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Senate Interim Committee on Natural Resources
Report to the 77th Legislature
MISSIONS AND ROLES OF TEXAS RIVER AUTHORITIES

SENATE NATURAL RESOURCES COMMITTEE RIVER
AUTHORITY STUDY

Resemblance to Previous Study -- Question of State Oversight

The current interim charge closely resembles the charge issued to the 1985 Water District and River Authority Study Committee. Another similarity is the fact that both studies address questions regarding the possible need or justification for river authorities to be subject to an increased level of state oversight or review.

The 1985 study was created by House Bill 1583 (69th Session), which also put some of the river authorities under Sunset review. Subsequently, however, legislation was enacted that repealed the Sunset requirements relating to river authorities (Senate Bill 631, 71st Regular Session, 1989). The same bill that took the river authorities out of Sunset also amended the Water Code (§12.081) to clarify some of the Texas Natural Resources Conservation Commission's (TNRCC) supervisory powers over river authorities. In response to this statutory direction, the TNRCC, in 1992, adopted regulations governing the administrative policies of 20 river authorities. These TNRCC rules (Chapter 292, Title 30, Texas Administrative Code) are found in Appendix B.

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In the course of the current Committee's Hearings during the 1999 - 2000 Interim, the Committee identified several alternative models or mechanisms for increased oversight or review including:

- the Sunset Review process by the Sunset Advisory Commission;
- the Texas School Performance Review (TSPR) conducted by the Office of the Comptroller of Public Accounts;
- management audits conducted by the Office of the State Auditor (SAO);
- the possibility of making the TNRCC's current oversight regulations more stringent and applicable to more entities;
- adding river authorities to the list of entities/agencies subject to the ongoing jurisdictional oversight of Legislative Committees, such as the Senate Committee on Natural Resources and the House of Representatives Committee on Natural Resources; and
- increased self-reporting by the river authorities themselves.

Concerns About Sunset Review Provisions Relating to Abolishment

The Committee heard several concerns about the issue of increased state oversight, most of which focused on the possible option of having river authorities once more be subject to Sunset review. These arguments questioning the appropriateness of Sunset review -- and the possibility of abolishment of river authorities as a consequence of that Sunset process -- included the following:

- Long-term service commitments

River authorities have long-term commitments to provide service. These services include water, wastewater and solid waste services. Many

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industries and cities rely on river authorities to provide these necessary services and abolishment would leave these entities with no one to provide these needed services.

- Necessary services provided

River authorities operate systems that provide necessary services such as water supply, wastewater treatment, power generation, parks operations, and solid waste management. These services will need to be continued regardless of the issue of increased state oversight of river authorities. It is unknown how these services would be provided if river authorities were to be abolished.

- River authorities provide regional service

River authorities provide these services over a regional area. This allows some towns to obtain service that would otherwise not be available. Also, because of the regional nature of the service, it can be provided at a lower cost. Abolishment of river authorities would prevent service being provided at a regional scale with its inherent advantages.

- Bonding

Any legislation considered to abolish river authorities would need to carefully address the manner in which the river authorities' assets and liabilities are liquidated or transferred. Particularly, the impact on the outstanding bond holders of river authorities and any secondary impacts on other entities subject to sunset in the future needs to be addressed. Sunsetting the

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authorities could create issues with outstanding debt that could impose significant costs and inconveniences.

- Elected Boards

Some river authorities are governed by elected boards. Abolishment of these boards could be in conflict with provisions of the federal Voting Rights Act. Abolishment could be viewed as reducing influence of minority voters.

- River authorities provide long-range planning

Because of the long-term nature of the services they provide, river authorities rely on a long-range planning horizon. This allows for the development of facilities to their optimal level, which can result in lower cost of service. If there was the potential for abolishment, they may not expend the resources necessary to conduct long-term planning.

Interim Study Issues

The Senate Natural Resources Committee identified the following issues to be addressed in the course of the 1999 - 2000 interim study on river authorities.

- staggered Sunset or other state oversight review of river authorities
- basic powers and duties appropriate (on a permissive basis) for all river authorities
- codification of the specific enabling legislation creating each of the individual river authorities
- appropriate role river authorities should play in (1) implementation of SB 1; (2) water quality initiatives (such as Clean Rivers or TMDLs); (3)

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facing the challenges of floodplain management, dam safety/maintenance and funding; (4) aquatic vegetation management plans; and/or (5) water supply responsibilities, including issues related to conjunctive use of surface water and groundwater.

Committee Activities

The Committee conducted a series of public hearings across the state in order to provide citizens from all regions of Texas an opportunity to testify. The Committee heard invited testimony on the issue of river authorities at hearings held in Austin (September 29, 1999), Victoria (November 22, 1999), San Antonio (January 31, 2000), and Galveston (March 8, 2000). In addition, the Committee conducted a “River Authority Day” public hearing focused exclusively on this particular interim charge in Austin (June 27, 2000). See Appendix C for a complete list of witnesses who testified on river authority issues.

In addition to the oral and written testimony provided by witnesses, the Committee developed an extensive questionnaire, which was sent to 36 entities (see Appendix D for complete Questionnaire). The Committee also posed five major policy questions (detailed below) to a panel of representative river authorities invited to testify at the River Authority Day hearing.

Questionnaire and Policy Questions Submitted to River Authorities

In November of 1999, the Committee developed and distributed to 36 entities a detailed questionnaire, to be filled out and returned to the Committee. The questionnaire was carefully designed to fulfill the same basic purpose intended by

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the “Self-assessment Report” required of state agencies at the beginning of their review by the Sunset Commission. Twenty-eight questionnaires were returned to the Committee, with widely varying levels of substantive response. Due to the abundance of information provided in these responses (approximately 800 double-sided pages), they are not included in this report as an appendix. However, a full copy of these documents is available for public review and reproduction in the Legislative Reference Library as well as in the Senate Natural Resources Committee office.

The questionnaire addressed, in detail (up to 18 specific questions per category), the following general categories:

- Key Functions, Powers, and Duties
- History and Major Events
- Planning Functions
- Policymaking Structure
- Guide to Organization Programs
- Organization Performance Evaluation
- Funding
- Operational Areas
- Statutory Authority

Powers and Duties

Based in part on the narrative explanation provided by the questionnaire responses regarding each river authority’s powers and duties, the Committee developed a summary table profiling the range of powers and duties (See Figure 3. “**Powers**

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and Duties” Chart). The chart identifies how each river authority’s governing board is established (whether elected or appointed, and if appointed, by whom); and indicates the status of each river authority’s statutory authorization relating to different functions or duties. As indicated in Figure 3., these powers and duties include retail water sales, wholesale water sales, authority to operate reservoirs and dams, holder of water rights permit(s), authority to provide waste water services, holder of waste discharge permit(s), authority to provide solid waste service, flood control and drainage responsibility, regulation of well spacing and/or pumping, irrigation, navigation, generate and/or sell electricity, install and maintain parks, water quality control, delegation for regulation of on-site sewage treatment (septic) facilities, and police security.

River Authorities (Title 30 TAC §292.1) and Select Special Law Districts

Powers and Duties

U From Enabling Legislation or From Texas Water Code Chapter 49

30 TAC Section 292.1 River Authorities (Senate Districts)	Directors Number Appointed/Elected		Retail Water Sales	Whole- sale Water Sales	Authority to Operate Reservoirs & Dams	# of Water Rights Permits Held	Authority to Provide Waste Water	# of Waste Discharge Permits Ø	Authorit y to Provide Solid Waste	Authority to Provide Drainage/ Flood Control	Regulate Well Spacing &/Or Pumping	Provides Water for Irrigation	Navigation	Generate &/Or Sell Electric	Install & Maintain Parks	Police/ Securit y
Angelina & Neches RA (Senate Districts: 1, 2, 3, 4, & 5)	29/ Gov		U	U	U	1				U		U				U
Brazos RA (Senate Districts: 5, 11, 17, 18, 22, 24, 30, & 31)	21/ Gov			U	U	14	U	7		U		U	U	U		U
Canadian River MWA (Senate Districts:28&31)	18/ cities			U	U	1				U					U	U
Colorado River MWD (Senate Districts: 28, 30, & 31)	12/ cities			U	U	6	U		U	U				U	U	U
Guadalupe-Blanco RA (Senate Districts: 14, 18, 21, & 25)	9/ Gov		U	U	U	13	U	8		U		U	U	U	U	U
Lavaca-Navidad RA (Senate District: 18)	9/ Gov			U	U	1	U	1		U					U	U
Lower Colorado RA (Senate Districts: 14, 18, 24, & 25)	15/ Gov		U	U	U	14	U	8	U	U		U		U	U	U
Lower Neches Valley A (Senate Districts: 3 & 4)	9/ Gov			U	U	1	U	1		U		U		U	U	U
North Texas MWD (Senate Districts: 2, 8, 16, & 30)	20/ cities		U	U	U	3	U	15	U	U		U		U	U	

30 TAC Section 292.1 River Authorities (Senate Districts)	Directors Number Appointed/Elected		Retail Water Sales	Whole- sale Water Sales	Authority to Operate Reservoirs & Dams	# of Water Rights Permits Held	Authority to Provide Waste Water	# of Waste Discharge Permits Ø	Authorit y to Provide Solid Waste	Authority to Provide Drainage/ Flood Control	Regulate Well Spacing &/Or Pumping	Provides Water for Irrigation	Navigation	Generate &/Or Sell Electric	Install & Maintain Parks	Police/ Securit y
Northeast Texas MWD (Senate District: 1)	7/ cities			U	U	1	U					U			U	U
Nueces RA (Senate Districts: 18, 19, 20, 21, & 25)	21/ Gov		U	U	U	1	U		U	U		U	U	U	U	U
Red RA (Senate Districts: 2, 28, 30, & 31)	9/ Gov		U	U		6	U	2	U	U		U	U		U	U
Sabine RA (Senate Districts: 1, 2, 3, 4, & 8)	9/ Gov			U	U	4	U	1	U	U		U	U	U	U	U
San Antonio RA (Senate Districts: 18, 19, & 21)		12	U	U	U	1	U	3	U	U		U	U		U	U
San Jacinto RA (Senate Districts: 3, 4, 5, 13, 17, & 18)	6/ TWDB			U	U	3	U	2	U	U		U	U	U	U	U
Tarrant Regional WD (Senate Districts: 9, 10, 12, & 22)		5	U	U	U	11	U	1	U	U		U	U			U
Titus County FWSD 1 (Senate District: 1)		5		U	U	2			U							U
Trinity RA (Senate Districts:2,3,4,5, 8, 9, 10, 12, 16, 22,&23)	24/ Gov			U	U	4	U	7	U	U		U	U	U	U	U
Upper Neches River MWA (Senate District: 3)	9/ Gov			U	U	1				U					U	U

Select Special Law Districts (Senate Districts)	Directors Number Appointed/Elected		Retail Water Sales	Whole- sale Water Sales	Authority to Operate Reservoirs & Dams	# of Water Rights Permits Held	Authority to Provide Waste Water	# of Waste Discharge Permits Ø	Authorit y to Provide Solid Waste	Authority to Provide Drainage/ Flood Control	Regulate Well Spacing &/Or Pumping	Provides Water for Irrigation	Navigation	Generate &/Or Sell Electric	Install & Maintain Parks	Police/ Securit y
North Central Texas MWA (Senate District: 30)	8/ cities		U	U		2									U	U
North Harris Co. Regional WA (Senate Districts: 7&15)		5	U	U	U						U					U
Palo Duro RA (Senate District: 31)	8/CCC 1/city				U	1				U					U	U
Palo Pinto Co MWD 1 (Senate District: 22)	5/ city		U	U	U	2	U								U	U
Sulphur River MWD (Senate Districts: 1 & 2)	6/ cities		U	U	U	1	U					U			U	U
Sulphur River Basin Authority (Senate Districts: 1 & 2)	6/ Gov				U				U	U		U		U	U	U
Sulphur Springs WD (Senate District: 1)	5/ city			U	U	1										U
Upper Colorado RA (Senate Districts: 24, 25, & 28)	9/ Gov		U	U	U	2				U		U		U	U	U
Upper Guadalupe RA (Senate District: 25)	9/ Gov			U	U	1	U			U		U				U
White River MWD (Senate Districts:28&30)	12/ cities			U	U	2	U	1							U	U

Ø The number of waste discharge permits shown are only those held in the district's or authority's name.

