

GUADALUPE-BLANCO RIVER AUTHORITY

RED RIVER AUTHORITY OF TEXAS

NUECES RIVER AUTHORITY

Issue 1

GBRA's Aging Infrastructure and Inadequate Asset Management Put Some Utility Operations at Risk.

Management Action

Rec. 1.1, Adopted as Modified

Direct GBRA to develop and maintain a comprehensive asset management plan rather than requiring this in statute.

Rec. 1.2, Adopted

Direct GBRA to ensure the asset management process is linked to the authority's public messaging and communications.

Issue 2

GBRA's Procurement and Contracting Efforts Lack Coordination and Best Practices Needed to Ensure Adequate Expertise and Best Value.

Management Action

Rec. 2.1, Adopted

GBRA should take additional steps to centralize its approach to procurement and contracting functions.

Rec. 2.2, Adopted

GBRA should ensure key procurement and contract management staff receive formal training.

Rec. 2.3, Adopted as Modified

GBRA should improve certain contracting activities to ensure consistency and enhance monitoring. Also direct GBRA to re-evaluate contracts for professional services every five years, and frequently compile updated vendor lists and best value practices for cost savings to use when re-evaluating contracts.

Issue 3

GBRA Should Clarify and Better Manage Its Relationships With Associated Nonprofits.

Management Action

Rec. 3.1, Adopted

Direct GBRA to consolidate the funds it provides to GBRT and SABF to one organization and clearly define expectations tied to this funding.

Rec. 3.2, Adopted

Direct GBRA to create clear boundaries and reporting structures between its staff and associated nonprofits.

Rec. 3.3, Adopted

Direct GBRA to evaluate whether GPS' narrow mission justifies GBRA support or whether its activities could be performed internally.

Rec. 3.4, Adopted

Direct GBRA to evaluate the continuing need for relationships with any nonprofits every five years to ensure the nonprofits are achieving shared goals.

Issue 4

The Lack of Comprehensive Analysis Before Critical Decisions has Potentially Resulted in Missed Opportunities for RRA.

Change in Statute

Rec. 4.1, Adopted

Require RRA to develop and maintain a comprehensive asset management plan.

Rec. 4.2, Adopted

Require the RRA board to adopt a policy to ensure meaningful public input on significant rate changes.

Rec. 4.3, Adopted

Require RRA to inform customers of their right to appeal rate changes.

Management Action

Rec. 4.4, Adopted

Direct RRA to document and regularly update its key duties and procedures.

Issue 5

Additional Management Tools Could Help Guide Impending Change and Ensure Continued Success at NRA.

Change in Statute

Rec. 5.1, Adopted as Modified

Require NRA to adopt a formal, written five-year strategic plan and engage in a regular strategic planning process. Also require the strategic plan to be made public record online at the time of its completion and updated regularly when needed.

Management Action

Rec. 5.2, Adopted

NRA should take action to prepare for future retirements and workforce changes.

Issue 6

River Authorities Lack Certain Good Government Standards That Would Enhance Transparency, Accountability, and Compliance With State Law.

Management Action

Rec. 6.1, Adopted as Modified

Require opportunities for public testimony at board meetings and direct river authorities to implement additional best practices to improve openness and transparency.

As a statutory change, as part of recommendation 6.1(d), related to updating the governing laws of GBRA, RRA, and NRA, include the series of agreed-to changes needed to allow the Texas Legislative Council to prepare these laws for codification. *(See Adopted Language)*

Rec. 6.2, Adopted as Modified

Direct RRA and NRA to develop a policy to ensure all professional services contracts are reviewed every five years. RRA and NRA should also frequently compile vendor lists and best value practices for cost savings to use when re-evaluating contracts.

Change in Statute

Rec. 6.3, Adopted as Modified

Apply good government standards to river authorities' governing laws to promote accountability, transparency, and best practices, replacing Recommendation 6.3(e) to read as follows.

Require GBRA, RRA, and NRA to include public testimony as an agenda item at every regular board meeting. GBRA, RRA, and NRA should clearly provide the public the opportunity to comment on each agenda item and any issue or matter under the river authority's jurisdiction at open board meetings, provided that board members do not engage in deliberation of or decisions about the subject of testimony that is not a specific agenda item other than to indicate they will place the subject on the agenda for a subsequent meeting if the board so desires.

Management Action

Rec. 6.4, Adopted

Direct RRA to comply with TCEQ rules by adopting required administrative policies.

Adopted New Recommendations

Red River Authority Audit

Require the State Auditor's Office to conduct an audit of the Red River Authority no later than December 1, 2022. The purpose of this audit would be to evaluate whether RRA has addressed the operational challenges identified by Sunset.

Red River Authority Reporting

Direct RRA to provide written semi-annual reports to the Sunset Commission regarding the implementation of the recommendations adopted by the commission, beginning January 31, 2019. This provision would expire after two years to coincide with Sunset's compliance review. (Management action – nonstatutory)

Strategic Planning

Direct GBRA and RRA to adopt a formal, written five-year strategic plan and engage in a regular strategic planning process. Direct the written plan to be made public record online at the time of its completion and updated regularly when needed. (Management action – nonstatutory)

Succession Planning

RRA should take action to prepare for future retirements and workforce changes. (Management action – nonstatutory)

Adopted New Language

Rec. 6.1 (d)

As part of recommendation 6.1(d), related to updating the governing laws of GBRA, RRA, and NRA, include the series of agreed-to changes needed to allow the Texas Legislative Council to prepare these laws for codification, as summarized below.

Guadalupe-Blanco River Authority

- Makes grammar corrections to clarify meanings of various provisions
- Updates obsolete references to various state agencies, particularly the Texas Commission on Environmental Quality and the Texas Water Development Board
- Updates obsolete cross-references to other sections of law, including Chapters 5, 6, and 21 of the Water Code
- Repeals or clarifies provisions that have been superseded by other laws, including
 - criminal penalties related to board member conflicts of interest, and
 - reimbursements for board member expenses and travel

Red River Authority of Texas

- Makes grammar corrections to clarify meanings of various provisions
- Updates obsolete references to various state agencies, particularly the Texas Commission on Environmental Quality and the Texas Water Development Board
- Updates obsolete cross-references to other sections of law
- Clarifies potential conflicts between controlling laws, specifically Chapters 49 and 62 of the Water Code
- Repeals or clarifies provisions that have been superseded by other laws, including
 - criminal penalties related to board member conflicts of interest,
 - reimbursements for board member expenses and travel, and
 - the utility rate review process

Nueces River Authority

- Makes grammar corrections to clarify meanings of various provisions
- Updates obsolete references to various state agencies, particularly the Texas Commission on Environmental Quality and the Texas Water Development Board

- Updates obsolete cross-references to other sections of law, including chapters 5, 6, 11, and 21 of the Water Code, and chapter 366 of the Health and Safety code
- Repeals or clarifies provisions that have been superseded by other laws, including
 - reimbursements for board member expenses and travel, and
 - private sewage regulations