

## CHAPTER 461

## H.B. No. 1572

An Act relating to compensation for professional services, award of contracts, and payment of debts by freshwater supply districts.

*Be it enacted by the Legislature of the State of Texas:*

**SECTION 1.** Sections 53.075, 53.077, and 53.142, Water Code, are amended to read as follows:

Sec. 53.075. **ASSESSOR AND COLLECTOR'S SALARY.** The board shall fix the salary of the assessor and collector at *not more than \$10,000* [~~\$2,400~~] a year [or less].

Sec. 53.077. **ENGINEER'S COMPENSATION.** The board shall fix the salary of the engineer at a *reasonable rate for the services rendered* [~~\$3,600 a year or less~~].

Sec. 53.142. **PAYMENT OF DEBTS.** *The board may repay money borrowed by the district with water and sewer revenues* [NOTES AS SECURITY. (a) ~~The board may, without an election, borrow money on notes of the district at a rate of interest of six percent or less a year.~~

~~[(b) The district shall pay these notes solely from gross revenues of the district's water system, less the reasonable cost of maintaining and operating the system. No obligation to pay these notes may ever be a charge on the property of the district or on taxes levied or collected by the district. The obligation is solely a charge on the revenues pledged for their payment. The district shall not pay any part of the obligation from taxes levied or collected by the district.~~

~~[(c) The issuance of each note must be authorized by a majority vote of the board and the board, at the time of the authorization, shall set rates and charges for the use of the facilities or the services rendered by the district. The board shall set the rates in an amount sufficient to assure the prompt payment of the principal of and interest on the notes as they mature].~~

**SECTION 2.** Subsections (b) and (f), Section 53.116, Water Code, are amended to read as follows:

(b) Before awarding a contract of \$2,000 [~~\$1,000~~] or more, *unless the board finds that there is a danger to the public health*, the board shall ask for competitive bids on uniform written specifications, after advertising one time in a newspaper of general circulation in the county or district for at least five days before opening bids.

(f) When the amount is [~~\$1,000 or~~] less than \$2,000, but more than \$150, *unless the board finds that there is a danger to the public health*, the board may receive bids and award contracts without advertising or requiring bond.

**SECTION 3.** The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed by the House on April 4, 1985, by a non-record vote; passed by the Senate on May 21, 1985, by the following vote: Yeas 31, Nays 0.

Approved: June 11, 1985

Effective: August 26, 1985