CHAPTER 620

S.B. No. 440

An Act relating to the governance, territory, and powers of a metropolitan rapid transit authority, to the authority of certain cities to vote for annexation, and to the purchases for which competitive bids are required; amending Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes), by amending Subsections (I) and (q), Section 6; Subsection (b), Section 6A; Subsections (c) and (e), Section 6B; and Subsection (a), Section 14.

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

SECTION 1. Subsections (I) and (q), Section 6, Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes), are amended to read as follows:

- "(I) The authority may make contracts, leases and agreements with, and accept grants and loans from, the United States of America, its departments and agencies, the State of Texas, its agencies, counties, municipalities and political subdivisions, [and] public or private corporations, including a nonprofit corporation created under a resolution of the board, and other persons, and may generally perform all acts necessary for the full exercise of the powers vested in it. The authority may acquire rolling stock or other property under conditional sales contracts, leases; equipment trust certificates, or any other form of contract or trust agreement. Any revenue bond indenture may provide limitations upon the exercise of the powers stated in this section and such limitations shall apply so long as any of the revenue bonds issued pursuant to such indenture are outstanding and unpaid."
- "(q) The authority may contract with any city, county, or other political subdivision for the authority to provide public transportation services to any area outside the boundaries of the authority on such terms and conditions as may be agreed to by the parties. Nothing in Subsection (i) or (l) of this section pertaining to powers of the authority creates or confers any governmental immunity or limitation of liability on any entity or person other than the authority."

SECTION 2. Subsection (b), Section 6A, Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes), is amended to read as follows:

"(b) The governing body of any incorporated city or town located in whole or in part within either a county in which any portion of the authority territory is situated or a county adjacent to a county in which any portion of the authority territory is situated may hold an election on the question of whether the city or town shall be annexed to the authority. If a majority of the qualified voters in the city or town votes for annexation, the governing body shall certify the results of the election to the board of the authority, and the city or town shall become a part of the authority, except as provided in Subsection (f) of this section."

SECTION 3. Subsections (c) and (e), Section 6B, Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes), are amended to read as follows:

- "(c) If 75 percent or more of the population of the county described in Subsection (a) of this section outside the corporate limits of the principal city resides within the limits of the authority, the board consists of 11 members, including the original five members or their successors, two additional members appointed jointly by the mayors of all incorporated municipalities except the principal city located within the authority, three other additional members appointed by the commissioners court of the county, and one member, who serves as chairman, who is appointed by a majority of the board. If a member of the board is appointed under this subsection to serve as chairman, the member is considered to have vacated the member's other position on the board, and a successor shall be appointed as provided by Subsection (f) of this section. A person appointed under this subsection may serve two consecutive terms as chairman, in addition to any service the person served on the board before the person's appointment as chairman [the other ten members]."
- "(e) The terms of office of any members of the board appointed after the confirmation and tax election and after the effective date of this Act are four years, except that in order to provide staggered terms, the terms of office of one-half of the first members appointed by an appointing agency after the effective date of this Act, if an even number is to be appointed by an agency, and a bare majority of the first members appointed by the agency, if an odd number greater than one is to be appointed by an agency, are two years. In addition, the appointing agency may shorten

the initial terms to make the expiration dates coincide with those of the previously existing positions. To be eligible for appointment to the board, a person must be a qualified voter residing within the boundaries of the authority. Except as provided by Subsection (c) of this section, a person [No member of the board] may not serve more than two consecutive four-year terms as a member of the board."

SECTION 4. Subsection (a), Section 14, Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973, as amended (Article 1118x, Vernon's Texas Civil Statutes), is amended to read as follows:

"(a) Contracts for more than \$10,000 [\$5,000] for the construction of improvements or the purchase of material, machinery, equipment supplies and all other property except real property, shall be let on competitive bids after notice published once a week for two consecutive weeks, the first publication to be at least 15 days before the date fixed for receiving bids, in a newspaper of general circulation in the area in which the authority is located. The board may adopt rules governing the taking of bids and the awarding of such contracts and providing for the waiver of this requirement in the event of emergency, in the event the needed materials are available from only one source, in the event that, except for construction of improvements on real property, in a procurement requiring design by the supplier competitive bidding would not be appropriate and competitive negotiation, with proposals solicited from an adequate number of qualified sources, would permit reasonable competition consistent with the nature and requirements of the procurement, or in the event that, except for construction of improvements on real property, after solicitation it is ascertained that there will be only one bidder. This subsection does not apply to personal and professional services or to the acquisition of existing transit systems."

SECTION 5. The change made by this Act in Subsection (a), Section 14, Chapter 141, Acts of the 63rd Legislature, Regular Session, 1973 (Article 1118x, Vernon's Texas Civil Statutes), applies to contracts made on or after the effective date of this Act. A contract made before that date is subject to the law in effect when the contract was made, and the former law is continued in effect for that purpose.

SECTION 6. 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 the Senate on March 26, 1985, by the following vote: Yeas 31, Nays 0; May 23, 1985, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 25, 1985, House granted request of the Senate; May 27, 1985, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0; passed the House, with amendments, on May 21, 1985, by the following vote: Yeas 143, Nays 0, two present not voting; May 25, 1985, House granted request of the Senate for appointment of Conference Committee; May 27, 1985, House adopted Conference Committee Report by a non-record vote.

Approved: June 14, 1985 Effective: August 26, 1985