way acquisitions, or the expenses of right-of-way acquisition, or damages awarded by any Court under Article 1, Section 17, of the Constitution of the State of Texas. It is the intent of this Act that any taxes thus collected will enable the District to accomplish its purposes, including [~~develop a Master Plan for~~] the maximum development of the soil and water resources of the District, it [~~is~~] being hereby found and determined that the benefits to be realized from such maximum development can be obtained only through area-wide participation and planning. It is the intent of this Act that the construction of any dams, reservoirs, levees, channels, pipelines or other major physical works of the District shall be paid for or financed by revenue bonds of the District to be redeemed either by the sale of services or by taxes to be levied by a county or municipality and paid over to the District as an independent contractor of said county or municipality. It is likewise the intent of this Act that any taxes thus collected may be used to pay for the operation, repair and/or maintenance of any flood control, soil conservation, watershed protection and/or erosion structures or works of improvement constructed in cooperation with the Federal Government; provided, however, that any such operation, repair and/or maintenance costs shall be paid for out of taxes thus collected in the county in which the particular structure or work of improvement is situated. It is further the intent of this Act that the taxes authorized by this Section 15-a thus collected shall not be pledged to the redemption of any bonds of the District.

SECTION 11.  Section 18(b), Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended to read as follows:

(b)  Disposition of Property. Nothing in this Act shall be construed as authorizing the District, or any receiver of its properties, or any court, to sell, lease or otherwise dispose of any of its property of any kind, real, personal or mixed, or any interest therein, unless such sale, lease or other disposition has been generally authorized by this Act or a general law applicable to the District; provided, however, that the District may sell or otherwise dispose of any property of any kind or any interest in property that is not necessary to carry on the business of the Authority provided that the Board, by a majority vote of a quorum present at any regular or special meeting, determines that the property is not convenient to the business of the Authority and is surplus. The Board shall cause a notice of such proposed sale to be published once each week for two (2) [~~three (3)~~] consecutive weeks in a newspaper of general circulation in the county or counties in which said property or interest therein is situated if the appraised value of said property or interest therein is in excess of Five Thousand Dollars ($5,000) and if the said property or interest therein is not partial or total consideration in a transaction for the exchange of properties.

SECTION 12.  Sections 1(c), 4-a, and 14-a, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, are repealed.

SECTION 13.  (a) The change in law made by this Act to the terms of the directors of the San Antonio River Authority applies only to the term of a director who is appointed or elected on or after the effective date of this Act.

(b)  The two at-large director positions for Bexar County shall be scheduled for election on the November uniform election date in 2023. The person who receives the highest number of votes shall be elected to the first at-large Bexar County director position and shall serve a four-year term beginning January 1, 2024, and ending December 31, 2027. An election shall be scheduled for that position on the November uniform election date in 2027 and every four years thereafter. The person who receives the second highest number of votes shall be elected to the second at-large Bexar County director position and shall serve a two-year term beginning January 1, 2024, and ending December 31, 2025. An election shall be scheduled for that position on the November uniform election date in 2025 and every four years thereafter for a four-year term beginning on January 1 of the year following each election.

(c)  The following director positions shall be scheduled for election on the November uniform election date in 2025 and every four years thereafter, and the directors elected to each position shall serve four-year terms beginning January 1 of the year following each election:

(1)  the single-member district director elected from Bexar County commissioners court precinct 1;

(2)  the single-member district director elected from Bexar County commissioners court precinct 2;

(3)  the at-large director position for Karnes County for which an election was held, or scheduled to be held but canceled because of an unopposed candidate, in November 2019;

(4)  the at-large director position for Goliad County for which an election was held, or scheduled to be held but canceled because of an unopposed candidate, in November 2019; and

(5)  the at-large director position for Wilson County for which an election was held, or scheduled to be held but canceled because of an unopposed candidate, in November 2019.

(d)  The following director positions shall be scheduled for election on the November uniform election date in 2027 and every four years thereafter, and the directors elected to those director positions shall serve four-year terms beginning January 1 of the year following each election:

(1)  the single-member district director elected from Bexar County commissioners court precinct 3;

(2)  the single-member district director elected from Bexar County commissioners court precinct 4;

(3)  the at-large director position for Karnes County for which an election was held, or scheduled to be held but canceled because of an unopposed candidate, in November 2021;

(4)  the at-large director position for Goliad County for which an election was held, or scheduled to be held but canceled because of an unopposed candidate, in November 2021; and

(5)  the at-large director position for Wilson County for which an election was held, or scheduled to be held but canceled because of an unopposed candidate, in November 2021.

(e)  The members of the board of directors serving in the director positions described by Subsections (b), (c), and (d) of this section on the effective date of this Act shall continue to serve until their successors have been elected and qualified.

(f)  Notwithstanding Section 13-a, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, as added by this Act, a person serving on the board of directors of the district may vote, deliberate, and be counted as a director in attendance at a meeting of the board until December 1, 2023.

SECTION 14.  (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.

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

(c)  The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the 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.

SECTION 15.  (a) Except as provided by Subsection (b) of this section, 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, 2023.

(b)  Section 14-b, Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, as added by this Act, takes effect January 1, 2025.

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    President of the Senate Speaker of the House

I certify that H.B. No. 1535 was passed by the House on April 26, 2023, by the following vote:  Yeas 147, Nays 1, 1 present, not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Chief Clerk of the House

I certify that H.B. No. 1535 was passed by the Senate on May 10, 2023, by the following vote:  Yeas 30, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Secretary of the Senate

APPROVED:  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                    Date

           \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

                  Governor