

SULPHUR RIVER BASIN AUTHORITY

Issue 1

The SRBA Board Has Not Built the Trust Needed to Effectively Carry Out Its Mission.

Change in Statute

Rec. 1.1, Adopted Institute new leadership at SRBA by requiring the terms of all SRBA board members to expire on September 1, 2017.

Management Action

Rec. 1.2, Adopted Direct the SRBA board to hire an executive director.

Rec. 1.3, Adopted Direct SRBA to seek local financial investment in its water development projects.

Rec. 1.4, Adopted Direct SRBA to seek bids for the next phase of its feasibility study.

Rec. 1.5, Modified Direct SRBA to implement best practices to improve transparency and openness in its operations. Direct SRBA, after posting board materials on its website, to create a listserv to enable people to sign up for updates when the board posts new materials to the website.

CENTRAL COLORADO RIVER AUTHORITY

Issue 2

CCRA No Longer Serves a Necessary Public Purpose.

Management Action

Rec. 2.1, Modified Provide that the Legislature, by separate legislation, should transfer CCRA's functions and jurisdiction to UCRA and abolish CCRA, as directed in Sunset staff Recommendation 2.1.

Direct the Texas Commission on Environmental Quality, as a management action, to inspect each of CCRA's three lakes, determine the condition and any repair needs of the dams and report the results by December 31, 2016.

Change in Statute

Rec. 2.2, Modified

Clarify UCRA's territory, boundaries, and board makeup to accurately reflect its jurisdiction, as modified to exclude Coleman County from the updated boundaries.

UPPER COLORADO RIVER AUTHORITY

Issue 3

UCRA Has Not Set Priorities to Ensure Its Operations Meet Changing Local Watershed Needs.

Management Action

Rec. 3.1, Adopted

Direct UCRA to work with local partners to identify priorities and develop strategies to meet changing watershed needs.

PALO DURO RIVER AUTHORITY OF TEXAS

Issue 4

PDRA Lacks Flexibility to Adapt to Changed Local Circumstances.

Change in Statute

Rec. 4.1, Adopted

Reclassify PDRA as a local water district and remove it from Sunset review.

Rec. 4.2, Adopted

Authorize one or more members to withdraw from or dissolve PDRA, but only if its members agree and ongoing obligations are met.

CROSS ISSUE

Issue 5

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

Change in Statute and Management Action

- Rec. 5.1, Modified** Require opportunities for public testimony at board meetings and direct river authorities to implement additional best practices to improve openness and transparency.
- a. Public testimony, modified to require UCRA and PDRA to provide the public the opportunity to provide comment on any agenda item at board meetings and remove the requirement for public testimony as an item on monthly meeting agendas. (Change in Statute)
 - b. Website (Management Action)
 - c. Record retention plan (Management Action)
 - d. Public Information Act requests (Management Action)
 - e. Board updates (Management Action)
 - f. Update governing laws, modified to include the series of agreed-to changes needed to allow the Texas Legislative Council to prepare these laws for codification. See attachment. (Management Action)

Change in Statute

- Rec. 5.2, Modified** Apply good government standards to river authorities' governing laws to promote accountability, transparency, and best practices.
- a. Conflict of interest
 - b. Presiding officer designation
 - c. Grounds for removal
 - d. Board member training, modified to require SRBA, PDRA, and UCRA to develop a training manual that each board member attests to receiving annually and to require board

member training to include information about the scope of and limitations on the board's rulemaking authority.

- e. Separation of duties
- f. Complaint information
- g. Alternative Dispute Resolution

Management Action

Rec. 5.3, Adopted Direct SRBA and UCRA to comply with TCEQ rules by adopting required administrative policies.

Adopted New Issues

Unused Powers

Repeal Sulphur River Basin Authority's unused authority to provide hydroelectric power, parks and recreation facilities, solid waste service, and forestation services.

Repeal Palo Duro River Authority's unused authority to imprison people for violating its regulations.

Local Advice

Require the Sulphur River Basin Authority, before making a decision on a project for which it would seek permits, to seek the advice of any county judges within the geographic boundaries of the authority in whose county a potential project lies.

Sulphur River Basin Authority and Palo Duro River Authority

Adopt staff recommendation 5.1(f), related to updating the governing laws of the Sulphur River Basin Authority (SRBA) and the Palo Duro River Authority (PDRA), but modify the recommendation to include the series of agreed-to changes needed to allow the Texas Legislative Council to prepare these laws for codification.

Submitted by Senator Van Taylor

Fiscal Impact:

Modification and Summary of Changes for Codification

Recommendation 5.1(f) - Update governing laws. This recommendation requests that the Texas Legislative Council prepare legislation codifying the laws governing the SRBA and PDRA for introduction during the 86th Legislative Session. This recommendation also requests that the legislative council submit to the Sunset Commission, not later than the date of Sunset's public hearing at which the commission's staff presents its recommendations for the SRBA and PDRA, a list of any issues regarding the law governing each authority that might present an impediment to codifying that law and should be addressed in the authority's sunset bill in order to facilitate the codification of that law. Sunset staff would work directly with the authorities and the legislative council to determine whether and how to address the identified issues before the Sunset Commission's decision hearing at which the commission votes on the recommendations for the SRBA and PDRA.

Modification: Adopt 5.1(f), related to updating the governing laws of the Sulphur River Basin Authority (SRBA) and the Palo Duro River Authority (PDRA), but modify the recommendation to include the series of agreed-to changes needed to allow the Texas Legislative Council to prepare these laws for codification, as summarized below.

Background. SRBA's and PDRA's governing laws contain out-of-date references to defunct state agencies and code sections that have been amended, renamed, or no longer exist, complicating full understanding of the authorities' powers and duties. Clarifying these portions of the authorities' governing laws will remove potential impediments to codification.

As directed by the recommendation, the Texas Legislative Council has already submitted a list of issues that could present impediments to codification of SRBA's and PDRA's governing laws. Sunset staff has worked with the authorities and Council, in addition to consulting the Texas Water Development Board and the Texas Commission for Environmental Quality, to determine how to best address these issues. Both SRBA and PDRA agree with the recommendations. The recommended changes would not expand or shrink the powers or duties of either river authority.

Summary of Changes. The following summarizes the agreed-to changes that would be addressed through SRBA's and PDRA's Sunset bills.

Sulphur River Basin Authority

- Updates references to various state agencies and departments, specifically the Texas Water Development Board and the Texas Commission for Environmental Quality.
- Makes grammar corrections to clarify meanings of various provisions.
- Resolves conflicting language regarding director compensation and solid waste resource recovery financing.

Palo Duro River Authority

- Updates references to various state agencies and departments, specifically the Texas Water Development Board and the Texas Commission for Environmental Quality.
- Makes grammar corrections to clarify meanings of various provisions.
- Updates PDRA's current territory and provisions for member detachment that are no longer applicable.
- Resolves conflicting language regarding director appointments, terms, qualifications, vacancies, and compensation.
- Clarifies PDRA's authority to perform certain functions, such as developing and constructing dams, reservoirs, or infrastructure, or to engage in condemnation for these activities within and outside of PDRA's boundaries.
- Resolves conflicting language regarding requirements for bonds to be secured with tax revenue; imposing and enforcing tax liens; considering pledged revenue when setting a tax rate; and limiting the interest rates of bonds.
- Clarifies a reference to property of the authority, which mistakenly refers to property of the attorney, and a reference to holders of bonds instead of the bonds themselves.
- Changes references to Palo Duro River, which does not exist, to the actual water bodies over which PDRA has authority: Palo Duro Creek and Horse Creek.