NOTE: Under the column heading *Directors - # Appointed*, the phrase "CCC" means appointed by a local county commissioners court. Authorities and Districts have also been granted other powers not specifically mentioned in their enabling acts, depending upon their designated "type." See the Powers and Duties Chart 3 to see if an authority or district has been granted any

additional, general law powers.

REVISED 6/26/2000 Based Upon Questionnaire Responses

River Authorities (Title 30 TAC §292.1) and Select Special Law Districts

Powers and Duties

U From Enabling Legislation or From Texas Water Code Chapter 49

30 TAC Section 292.1 River Authorities (Senate Districts)	Eminent Domain	Acquire Property In & Out Of District (Not By Eminent Domain)	Conservation Water / Soil	Contract For & Regulate Toll Bridge / Ferry	Air Quality Control	Coordinate / Contract with Other Governments / Entities	Enter Into Oil & Gas Leases	Participate in Regional Waste Disposal Act	Purchase / Construct Works to Carry Out District Purposes
Angelina & Neches RA (Senate Districts: 1, 2, 3, 4, & 5)	U	U	U			U			U
Brazos RA (Senate Districts: 5, 11, 17, 18, 22, 24, 30, & 31)	U	U	U			U			U
Canadian River MWA (Senate Districts: 28 & 31)	U	U	U			U			U
Colorado River MWD (Senate Districts: 28, 30, & 31)	U	U	U		U	U		U	U

30 TAC Section 292.1 River Authorities (Senate Districts)	Eminent Domain	Acquire Property In & Out Of District (Not By Eminent Domain)	Conservation Water / Soil	Contract For & Regulate Toll Bridge / Ferry	Air Quality Control	Coordinate / Contract with Other Governments / Entities	Enter Into Oil & Gas Leases	Participate in Regional Waste Disposal Act	Purchase / Construct Works to Carry Out District Purposes
Guadalupe-Blanco RA (Senate Districts: 14, 18, 21, & 25)	U	U	U			U			U
Lavaca-Navidad RA (Senate District: 18)	U	U				U			U
Lower Colorado RA (Senate Districts: 14, 18, 24, & 25)	U	U	U		U	U	U		U
Lower Neches Valley A (Senate Districts: 3 & 4)	U	U	U			U			U
North Texas MWD (Senate Districts: 2, 8, 16, & 30)	U		U		U	U		U	U
Northeast Texas MWD (Senate District: 1)	U	U				U			U
Nueces RA (Senate Districts: 18, 19, 20, 21, & 25)	U	U	U			U		U	U
Red RA (Senate Districts: 2, 28, 30, & 31)	U	U	U		U	U			U
Sabine RA (Senate Districts: 1, 2, 3, 4, & 8)	U	U	U	U		U		U	U

30 TAC Section 292.1 River Authorities (Senate Districts)	Eminent Domain	Acquire Property In & Out Of District (Not By Eminent Domain)	Conservation Water / Soil	Contract For & Regulate Toll Bridge / Ferry	Air Quality Control	Coordinate / Contract with Other Governments / Entities	Enter Into Oil & Gas Leases	Participate in Regional Waste Disposal Act	Purchase / Construct Works to Carry Out District Purposes
San Antonio RA (Senate Districts: 18, 19, & 21)	U	U	U		U	U	U		U
San Jacinto RA (Senate Districts: 3, 4, 5, 13, 17, & 18)	U	U	U			U	U		U
Tarrant Regional WD (Senate Districts: 9, 10, 12, & 22)	U	U	U			U	U	U	U
Titus County FWSD 1 (Senate District: 1)	U	U	U			U			U
Trinity RA (Senate Districts:2,3,4,5, 8, 9, 10, 12, 16, 22,&23)	U	U	U			U		U	U
Upper Neches River MWA (Senate District: 3)	U	U	U			U			U
West Central Texas MWD (Senate Districts:24&30)	U	U	U		U	U		U	U
Bexar-Medina-Atasco sa Cos WCID 1 (Senate Districts: 19, 21, & 25)	U	U				U			U

30 TAC Section 292.1 River Authorities (Senate Districts)	Eminent Domain	Acquire Property In & Out Of District (Not By Eminent Domain)	Conservation Water / Soil	Contract For & Regulate Toll Bridge / Ferry	Air Quality Control	Coordinate / Contract with Other Governments / Entities	Enter Into Oil & Gas Leases	Participate in Regional Waste Disposal Act	Purchase / Construct Works to Carry Out District Purposes
Bexar Metropolitan WD (Senate Districts: 19, 25, & 26)	U	U	U			U			U
Bistone MWSD (Senate District: 5)	U	U	U			U			U
Cameron Co WID 10 (Senate District: 27)	U	U				U			U
Central Colorado RA (Senate District: 24)	U	U	U			U			U
Dallas Co Utility & Reclamation Dist (Senate Districts: 8 & 9)	U	U	U			U			U
Franklin Co WD (Senate District: 1)	U	U	U			U		U	U
Gulf Coast Water Authority (Senate District: 11)	U	U				U	U		U
Lubbock Co WCID 1 (Senate District: 28)	U	U				U			U
Mackenzie MWA (Senate District: 30)	U	U				U			U
North Central Texas MWA (Senate District: 30)	U	U				U			U

30 TAC Section 292.1 River Authorities (Senate Districts)	Eminent Domain	Acquire Property In & Out Of District (Not By Eminent Domain)	Conservation Water / Soil	Contract For & Regulate Toll Bridge / Ferry	Air Quality Control	Coordinate / Contract with Other Governments / Entities	Enter Into Oil & Gas Leases	Participate in Regional Waste Disposal Act	Purchase / Construct Works to Carry Out District Purposes
North Harris Co. Regional WA (Senate Districts: 7&15)	U	U	U			U			U
Palo Duro RA (Senate District: 31)	U	U				U			U
Palo Pinto Co MWD 1 (Senate District: 22)	U	U				U			U
Sulphur River MWD (Senate Districts: 1 & 2)	U	U	U			U			U
Sulphur River Basin Authority (Senate Districts: 1 & 2)	U	U	U		U	U			U
Sulphur Springs WD (Senate District: 1)	U	U				U			U
Upper Colorado RA (Senate Districts: 24, 25, & 28)	U	U	U			U			U
Upper Guadalupe RA (Senate District: 25)	U	U	U			U		U	U
White River MWD (Senate Districts:28&30)	U	U	U			U			U

River Authorities (Title 30 TAC §292.1) and Select Special Law Districts

Powers and Duties

U From Enabling Legislation or From Texas Water Code Chapter 49

30 TAC Section 292.1 River Authorities (Senate Districts)	Bonds			Levy an Operations and Maintenance Tax	Tax for a Specific Purpose (Pollution Control / District Master Plan)	Regulate Private Sewage (In Lieu of County)	Sell Electricity to the State	Sell Surplus Water Out of District	Supply Water to Cities & Towns	Authority Under Texas Constitution	Powers of Other District Types
	Contract	Property Tax	Revenue								
Angelina & Neches RA (Senate Districts: 1, 2, 3, 4, & 5)			U							Art. 16, Sect. 59	DD
Brazos RA (Senate Districts: 5, 11, 17, 18, 22, 24, 30,&31)	U	U	U						U	Art. 16, Sect. 59	
Canadian River MWA (Senate Districts:28&31)	U	U	U	U				U	U	Art. 16, Sect. 59	WCID
Colorado River MWD (Senate Districts: 28, 30, & 31)	U	U	U						U	Art. 16, Sect. 59	
Guadalupe-Blanco RA (Senate Districts: 14, 18, 21, & 25)			U					U		Art. 16, Sect. 59	GCD/ WCID
Lavaca-Navidad RA (Senate District: 18)	U	U	U	U	U			U	U	Art. 16, Sect. 59	WID/ WCID
Lower Colorado RA (Senate Districts: 14, 18, 24, & 25)			U			U	U		U	Art. 16, Sect. 59	
Lower Neches Valley A (Senate Districts: 3 & 4)			U						U	Art. 3, Sect. 52	
North Texas MWD (Senate Districts: 2, 8, 16, & 30)	✓		✓			✓			✓	Art. 16, Sect. 59	WCID

30 TAC Section 292.1 River Authorities (Senate Districts)	Bonds			Levy an Operations and Maintenance Tax	Tax for a Specific Purpose (Pollution Control / District Master Plan)	Regulate Private Sewage (In Lieu of County)	Sell Electricity to the State	Sell Surplus Water Out of District	Supply Water to Cities & Towns	Authority Under Texas Constitution	Powers of Other District Types
	Contract	Property Tax	Revenue								
Northeast Texas MWD (Senate District: 1)	✓	✓	✓						✓	Art. 16, Sect. 59	WCID
Nueces RA (Senate Districts: 18, 19, 20, 21, & 25)	✓	✓	✓	✓	✓	✓		✓	✓	Art. 16, Sect. 59	
Red RA (Senate Districts: 2, 28, 30, & 31)			✓							Art. 16, Sect. 59	WCID
Sabine RA (Senate Districts: 1, 2, 3, 4, & 8)	✓		✓						✓	Art. 16, Sect. 59	MUD/ WCID
San Antonio RA (Senate Districts: 18, 19, & 21)	✓		✓	✓	✓				✓	Art. 16, Sect. 59	
San Jacinto RA (Senate Districts: 3, 4, 5, 13, 17, & 18)			✓			✓			✓	Art. 16, Sect. 59	
Tarrant Regional WD (Senate Districts: 9, 10, 12, & 22)	✓	✓	✓	✓	✓	✓		✓	✓	Art. 3, Sect. 52	
Titus County FWSD 1 (Senate District: 1)	✓	✓	✓		✓	✓			✓	Art. 16, Sect. 59	FWSD
Trinity RA (Senate Districts:2,3,4,5, 8, 9, 10, 12, 16, 22,&23)	✓	✓	✓		✓				✓	Art. 16, Sect. 59	WCID
Upper Neches River MWA (Senate District: 3)	✓		✓		✓				✓	Art. 16, Sect. 59	WID/ WCID

