

CHAPTER 674

S.B. No. 1377

An Act changing the name of the Coastal Industrial Water Authority to the 'Coastal Water Authority'; conferring on the authority the rights, powers, privileges, authority, and functions conferred by Chapters 51 and 54, Water Code; conferring on the authority the power to lease land acquired by the authority; providing that the authority shall advertise for certain contracts; containing other provisions relating to the subject; finding and declaring compliance with the constitution, laws, rules, and procedures relative to consent to and notice, introduction, and passage of this Act; amending Chapter 601, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 8280-355, Vernon's Texas Civil Statutes), by amending Sections 1 and 3 and Subsection (a) of Section 4 and by adding Subsection (c) to Section 4 and Subsection (f) to Section 5.

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

SECTION 1. Section 1, Chapter 601, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 8280-355, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 1. Under and pursuant to the provisions of Section 59 of Article XVI of the Constitution of Texas, a conservation and reclamation district is hereby created and incorporated within the State of Texas, in addition to all other districts into which the state has heretofore been divided, to be known as 'Coastal [~~Industrial~~] Water Authority' (hereinafter referred to as the 'Authority'). The Authority shall be a governmental agency and a body politic and corporate."

SECTION 2. Section 3, Chapter 601, Acts of the 60th Legislature, Regular Session, 1967, as amended (Article 8280-355, Vernon's Texas Civil Statutes), is amended to read as follows:

"Section 3. The Authority shall have and exercise and is hereby vested with all of the rights, powers and privileges, authorities and functions conferred and imposed by the general laws of this state now in force or hereafter enacted applicable to water control and improvement districts and municipal utility districts created under authority of Section 59 of Article XVI, Constitution of Texas, but to the extent that the provisions of such general laws may be in conflict or inconsistent with the provisions of this Act, the provisions of this Act shall prevail. All such general laws are hereby adopted and incorporated by reference with the same effect as if incorporated in full in this Act. Without in any way limiting the generalization of the foregoing, it is expressly provided that the Authority shall have and exercise, and is hereby vested with, all of the rights, powers and privileges, authorities and functions conferred by *Chapters 51 and 54, Title 4, Water Code* [~~Chapter 3A, Title 128, Vernon's Texas Civil Statutes~~], together with all amendments thereof and additions thereto. The Authority shall have the power to make, construct, or otherwise acquire improvements either within or without the boundaries thereof necessary to carry out the powers and authority granted by this Act and said general laws. Not by way of limitation, the Authority shall be authorized and empowered to conserve, store, transport, treat and purify, distribute, sell and deliver water, both surface and underground, to persons, corporations, both public and private, political subdivisions of the state and others, and may purchase, construct or lease all property, works and facilities, both within and without the Authority, necessary for such purposes. The Authority is expressly authorized to acquire water supplies from sources both within and without the boundaries of the Authority and to sell, transport and deliver water to customers situated within and without the Authority and to acquire all properties and facilities necessary for such purposes, and for any and all of such purposes may enter into contracts with persons, with municipal, public and private corporations, including the City of Houston, and any political subdivision of the state for such periods of time, not exceeding forty (40) years, and on such terms and conditions as its Board of Directors may deem desirable, fair and advantageous and to which the parties may agree; provided, that such contracts may provide that they shall continue in effect until bonds issued by the Authority to finance the cost of water system facilities, and refunding bonds issued in lieu thereof, are paid. In addition, the Authority shall have the power to contract with others to transport their water and the power to act jointly with others in the performance of all functions and purposes of the Authority. The Authority shall comply with the provisions of Chapter 1, Title 128,

Revised Civil Statutes of Texas, 1925, as amended. Nothing herein contained shall preclude the Authority from acquiring water rights under any law or permits heretofore or hereafter issued, provided acquisition of the same is approved by order or subsequent permit from the Texas Water [Rights] Commission."

