



**THE ATTORNEY GENERAL  
OF TEXAS**

**AUSTIN, TEXAS 78711**

**CRAWFORD C. MARTIN  
ATTORNEY GENERAL**

November 5, 1970

Honorable Hugh C. Yantis, Jr.  
Executive Director  
Texas Water Quality Board  
1108 Lavaca Street  
Austin, Texas 78701

Opinion No. M-723

Re: Contract Between  
Texas Water  
Quality Board and  
Gulf Coast Waste  
Disposal Authority

Dear Mr. Yantis:

You have recently asked an opinion of this office concerning payment of appropriations authorized by the Legislature under Acts of the 61st Legislature, Second Called Session, 1969, chapter 50, page 861. Your specific request rephrased is:

Whether the Texas Water Quality Board may make a lump sum payment now to the Gulf Coast Waste Disposal Authority of the remaining portion of the \$100,000.00 appropriated to the Board for the 1971 fiscal year.

The Gulf Coast Waste Disposal Authority was created for the purpose of "...developing and effectuating for Chambers, Galveston and Harris Counties a regional water quality management program including provision of waste disposal systems and regulation of disposal of wastes." (Acts 61st Leg., 1969, ch. 409, p. 1336, codified by Vernon as Art. 7621d-2, V.C.S., Sec. 1.01). The Authority was created "...pursuant to Article XVI, Section 59, of the Texas Constitution, ...which shall be a governmental agency and body politic and corporate of the State of Texas..." Art. 7621d-2, Sec. 2.01, V.C.S. In a review of the entire act, the Authority appears to have general independent powers subject to supervision by the Water Quality Board in the instances therein stated.

Section 3.24, of the Act (Art. 7621d-2, V.C.S.) reads as follows:

"The authority may enter into cooperative agreements with other local governments, state agencies, or agencies of the United States of America

- (1) to perform water quality and waste disposal management inspection, and enforcement functions and give technical aid and education services to any entity that is a party to the agreement; and
- (2) to transfer money or property to any entity that is a party to the cooperative agreement for the purpose of water quality and waste disposal management, inspection, enforcement, and technical aid and education." (Emphasis added)

This above authorization is likewise granted to the Water Quality Board in the same language (Art. 762ld-1, Sec. 5.05, V.C.S.). We note that there are no restrictions in either Act to limit the amount of money or property or the manner in which it may be transferred in the fulfillment of contracts.

The general appropriations bill for the 1970-1971 biennium makes the following appropriation to the Texas Water Quality Board (Art. III, p. 161, item 19):

"19. Contracting with the Gulf Coast Waste Disposal Authority to carry out a water quality management and waste disposal control program within the area of the Authority, as authorized under the Gulf Coast Waste Disposal Authority Act	
For the Years Ending	
August 31, 1970	August 31, 1971
100,000	100,000"

We note that there are no restrictions imposed to limit the manner or amount in which the appropriations are to be paid. Acts 61st Leg., 2nd C.S., 1969, ch. 50 p. 861. Our opinion is that the contract between the Texas Water Quality Board and the Gulf Coast Waste Disposal Authority

was authorized by the Legislature under the laws stated above.

We consider now the provisions of the contract itself. The purpose is stated substantially as stated in the enabling act, "to carry out a water quality management and waste control program..." by the Authority as set out in paragraphs I and II of the contract. In paragraphs IB and IC it is stated:

"B. The Board covenants and agrees to pay and transfer to the Authority the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00), effective upon the execution of this agreement, and further covenants and agrees to pay and transfer to the Authority the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) as soon as possible after September 1, 1970 for the purpose of carrying out this program." (Emphasis added)

The optional features of the contract provide:

"C. If the transfers as described in Subparagraph B, above, cannot be accomplished for any reason, then the Board agrees and covenants to pay the Authority for the expenses incurred in carrying out this program, determined in accordance with standard engineering and accounting procedures, including without limitation operating and overhead expenses. These payments shall not exceed \$100,000.00 for the expenses incurred during the State fiscal year ending August 31, 1970, and \$100,000.00 for the expenses incurred during the State fiscal year ending August 31, 1971. Payments will be made to the Authority as the expenses are incurred on the basis of vouchers submitted periodically to the Board by the Authority

and approved by the Executive Director of the Board or his designated representative."

The other terms of the contract are in accordance with the provisions of Article 7621d-2 and with the purposes of the Water Quality Board as set forth in Article 7621d-1.

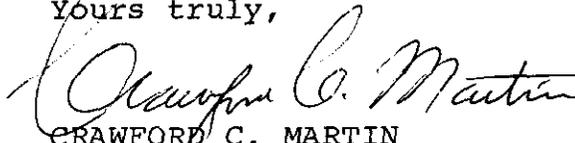
Other terms in the statutes creating the Authority provide for maintaining bank accounts, authorizing bonds, taxes, loans, accepting grants, and charging fees, and requiring the state auditor to audit annually the Authority's books and accounts in a manner enabling him to report to the Legislature.

In view of the foregoing, it is our opinion that the Texas Water Quality Board may make a lump sum payment now to the Gulf Coast Waste Disposal Authority of the remaining portion of the \$100,000.00 appropriated to the Board for the fiscal year ending August 31, 1971.

S U M M A R Y

The Texas Water Quality Board is authorized to make a lump sum payment now to the Gulf Coast Waste Disposal Authority of the remaining portion of the \$100,000.00 appropriated to the Board for the fiscal year ending August 31, 1971.

Yours truly,

  
CRAWFORD C. MARTIN  
Attorney General of Texas

Prepared by Roland Allen  
Assistant Attorney General

APPROVED:  
OPINION COMMITTEE

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