30 TAC Section 292.1 River Authorities (Senate Districts)	Bonds			Levy an Operations and Maintenance Tax	Tax for a Specific Purpose (Pollution Control / District Master Plan)	Regulate Private Sewage (In Lieu of County)	Sell Electricity to the State	Sell Surplus Water Out of District	Supply Water to Cities & Towns	Authority Under Texas Constitution	Powers of Other District Types
	Contract	Property Tax	Revenue								
West Central Texas MWD (Senate Districts:24&30)	✓		✓						✓	Art. 16, Sect. 59	WCID
Bexar-Medina-Atascosa Cos WCID 1 (Senate Districts: 19, 21, & 25)										Art. 16, Sect. 59	WCID
Bexar Metropolitan WD (Senate Districts: 19, 25, & 26)	✓	✓	✓	✓					✓	Art. 16, Sect. 59	
Bistone MWSD (Senate District: 5)	✓	✓	✓						✓	Art. 16, Sect. 59	WCID
Cameron Co WID 10 (Senate District: 27)		✓		✓						Art. 16, Sect. 59	WID
Central Colorado RA (Senate District: 24)			✓				✓		✓	Art. 16, Sect. 59	
Dallas Co Utility & Reclamation Dist (Senate Districts: 8 & 9)	✓	✓	✓	✓				✓		Art. 16, Sect. 59	MUD
Franklin Co WD (Senate District: 1)	✓	✓	✓	✓		✓			✓	Art. 16, Sect. 59	WCID
Gulf Coast Water Authority (Senate District: 11)			✓						✓	Art. 16, Sect. 59	MUD
Lubbock Co WCID 1 (Senate District: 28)		✓		✓						Art. 16, Sect. 59	WCID
Mackenzie MWA (Senate District: 30)	✓	✓	✓					✓	✓	Art. 16, Sect. 59	WCID

30 TAC Section 292.1 River Authorities (Senate Districts)	Bonds			Levy an Operations and Maintenance Tax	Tax for a Specific Purpose (Pollution Control / District Master Plan)	Regulate Private Sewage (In Lieu of County)	Sell Electricity to the State	Sell Surplus Water Out of District	Supply Water to Cities & Towns	Authority Under Texas Constitution	Powers of Other District Types
	Contract	Property Tax	Revenue								
North Central Texas MWA (Senate District: 30)		✓	✓					✓	✓	Art. 16, Sect. 59	
North Harris Co. Regional WA (Senate Districts: 7&15)	✓		✓					✓	✓	Art. 16, Sect. 59	
Palo Duro RA (Senate District: 31)		✓	✓	✓					✓	Art. 16, Sect. 59	
Palo Pinto Co MWD 1 (Senate District: 22)	✓	✓	✓						✓	Art. 16, Sect. 59	WCID
Sulphur River MWD (Senate Districts: 1 & 2)	✓	✓	✓						✓	Art. 16, Sect. 59	WCID
Sulphur River Basin Authority (Senate Districts: 1 & 2)			✓				✓	✓	✓	Art. 16, Sect. 59	
Sulphur Springs WD (Senate District: 1)	✓	✓	✓						✓	Art. 16, Sect. 59	WCID
Upper Colorado RA (Senate Districts: 24, 25, & 28)			✓							Art. 16, Sect. 59	
Upper Guadalupe RA (Senate District: 25)		✓	✓	✓					✓	Art. 16, Sect. 59	MUD/ WCID
White River MWD (Senate Districts:28&30)	✓	✓	✓							Art. 16, Sect. 59	WCID

All Three Powers and Duties Charts For River Authorities and Select Special Law Districts Reflects Each Entity's Response to a Questionnaire Issued by Senate Natural Resources. Nothing Contained Within These Charts Grants Any Entity Additional Authority Not Clearly Authorized by Prior Legislative Act or TNRCC Action.

District Powers and Duties

(For General Law Districts Only)

Type of District	Constitutional Authority	Groundwater Management	Supply Raw Water	Supply Treated Water	Drainage & Flood Control	Street Lighting	Road Powers	Irrigation	Navigation	Eminent Domain	Parks & Recreation	Electric	Tax Bond Authority
MUD - Municipal Utility District	XVI, 59		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
WCID - Water Control & Improvement District	XVI, 59		✓	✓	✓			✓	✓	✓		✓	✓
WCID - Water Control & Improvement District	III, 52		✓		✓			✓	✓	✓			✓
FWSD - Fresh Water Supply District	XVI, 59		✓	✓						✓			✓
GCD - Groundwater Conservation District	XVI, 59	✓	✓	✓	✓					✓			✓
WID - Water Improvement District	XVI, 59		✓	✓	✓			✓		✓			✓
WID - Water Improvement District	III, 52		✓		✓			✓		✓			✓
DD- Drainage District	Both				✓					✓			✓
LID - Levee Improvement District	XVI, 59				✓					✓			✓
ID - Irrigation District	Both		✓		✓			✓		✓			✓
ND - Navigation District	III, 52								✓	✓			✓
ND - Navigation District	XVI, 59				✓				✓	✓			✓
ND - Self-Liquidating Navigation District	XVI, 59		✓		✓			✓	✓	✓			✓
SUD - Special Utility District	XVI, 59		✓	✓	✓			✓		✓			
SWCD - Stormwater Control District	XVI, 59				✓					✓			✓

NOTE: Under the column heading *Constitutional Authority*, the phrase “both” means that both Article 16, Section 59 and Article 3, Section 52 of the Texas Constitution apply. Powers that **ALL** general law districts have include:

- regional waste disposal (including sewage)—Texas Water Code Section 30.021
- enforcement by police officers—Texas Water Code Sections 49.216 and 60.077
- issue revenue bonds (specific general laws)
- levy operation and maintenance tax—Texas Water Code Section 49.107
- [except for Special Utility Districts (SUDs)—Texas Water Code Section 65.235]

Additionally, general law districts that provide potable water or wastewater services to household users have the power to provide fire fighting services—Texas Water Code Section 49.351.

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The Committee's comparative analysis of the range of authorizations available to river authorities included:

- consideration of the river authorities' responses to the Questionnaire;
- development of the "Powers and Duties" charts; and
- analysis of the major policy questions detailed in the next Section of this report, titled "**Policy Questions.**"

These deliberations led the Committee to conclude that a number of powers and duties should be made permissively available to all of Texas' river authorities.

In reaching this conclusion, the Committee examined the following powers and duties as options for permissive statutory authorization available to river authorities across the board. The list of powers includes a brief discussion of why each of these functions could be deemed appropriate for broad application.

Permissive Powers/Duties/Authorities

River authorities have proven to be appropriate management entities to address many regional water resource issues on a watershed-level jurisdiction. In order to most effectively manage the resources within these regional watersheds, the argument has been made that all river authorities should have the ability to provide certain basic functions. These functions could at a minimum include the authority to own, operate, and construct facilities including: water supply and treatment; wastewater treatment and distribution; solid waste and power generation. These authorities would allow river authorities to provide wholesale and retail water surface, wastewater service, wholesale and retail power, and solid waste management. Additional functions that could be provided to all river authorities are the responsibility of flood monitoring, warning, and control and water quality protection including non-point source pollution control measures.

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All river authorities could be allowed to monitor and collect data to support all of their functions. This would enhance long-range planning and management, especially related to water supply and water quality issues. Data collection and monitoring is also a fundamental component of flood monitoring and warning.

The ability to construct projects outside their area of jurisdiction would enable river authorities to provide adequate resources within their area. This authority would enable cooperation on facilities with other regional entities that could take advantage of economies of scale and provide services to multiple areas. It could also provide for the efficient use and conveyance of resources from areas abundant in specific resources and provide them to areas deficient in such resources.

Authorities that would support the function of providing water supplies could include the ability to develop and provide groundwater. This authority would enable river authorities to conjunctively use and manage groundwater in addition to surface water to meet the water supply needs in their area of jurisdiction in the most effective manner, especially in times of extended drought.

Bonding authority would be necessary to enable river authorities to finance capital projects at a reasonable cost to their rate payers.

Emergency communication support to other political subdivisions would facilitate river authorities ability to provide for effect flood protection and warning, and drought response activities over a large regional area. This would also ensure a dependable and consistent message to all appropriate entities in times of emergencies.

Certain authorizations would support the operation and maintenance of facilities. These include peace officer functions around lakes; aquatic weed control; and development, operation, and maintenance of parks and recreational facilities.

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Authorities related to parks and recreational facilities could also be a vehicle for river authorities to mitigate activities related to environmental 3rd party impacts of projects.

Policy Questions

Whether public sector or privatized solutions are chosen, it's worth taking a long view when it comes to managing water infrastructure and guaranteeing good water supply for the future.... But whatever solutions are chosen, no amount of private involvement will displace the need for public regulation and oversight of many critical water questions, such as the setting of water quality standards to protect public health.¹³

For the Committee's "River Authority Day" hearing in Austin (June 27, 2000), a panel of representative river authority general managers were invited to provide their insights on five major policy questions. The Committee designed the policy questions to focus the extensive volume of specific and detailed information provided in the river authorities' extensive responses to the initial broad-brush questionnaire.

The five questions are listed below. The following sections of this report address, for each question, an introduction to the policy issues involved and an overview of the panelists' verbal and written responses.

- What do you view as the role of river authorities in **water quality issues**, whether through the Clean rivers Program or the Total Maximum Daily Load (TMDL) program? Do you have any suggestions regarding communication/coordination between the SB 1 Regional Water Planning

¹³Douglas B. MacDonald, Executive Director, Massachusetts Water Resources Authority, "The Water Bill -- We Pay It: The Question Is, Who Writes It?" *Civilization: The Magazine of the Library of Congress* (Oct/Nov 2000): 96

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Groups and the Clean Rivers Program Basin Stakeholder Committees?

- What role have you played in **SB 1 implementation**? With regard to regional water planning and management and to surface water issues generally, what needs to happen next Session to ensure the success of SB 1?
- What challenges do you see for Texas regarding **dam safety/maintenance/funding and floodplain management**, and how best might river authorities and/or other entities address those challenges?
- What challenges do you see for Texas regarding the development and implementation of an **aquatic vegetation management plan**, and what do you see as the appropriate role for river authorities, Texas Parks and Wildlife Department, and/or other entities in addressing those challenges?
- What challenges do river authorities face in terms of: (1) their responsibility to ensure adequate water supply; and (2) their role in helping to implement regional water management plans if those plans include strategies that require the conjunctive use and management of both surface water and groundwater? What will be required -- at the local, regional and/or state level -- to resolve those challenges?

Addressing each question in turn, the panelists' testimony encompassed a range of strategies whereby Texas river authorities could maximize their contributions to the state's water supply and water resource management needs.

