

SUBJECT: Adopting certain Sunset recommendations for GBRA

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 10 ayes — Larson, Metcalf, Farrar, Harris, T. King, Lang, Nevárez,
Oliverson, Price, Ramos

0 nays

1 absent — Dominguez

SENATE VOTE: On final passage, April 8 — 30-0

WITNESSES: None

BACKGROUND: The Guadalupe-Blanco River Authority (GBRA) was created by the Legislature in 1933 to develop, conserve, and protect the water of the Guadalupe and Blanco rivers.

Functions. GBRA may build and operate reservoirs to develop and conserve water resources, conduct water and wastewater treatment to provide water and wastewater services, engage in flood control, generate and sell hydroelectric power, acquire property through eminent domain, build and manage recreational areas within its river basins, test and monitor water quality, and serve as a voting member of Region L Regional Water Planning Group.

Governing structure. The authority is governed by a nine-member board appointed by the governor. Each board member must be a property taxpayer and must reside in of one of the 10 counties in GBRA's jurisdiction, with no more than one member from each county serving at the same time. Board terms are staggered, six-year terms. The board meets monthly and elects a chair each year.

Funding. The primary source of funding for GBRA is through water and wastewater sales to wholesale and retail customers. Other sources of

funding include selling hydroelectric power, laboratory fees, and recreational fees. It receives no state appropriations and is not authorized to assess taxes. In fiscal 2017, the authority collected about \$55.6 million and spent about \$55.8 million.

Staffing. In fiscal 2017, GBRA employed 172 staff, about 70 percent of whom were located in GBRA's headquarters in Seguin or its Port Lavaca authority.

SB 523 by Birdwell, enacted by the 84th Legislature in 2015, subjected the Guadalupe-Blanco River Authority to limited Sunset review every 12 years as if it were a state agency, except that the authority may not be abolished.

DIGEST:

SB 626 would adopt certain Sunset Advisory Commission recommendations for the Guadalupe-Blanco River Authority (GBRA). The bill also would require GBRA to undergo Sunset review again as if it were a state agency scheduled to be abolished September 1, 2031.

Board of directors. SB 626 would repeal the requirement that each board director receive a per diem for meetings, board business, and reimbursement for travel expenses.

The bill would require contracts that involve amounts greater than \$100,000, rather than amounts greater than \$10,000, to receive a vote of approval from at least five board members.

The term of the serving president of the board of directors would expire September 1, 2019, but the president could continue serving in that capacity until a successor was appointed and had qualified. The bill would require the governor by September 2, 2019, to designate a board member as the presiding officer, who would serve in that capacity at the pleasure of the governor.

SB 626 would repeal a provision prohibiting a board member, officer, agent, or employee from being directly or indirectly interested in a

contract for the purchase of any property or construction of any work by or for the authority.

The bill would require the board to develop policies to clearly separate their own policymaking responsibilities from the management responsibilities of the general manager and staff of GBRA.

Board training. The bill would require the general manager of GBRA to create a training manual specified in the bill and distribute it annually to each member of the board of directors. Board members could not vote, deliberate, or be counted at meetings until they had received and reviewed the manual.

Other provisions. The bill would require the board to develop a policy to encourage alternative dispute resolution procedures in accordance with the Governmental Dispute Resolution Act. The board also would have to develop and implement policies to provide the public the opportunity to speak on any issue within the board's jurisdiction and would have to maintain a system to act on complaints.

GBRA would be required to adopt an asset management plan, to be approved annually by the board as part of the budgeting process and be publicly posted on GBRA's website.

The bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

SB 626 would apply several across-the-board recommendations from the Sunset Advisory Commission to the Guadalupe-Blanco River Authority (GBRA) to increase transparency and public accountability. GBRA has served its community for decades providing the water resources vital for its diverse and growing population, and it has a proven record of developing resources to meet these demands.

The bill's provision calling for the development of an asset management plan would help the GBRA to better strategize to address the region's long-term issues of growing population and aging infrastructure.

OPPONENTS
SAY:

SB 626 would not address the issue that the GBRA, created nearly a century ago to serve rural communities, is no longer as relevant to the growing water needs of the region. A single river authority cannot fairly address the competing demands of urban growth between Austin and San Antonio, rural areas of the Hill Country, and the rapidly industrializing Gulf Coast. The bill should be amended to direct the Texas Commission on Environmental Quality to determine whether the region would be better served by dividing and reconfiguring the GBRA to better represent the river basin's diverse constituencies.