

By: Canales

H.B. No. 2606

A BILL TO BE ENTITLED

AN ACT

relating to powers and duties of navigation districts and the boards of trustees of municipal port facilities.

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

SECTION 1. Section 60.003, Water Code, is amended to read as follows:

Sec. 60.003. AUTHORITY TO CONTRACT FOR THE OPERATION OR DEVELOPMENT OF A DISTRICT. (a) A district may contract with any person, foreign or domestic, necessary or convenient to the operation or development of the district's ports and waterways.

(b) A district that elects to operate under Chapter 2267, Government Code, is not prohibited from entering into an agreement for or procuring public or private facilities and infrastructure under other statutory authority.

SECTION 2. Subchapter C, Chapter 60, Water Code, is amended by adding Section 60.0321 to read as follows:

Sec. 60.0321. AUTHORITY TO ISSUE CONTRACTS. (a) A district may:

(1) contract with a person for the joint construction, financing, ownership, and operation of facilities described by Section 60.101 as necessary to accomplish any purpose or function permitted by the district; or

(2) purchase an interest in a project used for any purpose or function permitted by the district.

1        (b) A district may enter into a contract with a person on the  
2 terms and conditions the commission considers desirable to:

3            (1) develop land and property within the district  
4 through the purchase, construction, or installation of facilities  
5 described by Section 60.101, so that all of the land and property  
6 may receive the services of the facility;

7            (2) maintain and operate:

8                    (A) a port of the district; or

9                    (B) a public or private entity that furthers the  
10 district's purpose; and

11            (3) exercise any other right, power, or duty granted  
12 to the district.

13        SECTION 3. Section 60.403, Water Code, is amended by  
14 amending Subsection (a) and adding Subsection (a-1) to read as  
15 follows:

16        (a) A port commission[~~, an authorized designated officer of~~  
17 ~~the port commission, the executive director of the district or the~~  
18 ~~port authority, or an authorized representative of the executive~~  
19 ~~director]~~ may make routine purchases or contracts in an amount not  
20 to exceed \$50,000.

21        (a-1) A port commission may delegate authority to an  
22 authorized designated officer of the port commission, the executive  
23 director of the district or the port authority, or an authorized  
24 representative of the executive director to make routine purchases  
25 or contracts in an amount not to exceed \$100,000.

26        SECTION 4. Section 60.4035(a), Water Code, is amended to  
27 read as follows:

1           (a) Notwithstanding the competitive bidding requirements  
2 and proposal procedures of this subchapter and Subchapter O and the  
3 requirements of Sections 60.408(a), (b), (c), (d), and (e), the  
4 executive director of a district or an officer of a district  
5 authorized in writing by the port commission may make emergency  
6 purchases or contracts or emergency amendments to existing purchase  
7 orders or contracts in an amount that exceeds the amount authorized  
8 under Section 60.403(a) for routine purchases or contracts if  
9 necessary:

10           (1) to preserve or protect the public health and  
11 safety of the residents of the district;

12           (2) to preserve the property of the district in the  
13 case of a public calamity;

14           (3) to repair unforeseen damage to the property of the  
15 district; ~~or~~

16           (4) to respond to security directives issued by:

17               (A) the federal Department of Homeland Security,  
18 including the Transportation Security Administration;

19               (B) the United States Coast Guard;

20               (C) the federal Department of Transportation,  
21 including the Maritime Administration; or

22               (D) another federal or state agency responsible  
23 for domestic security; or

24           (5) to respond to an emergency for which the public  
25 exigency does not permit the delay incident to the competitive  
26 process.

27           SECTION 5. Section 60.412(a), Water Code, is amended to

1 read as follows:

2 (a) A contract for a purchase is exempt from the competitive  
3 bidding requirements and proposal procedures of this subchapter and  
4 Subchapter O if a contract is for the purchase of:

5 (1) an item that must be purchased in a case of public  
6 calamity if it is necessary to make the purchase promptly to relieve  
7 the necessity of the citizens or to preserve the property of the  
8 district or port authority;

9 (2) an item necessary to preserve or protect the  
10 public health or the safety of the residents of the district or port  
11 authority;

12 (3) an item made necessary by unforeseen damage to the  
13 property of the district or port authority;

14 (4) a personal or professional service;

15 (5) any work performed and paid for by the day as the  
16 work progresses;

17 (6) any land or right-of-way;

18 (7) an item that can be obtained only from one source,  
19 including:

20 (A) items for which competition is precluded  
21 because of the existence of patents, copyrights, secret processes,  
22 or natural monopolies;

23 (B) films, manuscripts, or books;

24 (C) public utility services; and

25 (D) captive replacement parts or components for  
26 equipment;

27 (8) any item necessary to secure a district or port

1 authority during a period of heightened security as determined by:

2 (A) the federal Department of Homeland Security,  
3 including the Transportation Security Administration;

4 (B) the United States Coast Guard;

5 (C) the United States Bureau of Customs and  
6 Border Protection;

7 (D) the Federal Bureau of Investigation;

8 (E) the federal Department of Transportation,  
9 including the Maritime Administration; or

10 (F) another federal, state, or local agency; ~~or~~

11 (9) an item from the United States, including any  
12 agency thereof, or from this state, including an agency of this  
13 state; or

14 (10) an item to respond to an emergency for which the  
15 public exigency does not permit the delay incident to the  
16 competitive process.

17 SECTION 6. Subchapter Q, Chapter 60, Water Code, is amended  
18 by adding Sections 60.503 and 60.504 to read as follows:

19 Sec. 60.503. COMMUNITY AND ECONOMIC DEVELOPMENT PROGRAMS.

20 (a) In this section:

21 (1) "Historically underutilized business" has the  
22 meaning assigned by Section 2161.001, Government Code.

23 (2) "Local business" means a business concern with a  
24 principal place of business in the local area of a district, as  
25 determined by the port commission.

26 (3) "Small business" has the meaning assigned by  
27 Section 5.135(g).

1        (b) To stimulate business and commercial activity within a  
2 district, a district may develop and administer a program to:

- 3            (1) develop the local economy;  
4            (2) develop small businesses or historically  
5 underutilized businesses;  
6            (3) promote or advertise the district; or  
7            (4) improve the extent to which local businesses,  
8 small businesses, and other historically underutilized businesses  
9 are awarded district contracts.

10        (c) To develop or administer a program under this section, a  
11 district may:

- 12            (1) contract with another entity;  
13            (2) use district funds or employees; and  
14            (3) accept contributions, gifts, or other resources.  
15        (d) A program established under this section may set  
16 contract percentage goals for participation by local businesses,  
17 small businesses, and historically underutilized businesses in  
18 public contract awards by the district.

19        Sec. 60.504. RIGHT TO REJECT ALL BIDS. A district that  
20 requests bids or proposals under any of the methods provided by this  
21 chapter may reject any and all bids or proposals submitted.

22        SECTION 7. Section 62.106(e), Water Code, is amended to  
23 read as follows:

24        (e) A district created under this chapter may elect to take  
25 advantage of the condemnation procedure provided in Chapter 21,  
26 Property Code [~~Subchapter F of Chapter 51 of this code~~].

27        SECTION 8. Section 62.120(a), Water Code, is amended to

1 read as follows:

2 (a) A district may enter into operating contracts and leases  
3 with cities and other governmental subdivisions for the operation  
4 of the portions of the district's water system which are designated  
5 by the board or the commission.

6 SECTION 9. Section 62.122, Water Code, is amended to read as  
7 follows:

8 Sec. 62.122. DISPOSITION OF SALVAGE OR SURPLUS PERSONAL  
9 PROPERTY. (a) Except as provided by Subsection (b), the commission  
10 or board of trustees under Chapter 54, Transportation Code, may  
11 periodically dispose of surplus or salvage personal property in the  
12 same manner as the commissioners court of a county under Subchapter  
13 D, Chapter 263, Local Government Code.

14 (b) The commission or board of trustees under Chapter 54,  
15 Transportation Code, may authorize:

16 (1) the destruction or disposition of salvage or  
17 surplus property as worthless if the property is so worn, damaged,  
18 or obsolete that it has no value for the purpose for which it was  
19 originally intended, and the expense to the district to attempt to  
20 sell the property would be more than the proceeds from the sale; and

21 (2) the sale of dredge material from a dredge material  
22 placement area to any person on such terms and conditions as the  
23 commission or board of trustees considers appropriate or  
24 advantageous to the district.

25 SECTION 10. This Act takes effect immediately if it  
26 receives a vote of two-thirds of all the members elected to each  
27 house, as provided by Section 39, Article III, Texas Constitution.

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1 If this Act does not receive the vote necessary for immediate  
2 effect, this Act takes effect September 1, 2023.