Policy Question 1. Role of River Authorities in Water Quality Issues

Brief Overview of Water Quality Issues

The first question references water quality generally, as well as the state's total

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maximum daily load (TMDL) program and the Clean Rivers Program (CRP). The following brief overviews of these topics are drawn from the Texas Natural Resource Conservation Commission's (TNRCC) web pages.

- Texas Surface Water Quality -- What Is It, and How Is It Measured?

Texas' precious water resources are the lifeblood of the state's environmental and economic future. In order to ensure that water is safe and available for people to use, the State of Texas has established standards that protect the ways that the water bodies in the state will be used, and defined measurements that will assure the water quality is good enough to maintain those uses. The standards are developed with a significant margin of safety, such that conditions at or just less than the standards indicate a potential for use impairment, before actual impairment is likely to occur.

Using those standards and measurements, the Texas Natural Resource Conservation Commission (TNRCC), in collaboration with other federal, regional, and local agencies, carries out a regular program of monitoring and assessment to determine which water bodies are meeting the standards set for their use, and which are not. The agency also monitors for water bodies that may violate standards in the near future. The results of this monitoring and assessment effort are published in *The State of Texas Water Quality Inventory*, or the federal Clean Water Act (CWA) Section 305(b) Report.

The 305(b) report and other available data and information on water quality are then used to produce *The State of Texas List of Impaired Water Bodies*, or the CWA Section 303(d) List. This List identifies:

- water bodies which do not meet the standards set for their use, or are expected not to meet their use in the near future;
- which pollutants are responsible for the failure of a water body to meet standards; and

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- water bodies that are targeted for clean-up activities within the next two state fiscal years.

All water bodies listed on the Section 303(d) list must eventually be cleaned up.¹⁴

- Total Maximum Daily Loads (TMDLs) and Watershed Action Plans

The state of Texas must develop action plans to remediate or protect water bodies listed on the Clean Water Act Section 303(d) list of impaired water bodies. The state uses watersheds as the management regions for implementing water quality control measures. A watershed action plan includes a quantitative assessment of water quality problems and contributing pollutant sources, as well as an implementation plan that identifies responsible parties and specifies actions needed to restore and protect a water body. TMDLs are the scientific basis for these plans, and provide the foundation necessary to identify appropriate management objectives and strategies. A TMDL is an estimate of the maximum amount of pollution a body of water can receive and still meet water quality standards set for its use.

The TNRCC coordinates the technical assessment of impairments in priority watersheds, the development of TMDLs and the subsequent implementation of necessary management strategies using a collaborative approach intended to involve local stakeholders in every step of the process.¹⁵

- Clean Rivers Program

The Texas Clean Rivers Program (CRP) was implemented to maintain and improve the quality of surface water resources within each river basin in Texas. The CRP is a partnership involving the Texas Natural Resource Conservation Commission

¹⁴“Texas Surface Water Quality--What Is It and How Is It Measured?”
www.tnrcc.state.tx.us/water/quality/tmdl/303_expl.pdf

¹⁵“Watershed Action Plans” www.tnrcc.state.tx.us/water/quality/tmdl/303_expl.pdf

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(TNRCC), other state agencies, river authorities, local governments, industry, and citizens. Using a watershed management approach, CRP partner agencies work with the TNRCC to identify and evaluate surface water quality issues and to establish priorities for corrective action.

In 1991, the 72nd Texas Legislature passed the Texas Clean Rivers Act in response to growing concerns that water resource issues were not being addressed in a holistic manner. This legislation requires that water quality assessments be conducted for each river basin in Texas using an approach that integrates water quality issues within a river basin or watershed. To fund the program, the TNRCC assesses a fee from permit holders for water use and wastewater discharges. The legislation directs the TNRCC to summarize basin-wide assessments into a comprehensive statewide assessment report in even-numbered years. The Act also requires the TNRCC to develop rules and to implement a program to issue wastewater discharge permits on a watershed basis. All permits within a given watershed are issued in the same year.

The TNRCC implements the Program by contracting with 15 regional agencies, including river authorities, municipal water authorities, and councils of government, to conduct regional water quality assessments in the 23 river and coastal basins of Texas. In each basin, the designated partner agency (the contractor) has primary responsibility for surface water quality assessment its basin.¹⁶

Overview of River Authority Panel Responses

Regarding Role of River Authorities in Water Quality Issues

In 1975, the Texas Water Conservation Association (TWCA) adopted a Statement on the Role of River Authorities in Water Quality Management, which included (1)

¹⁶“The Texas Clean Rivers Program”
www.tnrcc.state.tx.us/water/quality/data/wmt/crp.html

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Studies to determine criteria and standards for water quality; (2) Development and operation of wastewater disposal systems; (3) Water quality monitoring, data collection and analysis, and basin-wide water quality planning; (4) Coordination of water quality activities; (5) Review, evaluation, and comment on permit applications; (6) Achieving public support for water quality programs and regulations; (7) Development and operation of regional solid waste disposal facilities where needed; and (8) Cooperation in enforcement of water quality regulations.¹⁷

Since 1991, with the passage of the Clean Rivers Program bill (SB 818, 72nd Session), river authorities have taken a lead role in water quality issues and programs. River authorities have been effective in water quality planning, monitoring and data collection. As partners with the TNRCC, river authorities have worked to develop and implement improved programs for data management, data analysis, quality control and public outreach. River authority web sites make available data, maps, assessment reports and other information to government officials, water resource managers and the public. Through Interlocal Agreements, river authorities have been able to coordinate and leverage resources to provide a cost effective means to address water quality issues and develop solutions.¹⁸ Additionally, river authorities directly contribute to financing the state's Clean Rivers program, since the authorities hold many of the water and wastewater discharge permits upon which the TNRCC assesses Clean Rivers fees.¹⁹

¹⁷Jerry Clark, General Manager, Sabine River Authority, Written testimony submitted to Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

¹⁸Gregory E. Rothe, General Manager, San Antonio River Authority, Written testimony submitted to Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

¹⁹Jim Oliver, General Manager, Tarrant Regional Water District, Written testimony submitted to Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

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An even more recent addition to the water quality contributions made by river authorities is the role they now play regarding the state's efforts to designate impaired water bodies for the federally-required CWA Section 303(d) list. Since water bodies placed on the 303(d) list are then subject to the rigors of the TMDL program, the combined process is extremely resource-intensive and should therefore be required only when truly necessary. Designation as "impaired" can severely limit the issuance of new or expanded permits into the listed segment for the parameters listed. Limits on additional wastewater discharge capacity can translate into limits on economic growth for communities. River authority data is valuable to the TNRCC in developing and revising the state's 303(d) list, and their data has been used to validate the removal of water bodies from the list as well as to support the inclusion of additional water bodies not initially identified by the state agency as impaired.²⁰

An additional TMDL-related role played by river authorities is the fact that river authorities can provide valuable assistance in the control of non-point source pollution, either through regulatory or voluntary programs.

Policy Question 2. Role of River Authorities in SB 1 Implementation

In 1997, the 75th Texas Legislature enacted Senate Bill 1 (SB 1), a comprehensive water resource management bill that restructured the process of state water planning. One of the results from SB 1 has been the establishment of 16 Regional Water Planning Groups, which are now in the process of finalizing the first round of regionally prepared water plans that will form the basis for Texas' next state water plan.

River authorities play an integral role in the regional water planning groups. In many

²⁰Jerry Clark, General Manager, Sabine River Authority, Written testimony submitted to Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

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regions, the river authority has been designated as the political subdivision to receive and disburse grant funds from the Texas Water Development Board (TWDB). In addition, some river authorities serve as their regional planning groups' project administrators, public relations, technical and facilitation contractors, and/or the regional planning group's administrative headquarters. Additionally, some river authorities express interest in expanding their water resource management role to include developing and providing groundwater.

Several common themes arose in river authorities' response to the Committee's question regarding "what needs to happen in the 77th Session to ensure the success of SB 1." These include:

- to ensure the success of SB 1, current statutory limitations on interbasin transfers need to be eliminated;
- the legislature should provide for a statewide funding mechanism for new water supply projects and/or water pipeline or other conveyance projects recommended by the regional water plans;
- the legislature should direct the TWDB to serve as a state advocate for the development of additional water supplies to address the water demand and use projection shortfalls identified in the regional plans;
- clear statutory authority is needed to develop and utilize groundwater conjunctively with surface water to help meet the raw water needs of the river authority's service area, and
- river authorities should be authorized and encouraged to establish development funds to allow them to be able to develop water supplies to be on hand for unanticipated water needs, without needing to have to secure specific paying customers under contract at the time of development.

Policy Question 3. Role of River Authorities regarding Dam safety/maintenance/funding and floodplain management

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There are approximately 7,200 dams in Texas. The Texas Natural Resource Conservation Commission's (TNRCC's) Dam Safety Program has identified about 820 dams as "high-hazard" and about 400 dams as "deficient or unsafe." Most dams in Texas (approximately 96 percent of the dam inventory) were built before 1986, which is when the TNRCC adopted specific rules for dam safety. But dam improvements and maintenance can be very costly, and funding assistance for public and private dam owners is minimal. The expense of upgrading the 1,200-plus pre-1986 dams to comply with the 1986 dam safety requirements is estimated at \$240 million. That estimate may need to be even higher since limited state funding for dam inspections only allows for about two percent of the dams in Texas to be inspected annually, so a vast number of dam-related problems may currently be undetected.²¹

Often, river authorities actively maintain the reservoir and channel dams that they own, with professional engineering staffs that develop and operated comprehensive dam safety programs. However, many small dams across the state are not being maintained or upgraded to current safety standards. Approximately 27 percent of Texas' 7,200 dams were constructed in the 1950s and 1960s with federal assistance from the U.S. Department of Interior Natural Resources Conservation Service (NRCS) (previously the Soil Conservation Service, or SCS). These NRCS-assisted flood control dams required local sponsorship, which was most often provided by a local soil and water conservation district and a water district or county.

Most of the NRCS-assisted dams were constructed as low hazard projects to provide flood control for rural agricultural lands. However, as the once rural areas downstream of these structures became urbanized and developed, the original low-

²¹Joe Beal, General Manager, Lower Colorado River Authority, Written testimony provided to the Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

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hazard setting changes to high hazard and the dams are no longer adequate for the increased downstream risks -- because of this downstream development in the floodplains. NRCS-assisted dams now account for 40 percent of the significant and high hazard dams in the state. Unfortunately, many of the legally responsible entities of these dams are not able to reasonably finance the needed maintenance or upgrades.²²

Generally, river authorities testifying to the Senate Natural Resources Committee agreed that funding should be provided to the state regulatory agency for dam safety, the TNRCC, to work with counties, river authorities and cities to ensure that all dams are upgraded and maintained according to current dam safety standards.

Some of the panelists suggested that river authorities themselves could develop basin-wide dam safety programs to encourage inspection and maintenance of dams in each basin if appropriate legislation could be enacted to provide the required authority and funding. One suggestion offered was to develop inspection guidelines for non-engineers, who could then inspect dam structures throughout the state. These inspectors could be certified by a TNRCC program developed along the same lines as the TNRCC's on-site sewage system program now in place. Any deficiencies noted could then be investigated by a licensed professional engineer and remediation efforts be initiated.²³

Floodplain management is another area of concern in Texas, which has a higher rate of repetitive flood losses than any other state participating in a federal flood insurance program. The Federal Emergency Management Agency contracts with and annually funds the TNRCC to provide local support for the insurance programs,

²²“Executive Director’s Task Force on Dam Safety: Final Report,” TNRCC Dam Safety Program, June 1998, Publication CTF-08

²³Gary Gwyn, General Manager, Brazos River Authority, Written Testimony Submitted to the Senate Natural Resources Committee for June 27, 2000 “River Authority Day” Hearing, Austin, Texas

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but little or no state funding has been added to the federal grant. Due to limited funding, the TNRCC has only two staff positions assigned to work on floodplain management issues across the state.

River authorities can work with local floodplain managers and officials to increase local understanding and support of community floodplain programs. However, this can be a costly effort as well.

As discussed above, urbanization is changing the floodplain characteristics of Texas' river basins, so river authorities could provide a valuable public service by working with the U.S. Army Corps of Engineers to develop basin-wide flood models that could be used to estimate flood damages and flood inundation areas.

Several river authorities are working with floodplain coalitions of local governments to help them better manage their floodplain management programs in the areas of technical assistance, emergency management coordination, training and other needs. Again, however, the funding needed for these local initiatives, as well as for an increased statewide floodplain management program are considerable.²⁴

Policy Question 4. Role of River Authorities and/or Other Entities

Regarding Aquatic Vegetation Management

The term "aquatic vegetation" is used primarily to discuss exotic, non-native species of plants that have proliferated within Texas water bodies. Widespread aquatic plant problems in Texas began with the appearance of water hyacinth. By 1898, floating mats of hyacinth were obstructing navigation in South Atlantic and Gulf Coast states. Water hyacinth is able to infest many freshwater habits, which, coupled with a rapid growth rate, can severely affect navigation, water supply, and

²⁴Joe Beal, General Manager, Lower Colorado River Authority, Written Testimony Submitted to the Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

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water flow. Other species of aquatic plants have occasionally become problematic on individual lakes or streams in Texas. These plants have been controlled when the occurrence became harmful or potentially harmful to human life, impeded navigation, diminished the quality of water-oriented recreational areas, detrimentally affected operation of water intakes – such as for cooling water for electric generation facilities -- or when new occurrences of exotic plants were found.

The U.S. Congress authorized the U.S. Army Corps of Engineers (Corps) to eradicate water hyacinth in the 1899 Rivers and Harbors Act. In 1958, Congress expanded the program and authorized the Corps to conduct studies on the efficacy of herbicides. Adopted in 1965, a federal Aquatic Plant Control Program (APCP) was administered by the Corps. Funding for the program was authorized on a 70 percent and 30 percent local cost-shared basis. Congress changed the level of federal involvement in the APCP in the Water Resources Development Act of 1986, which affected the Texas program by increasing the local cost-sharing requirement from 30 to 50 percent. In the early 1990's, the Corps' share for vegetation control operations was eliminated entirely.

The Texas Parks and Wildlife Department historically had a statewide aquatic plant control program to control nuisance aquatic plants. In 1965, the program was discontinued because of new federal laws and herbicide restrictions. No statewide vegetation control program was in effect from the end of the program in 1965 until 1967, during which time, the water hyacinth reinfested nearly 50 percent of Lake Corpus Christi. These problems influenced the 60th Legislature to pass H.B. 235 in 1967, which permitted the Texas Parks and Wildlife Department to cooperate with the Corps' APCP.

The cost sharing arrangement between the Texas Parks and Wildlife Department and the U.S. Army Corps of Engineers continued uninterrupted for 25 years until the early 1990s. With the elimination of federal money for noxious plant control

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operations in 1995, cost sharing began between the Texas Parks and Wildlife Department and water body controlling authorities. During the 76th Texas Legislature, H.B. 3079 was passed, implementing a statewide aquatic vegetation management plan and establishing a program for aquatic vegetation management.

The Texas Parks and Wildlife Department, on November 9, 2000, adopted new regulations [Title 31, Texas Administrative Code §§57.930-57.936] concerning aquatic vegetation management, to implement H.B. 3079 enacted by the 76th Legislature. The overall goal of the rules is to inform and guide local decision making regarding aquatic vegetation management. The rules set out the elements of the statewide plan, including required public notice to public drinking water providers about aquatic herbicide use. The rules envision that public entities faced with specific decisions about aquatic vegetation in their water bodies will consult a guidance document that TPWD is drafting. The guidance document will contain detailed information about particular kinds of aquatic vegetation, and will help decision makers judge the seriousness of aquatic vegetation problems and choose proper control strategies.

The rules will allow for the development of local aquatic vegetation plans that local entities can substitute for the statewide plan on individual water bodies. By statute, local plans must be at least as stringent as the statewide plan and must be approved by the Texas Natural Resource Conservation Commission (TNRCC) and the Texas Department of Agriculture (TDA). Under these rules, TPWD will exercise continuing supervision of nuisance aquatic vegetation control measures. All control measures to be undertaken must be submitted to TPWD. TPWD can disapprove control measures proposed by entities operating under the statewide plan. In all cases, TPWD expects to consult with and advise local governing entities about the best choices available.

A few issues have been discussed repeatedly throughout the implementation of

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H.B. 3079. First, several local entities have indicated their concern about potential liability stemming from application of herbicides and pesticides on aquatic vegetation. Also, concerns have been raised as to whether the rules should apply to canals that are designated for carrying agricultural and industrial water supplies.

Testimony from river authorities on the issue of aquatic vegetation addressed the following issues:

- First and foremost, river authorities agreed that aquatic vegetation poses serious problems across the state, and the Texas Parks and Wildlife Department (TPWD) should continue in a lead role for the state's aquatic vegetation management program.
- Concerns have been expressed about liability issues associated with river authorities possibly having to assume the duty of applying aquatic herbicides, to manage nuisance aquatic vegetation, which in the past was handled by the TPWD. River authorities express concern about the liability associated with pesticide application, and argue that the TPWD is better situated to apply the pesticides because of their immunity as a state agency.
- As with many water-related concerns in Texas, a one-size-fits-all program to manage the problems caused by aquatic vegetation will not work for a state as large and as diverse as Texas. Rather, it must be recognized that every water body is different and the most appropriate management tools can vary from one lake or river to the next. Issues such as water uses, biological populations, and shoreline characteristics must all be considered in determining the best approach to managing a water body's aquatic vegetation.
- River authorities -- because of their Clean Rivers Program involvement and their being attuned to local water quality issues, aquatic biota, habitat, water uses and suitability -- might be the appropriate entities to develop and coordinate or

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implement localized aquatic vegetation management programs. They note, however, that even with significant participation by river authorities, it is vitally important the TPWD serve as the lead entity for nuisance aquatic vegetation management.

From the perspective of the agency, the TPWD has neither the staff nor the fiscal resources necessary to manage nuisance aquatic vegetation on the public waters of Texas. The growing and potentially increasing costs are simply beyond that which the purchasers of hunting and fishing licenses can, or should be expected to bear, without significantly diminishing the management and conservation activities that sustain the ecological and economic benefits to Texas those recreational actions generate. Recreational users (hunters, anglers, and boaters) are only one of many groups that benefit from the proper management of nuisance aquatic vegetation. All users should share in the cost of this activity.

The TPWD is committed to providing expertise, consultation and assistance to water resource managers to enhance fisheries habitat resources, assure public access for recreation, and prevent invasion of new nuisance exotic vegetation. The TPWD Legislative Appropriation Request does include funding to support this objective, but does not include funding for nuisance aquatic vegetation management.

Policy Question 5. Challenges River Authorities Face In Ensuring Supply and Implementing Strategies Involving Conjunctive Use of Surface and Groundwater

The challenges of providing adequate water supplies are seemingly straightforward yet actually very complex. More people are moving to Texas than ever before, placing greater demands on the state's limited surface water resources. Some areas of the state have more plentiful water supplies than others, a fact that is being

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highlighted through the SB 1 water management planning process.

Not all surface water rights are in the public domain, and there are multiple, sometimes conflicting, uses of surface water for cities, industries, agriculture, the environment and recreation. Groundwater resources often are viewed as a local, rather than regional, resource and are seen as being subject to local, rather than regional, control if controlled at all. The rule of capture can affect the availability and reliability of groundwater supplies. And groundwater can be difficult and expensive to obtain.

State water policy supports conjunctive, or joint, use of groundwater and surface water. However, in the course of this interim study the suggestion has been made that a statement of support for conjunctive use from the Legislature would be helpful in further clarifying the state's position and could further encourage planning between surface water entities and groundwater districts. Conjunctive use is an important tool for long-range water management planning because it can increase a region's total accessible water supplies.

A timely example of some of the potential benefits of conjunctive use is a proposal now being considered in the Colorado basin, within the Region K regional water planning group. The proposal is to build off-channel, conjunctive-use reservoirs that could capture unclaimed floodwaters and be supplemented by groundwater. These additional water resources could benefit the entire basin as well as the neighboring Region L planning group, which includes San Antonio. The off-channel reservoirs could keep more water in the Highland Lakes by reducing downstream releases from the dams; could provide more water for agricultural use downstream; and could help Region L meet growing demands for water that are currently being met by dwindling supplies from the environmentally sensitive Edwards Aquifer.

Several river authorities identified legislative changes that would further the cause

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of conjunctive management and use of surface and groundwater, including:

- legislation to promote, not inhibit, interbasin transfers of surface water;

- clear statutory authority to develop and utilize groundwater conjunctively with surface water to help meet the raw water needs of the river authority's service area;

- legislation is needed that would protect local groundwater users, but would also ensure the transportability of groundwater resources where such exportation can be done without harm to local users;

- legislation authorizing river authorities to develop new surface water supplies in advance of the need for the supply, and to recover the costs through cost-of-service rates,²⁵ and

- require coordination or consultation between river authorities and groundwater districts on groundwater development or well production permits, similar to the requirement that the TNRCC has to evaluate the effects that granting a surface water right has on recharge to aquifers.²⁶

Funding for acquisition and development of water supplies is a major challenge. Another obstacle to providing drinking water supplies is utility infrastructure and service. Building water and wastewater utility systems is expensive and can be out of the reach of many smaller cities or rural communities. Some river authorities are

²⁵Gary Gwyn, General Manager, Brazos River Authority, Written Testimony Submitted to the Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

²⁶Gregory E. Rothe, General Manager, San Antonio River Authority, Written Testimony Submitted to the Senate Natural Resources Committee for June 27, 2000 "River Authority Day" Hearing, Austin, Texas

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able to help communities upgrade and expand water and wastewater utility systems, often converting older local utilities into modern regional systems that are less costly to operate and more environmentally sound.

Public awareness, education and involvement are critical to the success of any SB 1 related water supply initiative, whether it be a water conservation program, groundwater development, conjunctive use, or some other different approach to managing water supplies. The regional nature of river authorities and their water supply management responsibilities make them a logical choice for leading the implementation of regional water management plans. In some cases, legislative action may be required for implementation.²⁷

RECOMMENDATIONS

From the deliberations of the Committee, as well as testimony gathered throughout the state at the interim committee hearings and the extensive submissions by river authorities, recommendations were developed regarding the missions and roles of all Texas river authorities. The Senate Committee on Natural Resources recommends that the 77th Texas Legislature take the following actions:

- Codify all existing river authority enabling statutes into a new Title or Chapter in the Texas Water Code.
- Repeal current statutory limitations on interbasin transfers.
- Provide for a statewide funding mechanism to finance new water supply projects and/or water pipeline or other conveyance projects recommended by the regional water plans.

²⁷Joe Beal, General Manager, Lower Colorado River Authority, Written Testimony Submitted to the Senate Natural Resources Committee for June 27, 2000 “River Authority Day” Hearing, Austin, Texas

- Provide clear statutory authority to develop and utilize groundwater conjunctively with surface water to help meet the raw water needs of the river authority's service area.
- Authorize and encourage river authorities to establish development funds to allow them to be able to develop water supplies to be on hand for future water needs, without needing to have to secure specific paying customers under contract at the time of development.
- Make certain general powers and duties permissively available for all river authorities.
- Provide for enhanced level of state review or oversight for all river authorities. Also, establish schedule for review by identifying which river authorities (or categories of river authorities) would be sequenced for review over the next 5 biennia.
- Provide for specific legislative amendments as requested by individual river authorities to their own enabling statutes.

APPENDIX A

Testimony by Tom Bohl, Former Counsel to the 1986 Water District and River Authority Study Committee, to the Senate Natural Resources Committee, on June 27, 2000

In 1985, the Texas Legislature enacted several significant changes relating to the management of regulation of water resources in the State. Among the major legislative initiatives was Senate Bill 249²⁸, which abolished the Texas Department of Water Resources and reorganized both the Texas Water Commission and the Texas Water Development Board. It was against this backdrop that the Water District and River

²⁸Acts, 69th Legislature, R.S., chapter 795, effective September 1, 1985. (hereinafter referred to as "Senate Bill 249")

Authority Study Committee was created.²⁹

Composition of the Committee

Senate Bill 249 provided that the Governor, the Lieutenant Governor, and the Speaker of the House each appoint certain members of the Committee from both the private and the public sectors, including representatives from the general public who had a demonstrated background in business, environmental matters, and agriculture. The Committee members were: CHAIRMAN, Mr. Gerry Pate (Pate Engineering, Houston), SENATORS John Sharp and John Montford, HOUSE MEMBERS Representatives J. W. "Buck" Buchanan and Ted Roberts, WATER DISTRICT & RIVER AUTHORITY REPRESENTATIVES Mr. Leard Conner (director, Trinity River Authority), Mr. Juan D. Nichols (director, Sabine River Authority) and Mr. Douglas A. Strain (director, Brazos River Authority), REPRESENTATIVE OF THE GENERAL PUBLIC WITH ENVIRONMENTAL BACKGROUND Ms. Terry Hershey (also serving as a member of the Board of the Texas Parks & Wildlife Department at the time), REPRESENTATIVE OF THE GENERAL PUBLIC WITH BUSINESS & INDUSTRY BACKGROUND Mr. Jim Nichols (Freese & Nichols Engineering, Ft. Worth).

Committee Meetings:

Meetings were held in Austin, Euless, Brownsville, Lubbock, San Antonio, Victoria, and Tyler in 1985 and 1986. Testimony was taken from representatives of many districts and authorities around the State, from representatives of state agencies, from State officials, local government officials, and from private citizens. In addition, the Committee received written testimony and it received reports from the State Auditor and the Lyndon B. Johnson School of Public Affairs relating to the Committee's charge.

Committee's Charge:

The Committee's charge, as stated in Senate Bill 249 was to:

. . . study the various districts and authorities created under Article III, Sections 52(b) (1) and (2), and Article XVI, Section 59 of the Texas Constitution to determine if their powers and duties are appropriate for management of the states's water resources and to determine if the state's role relative to the creation

²⁹The Committee was created under Senate Bill. 249, §2.001, et seq.

and operation of those authorities should be changed.³⁰

The Legislature also charged the Committee with making a report to the 70th Legislature. The Legislature required that the report contain findings as to whether:

- (1) the legislature should make water districts and river authorities more accountable to the state and if so, the methods of accountability that should be adopted; and
- (2) the state should be move involved in the creation and operation of those districts and authorities.³¹

Committee's Report - Summary of Findings:

The Committee's report traced the history of water resource management in Texas from the late 19th Century to the 1980s and concluded in summary that the state and local entities charged with water resource management were generally performing well, but that water management needs have changed over the years and there needed to be better coordination. The Committee's report to the Legislature stated in part:

The primary finding of the Committee on which all of its recommendations are based is that the existing system of water resource management is not appropriate to the task of providing the solutions to water resource problems that is essential to the future of the state. The area of water development is over in Texas and we must change our institutional structure to respond to the future – the era of water resource management.³²

However, the Committee also concluded:

Change is needed, but the changes do not require a departure from Texas' traditional approach to solving water resource problems, a tradition based on local initiative for problem solving. Rather, it represents the next step in a historical progression of responses to deal with water resource management problems at a level appropriate to

³⁰Senate Bill 249, § 2.005.

³¹Id.

³²Water District and River Authority Study Committee: Report to the 70th Legislature, Volume I, page 9 (December, 1986). (hereinafter, "Committee Report, Volume I.")

the scope of the problem³³

Committee's Specific Recommendations and Some of the Actions Taken Since 1986:

The following is a list of the Committee's specific recommendations. The list also includes some actions that have been taken by the Legislature or by state agencies since 1986. These actions, while they may or may not have been in direct response to the Committee's report, do address certain aspects of the Committee's recommendations:

1. The State should develop appropriate regulations to improve water use efficiency and water re-use statewide

1.1 The Texas Water Commission (hereinafter, "TNRCC") and the Texas Water Development Board (hereinafter, "TWDB") should adopt uniform regulations requiring applicants for permits and financial assistance to adopt and implement reasonable conservation measures.

Subsequent Action: At the time of the report, TNRCC and TWDB had already begun coordination of water conservation rules. This effort continued in the 1980s and early 1990s and there is now general uniformity and good coordination between the agencies.

1.2 TNRCC should require all non-exempt surface water diversions to be metered.

Subsequent Action: universal water metering is not required by TNRCC .

1.3 TNRCC and TWDB should encourage conservation oriented rate structures as part of the conservation plans they approve.

Subsequent Action: In 1987, the Legislature added language to Water Code §§ 15.106 and 17.277 to provide that the TWDB consider conservation-oriented rate structures when passing on financial assistance applications over \$500,000.³⁴ In 1985, the Legislature required the TNRCC to obtain water conservation plans from applicants for new water use permits consistent with the broad definition of "water conservation" appearing in Water Code § 11.002. In 1997, the Legislature broadened Water Code § 11.1271 to require conservation plans from holders of existing permits authorizing 10,000 acre-feet of water or more per year for irrigation or 1,000 acre-feet of water or

³³Id., page 4.

³⁴Acts. 1987, 70th Legislature, ch. 1103, § 1, effective. September 1, 1987.

more per year for other purposes.³⁵

1.4 TNRCC, TWDB and all districts, and authorities should promote education programs to promote water conservation.

Subsequent Action: It appears that various programs of this nature are offered at the state and local level.

1.5 TNRCC and TWDB should work closely to develop a policy which encourages conservation of water in agricultural uses including the use of an acceptable measuring device at the point water is diverted from its source. This policy should recognize the different characteristics of various water delivery systems.

Subsequent Action: There is no universal metering requirement. TNRCC does have a rule at 30 Texas Administrative Code § 297.52 providing that suppliers of water for agriculture may be required to “implement appropriate procedures for determining the volume of water delivered.”

2 Local entities should continue to be responsible for planning, implementing, and operating water resource projects.

2.1 The methods for selecting directors for the boards of districts and authorities are appropriate.

Subsequent Action: Since no change was recommended, none was implemented.

2.2 The laws regarding self-insurance by political subdivisions should be expanded to allow water districts and river authorities to self-insure for the coverage of business judgment related liability by their directors and officers.

Subsequent Action: At the time of this writing, no information was available to the author on the details of any changes regarding self-insurance.

2.3 & 2.4 The owners of dams not meeting Corps of Engineers Standards under the Corps’ Phase I testing program should review the reports, notify the commission of necessary improvements, and take the necessary steps to bring the dams into compliance. Downstream parties who might be affected should be notified.

³⁵Senate Bill 1, § 1.03

Subsequent Action: The TNRCC indicates that the problems reported on virtually all of the large, high-hazard dams in Texas (i.e., large dams which have substantial development lying in the river valleys below them) have been addressed or will be by the end of the summer of 2000. Many more dams have been re-studied in more detail than was done in the original Corps study and have found to be in appropriate condition. Individual notification of every person below the dams has not been undertaken, however, the Corps reports did receive wide publication when they were produced. The Committee did note in its report that it saw no evidence that life or property were in peril because of the dams in question.³⁶

3. All Districts and Authorities should be subject to uniform rules by the State which take into consideration regional resources and uses, and legislation should be enacted to clarify State authority for that purpose.

3.1 The Water Code should be amended to allow TNRCC to adopt uniform regulations regarding the use of state resources which apply to all water rights permits and all water quality discharge permits for the purpose of promoting regional systems, conservation and environmental protection.

Subsequent Action: No specific provision in the Water Code addresses all of these issues, but there are provisions in the law that address regional considerations and conservation in planning, permitting, and water use regulation.

3.2 The continuing right of supervision over districts and authorities delegated to TNRCC should be made to apply to all districts and authorities in the State.

Subsequent Action: Section 12.081 of the Water Code, which provides for the continuing supervision of districts by the TNRCC, was amended in 1989 to include specifically the term “river authority.”³⁷

4. TNRCC and TWDB should jointed appoint regional advisory committees to examine the problems in those regions of the state where appropriate.

Subsequent Action: The Committee’s report indicates that this recommendation was based on the fact that the Committee’s charge was too broad to permit it to study specific

³⁶Committee Report, Volume I, page 73.

³⁷Acts, 1989, 71st Legislature, ch. 196, effective September 1, 1989.

regional issues in different parts of the state in great detail. It was recommended that other task forces be appointed to study specific problems in specific regions. The author does not know how many task forces of this nature have been appointed in the last 14 years. However, it should be remembered that Senate Bill 1, enacted in 1997, significantly enhanced the water planning process in Texas. The type of broad-based participation in resource planning that is prescribed in Senate Bill 1 may be providing the opportunity to address some of the concerns expressed by the Water District and River Authority Study Committee in this recommendation.

5. The State should seek authority to impose minimum criteria for regulation of groundwater production on local groundwater management entities, and authority to create local groundwater management entities where necessary.

5.1 The Water Code should be amended to authorize the TNRCC to promulgate minimum criteria and enforcement standards for water conservation, production, and water to and to make all underground water conservation district subject to the minimum criteria.

Subsequent Action: This recommendation was not implemented.

5.2 The Water code should be amended to change the process of adding new territory to an existing district so that it requires only the voters from the area to be annexed and the board of the existing district.

Subsequent Action: This change was made in 1989³⁸ and appears in Water Code § 36.328.

5.3 The Water Code should be amended to authorize underground water conservation district to charge fees in addition to ad valorem taxes.

Subsequent Action: Some fee authority was authorized by the Legislature in 1995, and appears in Water Code § 36.206.

5.4 Instead of the current limitation on financial assistance, the Water code should be amended to authorize the State to assume regulation of a critical area where the election for the creation of an underground water conservation district does not pass.

³⁸Acts, 1989, 71st Legislature, ch. 936, § 14, effective September 1, 1995.

Subsequent Action: This recommendation was not implemented.

6. A special management oversight committee should be created to review and report on water districts and river authorities

6.1-6.4 The Legislature should create a special oversight committee to oversee all public interests and entities involved in water resources planning, development, management, utilization, and regulation at the local, regional, and state levels, called the "Texas Water Resources Management Oversight Committee." The Legislature should assess a fee against all entities subject to oversight by the Committee to pay operating and administrative costs. The Committee should streamline reviews as much as possible and keep reporting to a minimum.

Subsequent Action: This committee was not created.

6.5 Because the Oversight Committee would provide a more continuous and effective review of districts and authorities, the current laws requiring sunset review of certain districts and authorities should be repealed.

Subsequent Action: House Bill 1583, enacted in 1985, had put certain river authorities under the Sunset Act, and the membership of their boards were subject to being abolished in 1991 unless continued under the Act. The director's positions were taken out from under Sunset in 1989.

7. The Legislature should require all districts and authorities to adopt policy setting standards of conduct for their employees, officials, and directors, and which would require improved financial reporting.

7.1 In lieu of the requirement that the State Auditor conduct an audit each year on 23 named districts and authorities, the Water code should be amended to require that all water districts and river authorities, consistent with their enabling legislation, adopted the following:

- (a) A written code of ethics for all employees, officials, and directors (including investment personnel).
- (b) A written policy on travel expenditures.
- (c) A written policy on investments.
- (d) Written policies and procedures for selection, monitoring or review and evaluation of professional service.

- (e) A uniform method of accounting and reporting on Industria Development Bonds and Pollution Control Bonds prescribed by the State Auditor.
- (f) Policies which ensure a better utilization of management information
 - (1) Budgets for using in planning and controlling costs;
 - (2) A function audit committee of the governing board; and,
 - (3) Achieve greater uniformity in reporting:
 - *using Audits of State and Local Governmental Units as a guide on audit working papers; and
 - *using Governmental Accounting and Financial Reporting Standards.

Subsequent Action: The substance of this recommendation was adopted in 1987³⁹ and is now set forth in Water Code § 49.199.

7.2 In addition, the Water Code should provide that:

- (A) All districts and authorities file annual audits with the state Auditor for Review and Comment, and that the State Auditor's comments be filed with the Legislative Audit Committee and the governing board of the district or authority; and,
- (B) The State Auditor may audit the financial transactions of any district or authorities if the State Auditor determines that such an audit is necessary.

Subsequent Action: The first part of this recommendation was added to Water Code § 50.381 in 1987, but was dropped when Chapter 50 was repealed. The second part of this recommendation was also added to Water Code § 50.381 in 1987 and has been retained in the current Water Code § 49.199.

³⁹Acts, 1987, 70th Legislature, ch. 774, § 1, effective September 1, 1987.

TNRCC Rules Governing River Authorities
(Chapter 292, Title 30, Texas Administrative Code)
SUBCHAPTER A: GENERAL PROVISIONS

§292.1. Objective and Scope of Rules.

(a) The commission has the continuing right of supervision of districts and authorities created under Article III, Section 52 and Article XVI, Section 59 of the Texas Constitution. This chapter shall govern the administrative policies of the following districts:

- (1) Angelina & Neches River Authority
- (2) Brazos River Authority
- (3) Canadian River Municipal Water Authority
- (4) Colorado River Municipal Water District
- (5) Guadalupe-Blanco River Authority
- (6) Lavaca-Navidad River Authority
- (7) Lower Colorado River Authority
- (8) Lower Neches Valley Authority
- (9) North Texas Municipal Water District
- (10) Northeast Texas Municipal Water District

- (11) Nueces River Authority
- (12) Red River Authority
- (13) Sabine River Authority
- (14) San Antonio River Authority
- (15) San Jacinto River Authority
- (16) Tarrant County Water Control and Improvement District No. 1
- (17) Titus County Fresh Water Supply District No. 1
- (18) Trinity River Authority
- (19) Upper Neches River Municipal Water Authority
- (20) West Central Texas Municipal Water District

(b) Nothing in this chapter shall be construed to relieve a district of its legal duties, obligations, or liabilities relative to its responsibilities as defined in its enabling legislation or in the Texas Water Code.

§292.2. Meaning of Certain Words.

Unless the context requires otherwise, the following terms and phrases shall mean the following:

- (1) Authority shall be used interchangeably with the term District to connote any entity created by Article III, Section 52 or Article XVI, Section 59, of the Texas Constitution and

which are subject to these rules.

(2) Board means the governing body of the district.

Adopted September 30, 1996

Effective October 22, 1996

SUBCHAPTER B : ADMINISTRATIVE POLICIES

§292.11. Administrative Policies to be Adopted by the Board.

(a) All districts must adopt certain administrative policies in compliance with Water Code, §49.199 and §49.200. The administrative policies shall incorporate the legal provisions as set forth in §292.13 of this title (relating to Minimum Provisions). The provisions set forth in §292.13 of this title are considered to be the minimum standards by which the conduct and activities of the boards are governed.

(b) These rules do not preclude any district from adopting policies which address other administrative matters or which are more specific as to the interpretation and implementation of the legal provisions referenced in §292.12 of this title (relating to Right of Executive Director to Review Policies and Other Documents).

Adopted September 30, 1996

Effective October 22, 1996

§292.12. Right of Executive Director to Review Policies and Other Documents.

(a) Each authority subject to these rules shall submit to the executive director a copy of its administrative policies and any subsequent amendments as adopted by the governing board.

(b) The executive director shall file the copies of the administrative policies and shall

make them available for public inspections.

(c) The executive director may request additional documents from the district or inspect records at the office of the district to determine compliance with the adopted administrative policies.

Adopted September 30, 1996

Effective October 22, 1996

§292.13. Minimum Provisions.

The following provisions shall be incorporated into the administrative policies adopted by the authorities subject to these rules.

(1) Code of Ethics. The administrative policies shall mandate compliance with the following standards:

(A) the Local Government Code, Chapter 171, relating to conflicts of interests with a business entity in which the official has a substantial interest.

(B) Texas Government Code, Chapter 573, relating to nepotism.

(C) for River Authorities, Texas Government Code, Chapter 572, relating to standards of conduct, personal financial disclosure, and conflict of interest.

(D) Article III, Section 52, of the Texas Constitution, relating to the prohibition on granting public money or things of value to any individual, association or corporation.

(2) Travel Expenditures. The administrative policies shall provide for reimbursing district officials for necessary and reasonable travel expenditures incurred while conducting business or performing official duties or assignments. The board may adopt additional

policies which further define the criteria for necessary and reasonable travel expenditures and which provide procedures for the reimbursement of expenses.

(3) Investments. The administrative polices shall provide for compliance with the following statutes:

(A) Subchapter A, Chapter 2256, Government Code (the Public Funds Investment Act);

(B) Chapter 2257, Government Code (the Public Funds Collateral Act); and

(C) any other appropriate statutes which are applicable to the investment of the authority's funds.

(4) Professional Services Policy. The administrative polices shall provide for compliance with the following standards:

(A) Texas Government Code, Chapter 2254, Subchapter A (the Professional Services Procurement Act) which prohibits the selection of professional services based on competitive bids.

(B) A list shall be maintained of at least three qualified persons or firms for each area of professional service used by the authority. The pre-qualified persons or firms shall be sent a request for proposal for any contract award for a new project which is expected to exceed \$25,000.

(5) Industrial Development Bonds and Pollution Control Bonds. The administrative policies shall reference any industrial development corporation associated with the authority and shall provide for compliance with the memorandum issued by the State Auditor on October 7, 1988 relating to the disclosure of industrial development and pollution control

bonds.

(6) Management Policies. The administrative policies shall provide for the following:

(A) an independent management audit to be conducted every five years and submitted to the executive director. As an alternative, an internal audit office may be established which reports to the board of directors.

(B) compliance with the provisions and intent of §106, Contracting With Historically Underutilized Businesses of Texas, Article V, General Provisions of Texas House Bill 1, 72nd Legislature, First Called Session (1991) relative to contracting with underutilized businesses and providing equal employment opportunities.

Adopted September 30, 1996

Effective October 22, 1996

APPENDIX C

WITNESSES APPEARING BEFORE THE INTERIM COMMITTEE ON NATURAL RESOURCES REGARDING THE MISSIONS AND ROLES OF ALL TEXAS RIVER AUTHORITIES

September 29, 1999 - Austin, Texas

Jeff Saitas, TNRCC

Craig Pederson, TWDB

October 26, 1999 - Amarillo, Texas

John Williams, Canadian River MWA

Ronald Glenn, Red River Authority of Texas

James Derington, Palo Duro River Authority

John W. Mustard, Citizens of Texas Concerned with the Giveaway of Our
Public Lands

November 22, 1999 - Victoria, Texas

Bill West, Guadalupe-Blanco River Authority

Jack Nelson, Lavaca-Navidad River Authority

Del Waters, Texas Water Safety Coalition

Patsy Light, San Antonio River Basin Alliance

January 31, 2000 - San Antonio, Texas

Clyde Haak, Bexar-Medina-Atascosa Water District

Con Mims, Nueces River Authority

Gregory Rothe, San Antonio River Authority

Jim T. Brown, Upper Guadalupe River Authority

Thomas C. Moreno, Bexar Metropolitan Water District

Allison Swift, Mill Creek Defense Fund

March 8, 2000 - Galveston, Texas

Jim Adams, San Jacinto River Authority

Danny Vance, Trinity River Authority

Gordon Meyers, Gulf Coast Water Authority

Irvin "Marsh" Rice, Trinity Improvement Association

June 27, 2000 - Austin, Texas

Tom Bohl, Office of the Attorney General of Texas

Joe Beal, Lower Colorado River Authority

David Lewis Steed, Travis WCID-17

Jerry Clark, Sabine River Authority

Gary Gwyn, Brazos River Authority

Greg Rothe, San Antonio River Authority

Jim Oliver, Tarrant Regional Water District

Bill West, Guadalupe-Blanco River Authority

APPENDIX D

Senate Committee on Natural Resources' Questionnaire to River Authorities

Senate Committee on Natural Resources Questionnaire

Organization Name: _____

Please provide the following information about the overall operations of your river authority or district (hereafter called organization). In answering questions, add or delete rows, or change column widths as necessary.

I. Key Functions, Powers, and Duties

- A. Provide an overview of the organization's mission, key functions, powers, and duties. Specify which duties are statutory.**
- B. Does the organization's enabling law provide sufficient tools to accomplish the organization's mission, key functions, powers, and duties? If not, explain areas of inconsistency and how this could be corrected.**
- C. Please explain why the functions listed in "B" are needed and their contributions to the communities. Are any of these functions required by contract with federal agencies?**
- D. Describe the governing structure that guides Board activities. Are these activities directed by statute, Board adopted bylaws, and/or**

written policies? Please provide copies of chief guidance documents.

E. Describe any major functions that are outsourced.

F. What is the number of full-time employees at your organization? Please provide an organizational chart.

II. History and Major Events

Provide a time line discussion of the organization's history, briefly describing the key events in the development of the organization, including:

- the date the organization was established;
- the original purpose and responsibilities of the organization;
- major changes in responsibilities or statutory authority;
- the impact of state/federal legislation, mandates, and funding;
- the impact of significant state/federal litigation that specifically affects the organization's operations.

III. Planning Functions

A. Describe the planning functions of your organization, including:

- strategic planning
- business plans
- policymaking body's planning functions
- role in Regional Water Planning Groups

IV. Policymaking Structure

A. Please complete the following chart:

(Organization Name) Policymaking Body				
Member Name	Term length/ Dates/ Appointed by _____ (e.g., Governor, TWDB, Election, Other)	Qualification Factors (e.g., public member, industry representative, geographic area)	Address	Telephone Number Fax Number E-mail Address

B. Describe the primary role and responsibilities of the policymaking body.

C. Is the policymaking body compensated? If so, how?

D. In general, how often does the policymaking body meet? How many times did it meet in FY 1998? in FY 1999? Where did it meet?

E. Describe per diem and travel policies of the policymaking body.

F. What type of training do the organization’s policymaking body members receive?

G. Does the organization have policies that describe the respective roles of the policymaking body and organization staff in running the organization? If so, please describe these policies.

F. If the policymaking body uses subcommittees or advisory committees to carry out its duties, please fill in the following chart.

(Organization Name)			
Subcommittees and Advisory Committees			
Name of Subcommittee or Advisory Committee	Size/Composition/How members are appointed	Purpose/Duties	Legal Basis for Committee

G. What degree of final decision-making does the policymaking body delegate to committees?

H. How does the policymaking body obtain input from the public regarding issues under the jurisdiction of the organization? How is this input incorporated into the operations of the organization?

I. Describe how the policymaking body handles governmental relations activities.

J. Describe the public information/public relation activities of your organization.

V. Guide to Organization Programs

Please complete this section for each organization program (or each organization function, activity, or service).

- A. Discuss the role your organization plays in economic development in your region.**

- B. If one of your organization's programs works with local units of government, (e.g., Councils of Governments, municipalities, other Districts or River Authorities), please include a brief, general description of these entities and their relationship to your organization. Briefly discuss any memorandums of understanding (MOUs), interlocal agreements, or interlocal contracts.**

- C. Are current and future funding resources appropriate to achieve program mission, goals, objectives, and performance targets? Explain.**

- D. Identify other programs, internal or external to the organization, that provide identical or similar services or functions. Describe the similarities and differences.**

- E. Discuss how the program is coordinating its activities to avoid duplication or conflict with the other programs listed in Question C and with the organization's customers.**

- F. Please provide any additional information needed to gain a preliminary understanding of the program.**

V. Organization Performance Evaluation

- A. What are the organization's most significant accomplishments?**

- B. Describe the internal process used to evaluate organization performance, including how often performance is formally evaluated and how the resulting**

information is used by the policymaking body, management, the public, and customers.

- C. What are the organization's biggest opportunities for improvement?**
- D. How does the organization ensure its functions do not duplicate those of other entities?**
- E. Are there any other entities that could perform any of the organization's functions?**
- F. What process does the organization use to determine customer satisfaction and how does the organization use this information?**
- G. Describe the organization's process for handling complaints against the organization, including the maintenance of complaint files and procedures for keeping parties informed about the process. If the organization has a division or office, such as an ombudsman, for tracking and resolving complaints from the public or other entities, please provide a description.**

VII. Funding

- A. Discuss the budget process at your organization.**
 - How are budgets developed, reviewed, and approved?
 - How are budget amendments approved?
 - Explain the policymaking body's oversight exercised in budget matters.
- B. What is the size of your organization's annual budget?**
- C. How are the various funds in the budget administered and managed?**

- D. Does your organization have an internal auditor?**
- E. Describe your organization's annual financial audit process. Who are your organization's financial auditors?**
- F. Does your organization receive any general revenue funds from the State?**
- G. Does your organization have taxing authority? If so, is it used?**
- H. What are the revenue sources for your organization? Please include all local, state and federal sources.**
- I. Are your organization's projects self-supporting?**
- J. Who approves your organization's bond issues?**
- K. Do you employ professional services for project financing? If so, who?**
- L. Do you take advantage of existing State financing programs? If so, which ones?**
- M. Describe the status of the organization's long term debt.**
- N. How does your organization determine water prices? Are indirect, overhead and other such costs included in the price of water?**
- O. What price does your organization charge for raw water on a per acre-foot, per year basis?**
- P. Does your organization have different customer classes? If so, are they charged different prices and why?**
- Q. In what way do the water pricing policies reflect public or social consideration**

(e.g., reduced pricing for agricultural water use, or other customer classes)?

- R. Does your organization engage in the generation, transmission, distribution and/or sale of electric energy? If so, are you regulated by the P.U.C.? Discuss the degree of this P.U.C. regulation if applicable.

VIII. Operational Areas

- A. Describe the types of operations that your organization conducts, including locations, customers served, date of service, history of operation, expansion plans being considered, and so forth.
- B. How are these operations funded, in terms of capital costs and maintenance and operation expense?
- C. Describe the current condition of the infrastructure that your organization owns and operates? Are improvements or major repairs scheduled or anticipated in the near future? How are the costs of these improvements or repairs handled?
- D. Describe your organization's safety and emergency response program related to its operations.
- E. Does your organization carry out any operations or regulatory functions or other functions delegated to it from the Texas Natural Resource Conservation Commission or other State agency or by the State Legislature?
- F. How are your operations overseen? Are the customers or beneficiaries afforded an opportunity to review the operation and budget of the operation? If so in what manner is this review afforded?
- G. Is each operation that serves distinct customers or beneficiaries handled as a separate fiduciary account or some other manner? Please describe.

- H. If your organization operates water and/or wastewater treatment plants, describe whether these plants are regional in nature (serving more than one political subdivision or customer) or operated for the benefit of an individual customer? Does your organization operate treatment plants without ownership? Please describe.
- I. Does your organization provide other services to the public, communities, or others such as technical assistance, water quality assessments, education and training?
- J. What new lines of business or program activities has your organization undertaken in recent years? What need was met and how was the policy decision made to engage in this line of business?
- K. Describe any innovative operations such as the system operation of reservoirs or other measures to enhance water resources, reduce costs, or provide other benefits. Describe water conservation measures and drought contingencies that your organization has implemented.
- L. Describe your organization's water quality programs. How are these programs funded? Who are the beneficiaries of these water quality programs? how are they related to the TNRCC efforts to protect water resources of the State?

IX. Statutory Authority

Please provide the statutory site that authorized your organization, as well as a list of all statutory additions and/or changes that have occurred since the inception of your organization.

X. Comments

Please provide any additional information needed to gain a preliminary

understanding of the organization, including identifying any unique aspects of the body of water you have jurisdiction over that makes your organization different from other organizations.

XI. Attachment

Attached is a table denoting Powers and Duties. Please review and comment for changes desired or applicability to your district.

APPENDIX E

ORGANIZATIONS THAT RECEIVED THE SENATE NATURAL RESOURCES COMMITTEE'S RIVER AUTHORITY QUESTIONNAIRE

**Angelina & Neches River Authority
Thomas D. Burr, General Manager
Lufkin, Texas**

**Brazos River Authority
Gary Gwin, General Manager
Sanford, Texas**

**Canadian River Municipal Water Authority
John Williams, General Manager
Sanford, Texas**

**Colorado River Municipal Water District
John W. Grant, General Manager
Big Spring, Texas**

**Guadalupe-Blanco River Authority
W.E. West, Jr.
Seguin, Texas**

**Lavaca Navidad River Authority
Jack Nelson, General Manager
Edna, Texas**

**Lower Colorado River Authority
Mark Rose, General Manager
Austin, Texas**

Lower Neches Valley Authority
A.T. Hebert, Jr., General Manager
Beaumont, Texas

North Texas Municipal Water District
Johnnie Marshall, President
Wylie, Texas

Northeast Texas Municipal Water District
W.T. Ballard, General Manager
Hughes Springs, Texas

Nueces River Authority
Con Mims, Executive Director
Uvalde, Texas

Red River Authority
Ronald J. Glenn, General Manager
Wichita Falls, Texas

Sabine River Authority
Jerry Clark, General Manager
Orange, Texas

San Antonio River Authority
Greg Rothe, General Manager
San Antonio, Texas

San Jacinto River Authority
James R. Adams, P.E.
Conroe, Texas

Tarrant Regional Water District

James M. Oliver, General Manager
Ft. Worth, Texas

Titus County Fresh Water Supply District No. 1
Tommy Spruill, General Manager
Mt. Pleasant, Texas

Trinity River Authority
Danny F. Vance, General Manager
Arlington, Texas

Upper Neches River Municipal Water Authority
Tommy G. Mallory, General Manager
Palestine, Texas

West Central Texas Municipal Water District
David E. Bell, General Manager
Abilene, Texas

Bexar-Medina-Atascosa Cos. WCID No. 1
Kirk K. Decker, General Manager
Natalia, Texas

Bexar Metropolitan Water District
Thomas C. Moreno, Manager
San Antonio, Texas

Bistone MWSD
R. Brent Locke, General Manager
Mexia, Texas

Cameron Co. WID No. 10
John J. Walsdorf

Los Fresnos, Texas

**Dallas County Utility & Reclamation District
Stanford W. Lynch, General Manager
Irving, Texas**

**Franklin County Water District
E.C. Withers, General Manager
Mt. Vernon, Texas**

**Gulf Coast Water Authority
G.L. Myers, General Manager
Texas City, Texas**

**Lubbock County WCID No. 1
Lee Kane, Manager
Lubbock, Texas**

**Mackenzie Municipal Water Authority
Gail Wyatt
Silverton, Texas**

**North Central Texas Municipal Water Authority
Dolan Moore, General Manager
Munday, Texas**

**Palo Duro River Authority
James Derington, General Manager
Spearman, Texas**

**Palo Pinto County Municipal Water District No. 1
E.W. Hendrick
Mineral Wells, Texas**

Sulphur River Municipal Water District

Foy Burns, CPA

Cooper, Texas

Upper Colorado River Authority

C. Skeete Foster

San Angelo, Texas

White River Municipal Water District

Wayne Edinburgh

Spur, Texas

Sulphur Springs Water District

Max Latham, Chairman

Sulphur Springs, Texas