SECTION 3. Subsection (a), Section 4, Chapter 601, Acts of the 60th Legislature, Regular Session, 1967 (Article 8280-355, Vernon's Texas Civil Statutes), as amended by Chapter 767, Acts of the 61st Legislature, Regular Session, 1969, and Chapter 706, Acts of the 68th Legislature, Regular Session, 1983, is hereby amended to read as follows:

"(a) The Authority shall have no power or authority to levy and collect taxes on any property, real, personal or mixed, nor shall the Authority have power and authority to issue bonds or create indebtedness which would in any way be payable from ad valorem taxes levied upon property within the Authority. The Authority shall have no power or authority to limit, regulate or control the pumping, withdrawal or use of subsurface ground water by any person, firm or corporation, nor shall the Authority be authorized to construct, acquire, own or operate facilities for the navigation of public waters *except as the Authority may be a lessor of such facilities.*

"The enactment of this law shall not have the effect of preventing the organization of conservation districts or of preventing boundary changes of such districts within the boundaries of the Authority as authorized in Article XVI, Section 59 and Article III, Section 52 of the Constitution of Texas."

SECTION 4. Section 4, Chapter 601, Acts of the 60th Legislature, Regular Session, 1967 (Article 8280-355, Vernon's Texas Civil Statutes), as amended by Chapter 767, Acts of the 61st Legislature, Regular Session, 1969, and Chapter 706, Acts of the 68th Legislature, Regular Session, 1983, is hereby amended by adding Subsection (c) to read as follows:

"(c) *The Authority may lease any part of the land acquired by the Authority to any individual or corporation and may charge for the lease reasonable tolls, rents, fees, or other charges. The Authority may use the proceeds for maintenance and operation of the business of the Authority. The term of any lease shall not exceed 40 years from its date.*"

SECTION 5. Section 5, Chapter 601, Acts of the 60th Legislature, Regular Session, 1967 (Article 8280-355, Vernon's Texas Civil Statutes), as amended by Chapter 767, Acts of the 61st Legislature, Regular Session, 1969, and Chapter 706, Acts of the 68th Legislature, Regular Session, 1983, is hereby amended by adding Subsection (f) to read as follows:

"(f) *The board shall advertise a contract for more than \$25,000 for the purchase of materials, machinery, and all things to constitute the works, improvements, facilities, plants, equipment, and appliances of the Authority or for construction. The board shall advertise the letting of such contract, including the general conditions, time, and place of opening of sealed bids. The notice shall be published in one or more newspapers with general circulation in the state and one or more newspapers with general circulation in Chambers, Liberty, and Harris counties. The notice shall be published once a week for three consecutive weeks before the date that the bids are opened, and the first publication shall be at least 21 days before the opening of sealed bids. A contract may cover all the improvements to be provided by the Authority, or the various elements of the improvements may be segregated for the purpose of receiving bids and awarding contracts. A contract may provide that the improvements will be constructed in stages over a period of years. A contract may provide for the payment of a total sum which is the completed cost of the improvement or may be based on bids to cover cost of units of the various elements entering into the work as estimated and approximately specified by the Authority's engineers or a contract may be let and awarded in any other form or composite of forms and to any responsible person or persons which, in the board's judgment, will be most advantageous to the Authority and result in the best and most economical completion of the Authority's proposed works, improvements, facilities, plants, equipment, and appliances. If the estimated amount of the proposed contracts for works, improvements, facilities other than land, plants, or the purchase of equipment, appliances, materials, or supplies is more than \$5,000 but less than \$25,000 or for a duration of more than two years, competitive bids on uniform written specifications shall be asked from at least three bidders. Contracts shall be written and shall be awarded to the lowest and best bidder.*"

SECTION 6. The Legislature finds that proper and 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 by the constitution and laws of this state, including the Governor of Texas, who has submitted the notice and Act to the Texas Water Commission. Also, the legislature finds that the Texas Water Commission has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time, and that 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 have been fulfilled and accomplished.

SECTION 7. 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.

Passed the Senate on May 15, 1985, by the following vote: Yeas 31, Nays 0; passed the House on May 24, 1985, by the following vote: Yeas 147, Nays 1, one present not voting.

Approved: June 14, 1985

Effective: August 26, 1985