

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 60.403(a), Water Code, is amended to read as follows:

(a) A port commission, an authorized designated officer of the port commission, the executive director of the district or the port authority, or an authorized representative of the executive director may make routine purchases or contracts in an amount not to exceed \$50,000. A port commission may delegate authority to an authorized designated officer of the port commission, the executive director of the district or the port authority, or an authorized representative of the executive director to make routine purchases or contracts in an amount not to exceed \$100,000.

SECTION 2. Section 60.4035(a), Water Code, is amended to read as follows:

(a) Notwithstanding the competitive bidding requirements and proposal procedures of this subchapter and Subchapter O and the requirements of Sections 60.408(a), (b), (c), (d), and (e), the executive director of a district or an officer of a district authorized in writing by the port commission may make emergency purchases or contracts or emergency amendments to existing purchase orders or contracts in an amount that exceeds the amount authorized

1 under Section 60.403(a) for routine purchases or contracts if
2 necessary:

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

5 (2) to preserve the property of the district in the
6 case of a public calamity;

7 (3) to repair unforeseen damage to the property of the
8 district; ~~or~~

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

10 (A) the federal Department of Homeland Security,
11 including the Transportation Security Administration;

12 (B) the United States Coast Guard;

13 (C) the federal Department of Transportation,
14 including the Maritime Administration; or

15 (D) another federal or state agency responsible
16 for domestic security; or

17 (5) to respond to an emergency related to supply chain
18 disruptions or shortages or other disruptions or stoppages in the
19 operation of the district which, without harm to the welfare of the
20 district, does not permit the delay incident to the competitive
21 process or would result in undue costs to the district.

22 SECTION 3. Section 60.412(a), Water Code, is amended to
23 read as follows:

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

27 (1) an item that must be purchased in a case of public

1 calamity if it is necessary to make the purchase promptly to relieve
2 the necessity of the citizens or to preserve the property of the
3 district or port authority;

4 (2) an item necessary to preserve or protect the
5 public health or the safety of the residents of the district or port
6 authority;

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

9 (4) a personal or professional service;

10 (5) any work performed and paid for by the day as the
11 work progresses;

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

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

15 (A) items for which competition is precluded
16 because of the existence of patents, copyrights, secret processes,
17 or natural monopolies;

18 (B) films, manuscripts, or books;

19 (C) public utility services; and

20 (D) captive replacement parts or components for
21 equipment;

22 (8) any item necessary to secure a district or port
23 authority during a period of heightened security as determined by:

24 (A) the federal Department of Homeland Security,
25 including the Transportation Security Administration;

26 (B) the United States Coast Guard;

27 (C) the United States Bureau of Customs and

1 Border Protection;

2 (D) the Federal Bureau of Investigation;

3 (E) the federal Department of Transportation,
4 including the Maritime Administration; or

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

6 (9) an item from the United States, including any
7 agency thereof, or from this state, including an agency of this
8 state; or

9 (10) an item to respond to an emergency related to
10 supply chain disruptions or shortages or other disruptions or
11 stoppages in the operation of the district which, without harm to
12 the welfare of the district, does not permit the delay incident to
13 the competitive process or would result in undue costs to the
14 district.

15 SECTION 4. Section 62.106(e), Water Code, is amended to
16 read as follows:

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

20 SECTION 5. Section 62.120(a), Water Code, is amended to
21 read as follows:

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

26 SECTION 6. Section 62.122, Water Code, is amended to read as
27 follows:

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

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

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

14 (2) following any required action by the United States
15 Army Corps of Engineers, the sale of dredge material from a dredge
16 material placement area to any person on such terms and conditions
17 as the commission or board of trustees considers appropriate or
18 advantageous to the district.

19 SECTION 7. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1500 passed the Senate on April 3, 2023, by the following vote: Yeas 31, Nays 0; May 9, 2023, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 15, 2023, House granted request of the Senate; May 26, 2023, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1500 passed the House, with amendments, on May 6, 2023, by the following vote: Yeas 135, Nays 3, one present not voting; May 15, 2023, House granted request of the Senate for appointment of Conference Committee; May 25, 2023, House adopted Conference Committee Report by the following vote: Yeas 142, Nays 1, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor