

1-1 AN ACT
1-2 relating to the ratification, creation, administration, powers,
1-3 duties, operation, and financing of groundwater conservation
1-4 districts in and coordinated management of groundwater resources
1-5 for the central Carrizo-Wilcox area.

1-6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-7 ARTICLE 1. GENERAL PROVISIONS

1-8 SECTION 1.01. TITLE. This Act may be referred to as the
1-9 Central Carrizo-Wilcox Groundwater Management Act.

1-10 SECTION 1.02. PURPOSE. The purpose of this Act is:

1-11 (1) to ratify and create locally controlled
1-12 groundwater districts in order to protect and recharge groundwater
1-13 and to prevent pollution or waste of groundwater in the central
1-14 Carrizo-Wilcox area, to control subsidence caused by withdrawal of
1-15 water from the groundwater reservoirs in that area, and to regulate
1-16 the transport of water out of the boundaries of the districts;

1-17 (2) to create the Central Carrizo-Wilcox Coordinating
1-18 Council to provide for the regional management of groundwater while
1-19 preserving local control, to protect and recharge groundwater, to
1-20 prevent pollution or waste of groundwater, and to control
1-21 subsidence caused by withdrawal of water from the groundwater
1-22 reservoirs; and

1-23 (3) to allow the groundwater conservation districts to
1-24 coordinate activities through the Central Carrizo-Wilcox
2-1 Coordinating Council to the extent authorized by this Act and
2-2 considered to be in the public interest.

2-3 ARTICLE 2. BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT

2-4 SECTION 2.01. RATIFICATION OF CREATION. The creation by
2-5 Chapter 1331, Acts of the 76th Legislature, Regular Session, 1999
2-6 (Senate Bill No. 1911), of the Brazos Valley Groundwater
2-7 Conservation District in Robertson and Brazos counties is ratified
2-8 as required by Section 15(a) of that Act, subject to approval at a
2-9 confirmation election under Section 2.13 of this article.

2-10 SECTION 2.02. DEFINITION. In this article, "district" means
2-11 the Brazos Valley Groundwater Conservation District.

2-12 SECTION 2.03. BOUNDARIES. The boundaries of the district are
2-13 coextensive with the boundaries of Robertson and Brazos counties,
2-14 Texas.

2-15 SECTION 2.04. GENERAL POWERS. (a) Except as otherwise
2-16 provided by this article, the district has all of the rights,
2-17 powers, privileges, authority, functions, and duties provided by
2-18 the general law of this state, including Chapter 36, Water Code,
2-19 applicable to groundwater conservation districts created under
2-20 Section 59, Article XVI, Texas Constitution. This article prevails
2-21 over any provision of general law that is in conflict or

2-22 inconsistent with this article, including any provision of Chapter
2-23 36, Water Code, or Chapter 1331, Acts of the 76th Legislature,
2-24 Regular Session, 1999 (Senate Bill No. 1911).

2-25 (b) The district does not have the authority granted by the
2-26 following provisions of Chapter 36, Water Code:

2-27 (1) Section 36.105, relating to eminent domain; and

3-1 (2) Sections 36.020 and 36.201-36.204, relating to
3-2 taxes.

3-3 SECTION 2.05. BONDS. The district may issue bonds and notes
3-4 under Sections 36.171-36.181, Water Code, not to exceed \$500,000 of
3-5 total indebtedness at any time.

3-6 SECTION 2.06. FEES. (a) The board of directors of the
3-7 district by rule may impose reasonable fees on each well for which
3-8 a permit is issued by the district and which is not exempt from
3-9 regulation by the district. A fee may be based on the size of
3-10 column pipe used by the well or on the actual, authorized, or
3-11 anticipated amount of water to be withdrawn from the well.

3-12 (b) The initial fee shall be based on the amount of water to
3-13 be withdrawn from the well. The initial fee:

3-14 (1) may not exceed:

3-15 (A) \$0.25 per acre-foot for water used for
3-16 irrigating agricultural crops or operating existing steam electric
3-17 stations; or

3-18 (B) \$0.0425 per thousand gallons for water used
3-19 for any other purpose; and

3-20 (2) may be increased at a cumulative rate not to
3-21 exceed three percent per year.

3-22 (c) In addition to the fee authorized under Subsection (b)
3-23 of this section, the district may impose a reasonable fee or
3-24 surcharge for an export fee using one of the following methods:

3-25 (1) a fee negotiated between the district and the
3-26 transporter; or

3-27 (2) a combined production and export fee not to exceed
4-1 17 cents per thousand gallons of water used.

4-2 (d) Fees authorized by this section may be assessed annually
4-3 and may be used to fund the cost of operations of the district or
4-4 the Central Carrizo-Wilcox Coordinating Council.

4-5 SECTION 2.07. GROUNDWATER WELLS UNDER JURISDICTION OF
4-6 RAILROAD COMMISSION. (a) A groundwater well drilled or operated
4-7 within the district under a permit issued by the Railroad
4-8 Commission of Texas is under the exclusive jurisdiction of the
4-9 railroad commission and is exempt from regulation by the district.

4-10 (b) Groundwater produced in an amount authorized by a
4-11 railroad commission permit may be used within or exported from the
4-12 district without a permit from the district.

4-13 (c) To the extent groundwater is produced in excess of
4-14 railroad commission authorization, the holder of the railroad
4-15 commission permit must apply to the district for the appropriate

4-16 permit for the excess production and is subject to the applicable
4-17 regulatory fees.

4-18 (d) Groundwater produced from a well under the jurisdiction
4-19 of the railroad commission is generally exempt from water district
4-20 fees. However, the district may impose either a pumping fee or an
4-21 export fee on groundwater produced from an otherwise exempt mine
4-22 well that is used for municipal purposes or by a public utility.
4-23 Any fee imposed by the district under this subsection may not
4-24 exceed the fee imposed on other groundwater producers in the
4-25 district.

4-26 SECTION 2.08. REGIONAL COORDINATION. (a) To provide for
4-27 regional continuity, the district shall participate in a regular
5-1 annual coordination meeting with any groundwater districts that are
5-2 created and/or existing in Bastrop, Lee, Robertson, Brazos, Milam,
5-3 Burleson, Leon, Madison, and/or Freestone counties, and may hold
5-4 coordination meetings at other times as needed.

5-5 (b) Prior to the first annual regional coordination meeting
5-6 held under Subsection (a), the district's board of directors shall
5-7 vote whether to create and be a member of the Central
5-8 Carrizo-Wilcox Coordinating Council under Article 5 of this Act.

5-9 (c) At the first annual regional coordination meeting held
5-10 under Subsection (a), if all of the groundwater districts created
5-11 and/or existing in Bastrop, Lee, Robertson, Brazos, Milam,
5-12 Burleson, Leon, Madison, and/or Freestone counties unanimously vote
5-13 to create and be members of the Central Carrizo-Wilcox Coordinating
5-14 Council, then the district shall be a member of the Central
5-15 Carrizo-Wilcox Coordinating Council under Article 5.

5-16 (d) If the Central Carrizo-Wilcox Coordinating Council is
5-17 not created at the first annual regional coordination meeting held
5-18 under Subsection (a), then the district shall follow the joint
5-19 planning in management area requirements under Chapter 36, Water
5-20 Code.

5-21 SECTION 2.09. MANAGEMENT PLAN. (a) The district shall
5-22 develop or contract to develop its own management plan under
5-23 Section 36.1071, Water Code.

5-24 (b) The district shall submit its management plan under
5-25 Subsection (a) to the Central Carrizo-Wilcox Coordinating Council
5-26 to be included in the management plan developed by the Central
5-27 Carrizo-Wilcox Coordinating Council under Section 5.06 of this Act,
6-1 if the Central Carrizo-Wilcox Coordinating Council is created at
6-2 the first annual regional coordination meeting.

6-3 SECTION 2.10. BOARD OF DIRECTORS. (a) The district is
6-4 governed by a board of eight directors.

6-5 (b) Initial directors serve until permanent directors are
6-6 appointed under Section 2.11 of this article and qualified as
6-7 required by Subsection (d) of this section.

6-8 (c) Permanent directors serve four-year staggered terms.

6-9 (d) Each director must qualify to serve as a director in the

6-10 manner provided by Section 36.055, Water Code.

6-11 (e) A director serves until the director's successor has
6-12 qualified.

6-13 (f) A director may serve consecutive terms.

6-14 (g) If there is a vacancy on the board, the governing body
6-15 of the entity that appointed the director who vacated the office
6-16 shall appoint a director to serve the remainder of the term.

6-17 (h) Directors are not entitled to receive compensation for
6-18 serving as a director but may be reimbursed for actual, reasonable
6-19 expenses incurred in the discharge of official duties.

6-20 (i) A majority vote of a quorum is required for board
6-21 action. If there is a tie vote, the proposed action fails.

6-22 SECTION 2.11. APPOINTMENT OF DIRECTORS. (a) The Robertson
6-23 County Commissioners Court shall appoint four directors, of whom:

6-24 (1) one must represent municipal interests in the
6-25 county;

6-26 (2) one must be a bona fide agricultural producer who
6-27 derives a substantial portion of his or her income from agriculture
7-1 in the county;

7-2 (3) one must be a director or employee of a rural
7-3 water supply corporation in the county; and

7-4 (4) one must represent active industrial interests in
7-5 the county.

7-6 (b) The Brazos County Commissioners Court shall appoint two
7-7 directors, of whom:

7-8 (1) one must be a director or employee of a rural
7-9 water supply corporation in the county; and

7-10 (2) one must be a bona fide agricultural producer who
7-11 derives a substantial portion of his or her income from agriculture
7-12 in the county.

7-13 (c) The governing body of the City of Bryan, with the
7-14 approval of the Brazos County Commissioners Court, shall appoint
7-15 one director.

7-16 (d) The governing body of the City of College Station, with
7-17 the approval of the Brazos County Commissioners Court, shall
7-18 appoint one director.

7-19 (e) Each of the governing bodies authorized by this section
7-20 to make an appointment shall appoint the appropriate number of
7-21 initial directors as soon as practicable following the effective
7-22 date of this Act, but not later than the 45th day after the
7-23 effective date of this Act.

7-24 (f) The four initial directors from Robertson County shall
7-25 draw lots to determine their terms. Two initial directors from
7-26 Robertson County and the two initial directors from Brazos County
7-27 serve terms that expire on January 1 of the second year following
8-1 the confirmation of the district at an election held under Section
8-2 2.13 of this article. The remaining four initial directors serve
8-3 terms that expire on January 1 of the fourth year following the

8-4 confirmation of the district. On January 1 of the second year
8-5 following confirmation of the district and every two years after
8-6 that date, the appropriate governing body shall appoint the
8-7 appropriate number of permanent directors.

8-8 SECTION 2.12. ORGANIZATIONAL MEETING. As soon as practicable
8-9 after all the initial directors have been appointed and have
8-10 qualified as provided in this article, a majority of the directors
8-11 shall convene the organizational meeting of the district at a
8-12 location within the district agreeable to a majority of the
8-13 directors. If no location can be agreed on, the organizational
8-14 meeting of the directors shall be at the Robertson County
8-15 Courthouse.

8-16 SECTION 2.13. CONFIRMATION ELECTION. (a) The initial board
8-17 of directors shall call and hold an election on the same date in
8-18 each county within the district to confirm the creation of the
8-19 district.

8-20 (b) Except as provided by this section, a confirmation
8-21 election must be conducted as provided by Sections 36.017, 36.018,
8-22 and 36.019, Water Code, and Section 41.001, Election Code.

8-23 (c) If the majority of qualified voters in a county who vote
8-24 in the election vote to confirm the creation of the district, that
8-25 county is included in the district. If the majority of qualified
8-26 voters in a county who vote in the election vote not to confirm the
8-27 creation of the district, that county is excluded from the
9-1 district.

9-2 (d) The district is dissolved and this article expires on
9-3 August 31, 2003, unless the voters confirm the creation of the
9-4 district before that date.

9-5 ARTICLE 3. POST OAK SAVANNAH GROUNDWATER CONSERVATION DISTRICT

9-6 SECTION 3.01. CREATION. (a) A groundwater conservation
9-7 district, to be known as the Post Oak Savannah Groundwater
9-8 Conservation District, is created in Milam and Burleson counties,
9-9 subject to approval at a confirmation election under Section 3.13
9-10 of this article. The district is a governmental agency and a body
9-11 politic and corporate.

9-12 (b) The district is created under and is essential to
9-13 accomplish the purposes of Section 59, Article XVI, Texas
9-14 Constitution.

9-15 SECTION 3.02. DEFINITION. In this article, "district" means
9-16 the Post Oak Savannah Groundwater Conservation District.

9-17 SECTION 3.03. BOUNDARIES. The boundaries of the district are
9-18 coextensive with the boundaries of Milam and Burleson counties.

9-19 SECTION 3.04. FINDING OF BENEFIT. All of the land and other
9-20 property included within the boundaries of the district will be
9-21 benefitted by the works and projects that are to be accomplished by
9-22 the district under powers conferred by Section 59, Article XVI,
9-23 Texas Constitution. The district is created to serve a public use
9-24 and benefit.

9-25 SECTION 3.05. GENERAL POWERS. (a) Except as otherwise
9-26 provided by this article, the district has all of the rights,
9-27 powers, privileges, authority, functions, and duties provided by
10-1 the general law of this state, including Chapter 36, Water Code,
10-2 applicable to groundwater conservation districts created under
10-3 Section 59, Article XVI, Texas Constitution. This article prevails
10-4 over any provision of general law that is in conflict or
10-5 inconsistent with this article, including any provision of Chapter
10-6 36, Water Code.

10-7 (b) The district does not have the authority granted by the
10-8 following provisions of Chapter 36, Water Code:

- 10-9 (1) Section 36.105, relating to eminent domain; and
10-10 (2) Sections 36.020 and 36.201-36.204, relating to
10-11 taxes.

10-12 SECTION 3.06. FEES. (a) The board of directors of the
10-13 district by rule may impose reasonable fees on each well for which
10-14 a permit is issued by the district and which is not exempt from
10-15 regulation by the district. A fee may be based on the size of
10-16 column pipe used by the well or on the actual, authorized, or
10-17 anticipated amount of water to be withdrawn from the well.

10-18 (b) Fees may not exceed:

- 10-19 (1) \$0.25 per acre-foot for water used for irrigating
10-20 agricultural crops; or
10-21 (2) 17 cents per thousand gallons for water used for
10-22 any other purpose.

10-23 (c) In addition to the fee authorized under Subsection (b)
10-24 of this section, the district may impose a reasonable fee or
10-25 surcharge for an export fee using one of the following methods:

- 10-26 (1) a fee negotiated between the district and the
10-27 transporter; or
11-1 (2) a combined production and export fee not to exceed
11-2 17 cents per thousand gallons of water used.

11-3 (d) Fees authorized by this section may be assessed annually
11-4 and may be used to fund the cost of operations of the district or
11-5 the Central Carrizo-Wilcox Coordinating Council.

11-6 SECTION 3.07. GROUNDWATER WELLS UNDER JURISDICTION OF
11-7 RAILROAD COMMISSION. (a) A groundwater well drilled or operated
11-8 within the district under a permit issued by the Railroad
11-9 Commission of Texas is under the exclusive jurisdiction of the
11-10 railroad commission and is exempt from regulation by the district.

11-11 (b) Groundwater produced in an amount authorized by a
11-12 railroad commission permit may be used within or exported from the
11-13 district without a permit from the district.

11-14 (c) To the extent groundwater is produced in excess of
11-15 railroad commission authorization, the holder of the railroad
11-16 commission permit must apply to the district for the appropriate
11-17 permit for the excess production and is subject to the applicable
11-18 regulatory fees.

11-19 (d) Groundwater produced from a well under the jurisdiction
11-20 of the railroad commission is generally exempt from water district
11-21 fees. However, the district may impose either a pumping fee or an
11-22 export fee on groundwater produced from an otherwise exempt mine
11-23 well that is used for municipal purposes or by a public utility.
11-24 Any fee imposed by the district under this subsection may not
11-25 exceed the fee imposed on other groundwater producers in the
11-26 district.

11-27 SECTION 3.08. REGIONAL COORDINATION. (a) To provide for
12-1 regional continuity, the district shall participate in a regular
12-2 annual coordination meeting with any groundwater districts that are
12-3 created and/or existing in Bastrop, Lee, Robertson, Brazos, Milam,
12-4 Burleson, Leon, Madison, and/or Freestone counties, and may hold
12-5 coordination meetings at other times as needed.

12-6 (b) Prior to the first annual regional coordination meeting
12-7 held under Subsection (a), the district's board of directors shall
12-8 vote whether to create and be a member of the Central
12-9 Carrizo-Wilcox Coordinating Council under Article 5 of this Act.

12-10 (c) At the first annual regional coordination meeting held
12-11 under Subsection (a), if all of the groundwater districts created
12-12 and/or existing in Bastrop, Lee, Robertson, Brazos, Milam,
12-13 Burleson, Leon, Madison, and/or Freestone counties unanimously vote
12-14 to create and be members of the Central Carrizo-Wilcox Coordinating
12-15 Council, then the district shall be a member of the Central
12-16 Carrizo-Wilcox Coordinating Council under Article 5.

12-17 (d) If the Central Carrizo-Wilcox Coordinating Council is
12-18 not created at the first annual regional coordination meeting held
12-19 under Subsection (a), then the district shall follow the joint
12-20 planning in management area requirements under Chapter 36, Water
12-21 Code.

12-22 SECTION 3.09. MANAGEMENT PLAN. (a) The district shall
12-23 develop or contract to develop its own management plan under
12-24 Section 36.1071, Water Code.

12-25 (b) The district shall submit its management plan under
12-26 Subsection (a) to the Central Carrizo-Wilcox Coordinating Council
12-27 to be included in the management plan developed by the Central
13-1 Carrizo-Wilcox Coordinating Council under Section 5.06 of this Act,
13-2 if the Central Carrizo-Wilcox Coordinating Council is created at
13-3 the first annual regional coordination meeting.

13-4 SECTION 3.10. BOARD OF DIRECTORS. (a) The district is
13-5 governed by a board of 10 directors.

13-6 (b) Initial directors serve until permanent directors are
13-7 appointed under Section 3.11 of this article and qualified as
13-8 required by Subsection (d) of this section.

13-9 (c) Permanent directors serve four-year staggered terms.

13-10 (d) Each director must qualify to serve as a director in the
13-11 manner provided by Section 36.055, Water Code.

13-12 (e) A director serves until the director's successor has

13-13 qualified.

13-14 (f) A director may serve consecutive terms.

13-15 (g) If there is a vacancy on the board, the governing body
13-16 of the entity that appointed the director who vacated the office
13-17 shall appoint a director to serve the remainder of the term.

13-18 (h) Directors are not entitled to receive compensation for
13-19 serving as a director but may be reimbursed for actual, reasonable
13-20 expenses incurred in the discharge of official duties.

13-21 (i) A quorum exists when at least two-thirds of the board
13-22 members are present. A majority vote of a quorum is required for
13-23 board action. If there is a tie vote, the proposed action fails.

13-24 SECTION 3.11. APPOINTMENT OF DIRECTORS. (a) The Milam
13-25 County Commissioners Court shall appoint five directors, of whom:

13-26 (1) one must represent municipal interests in the
13-27 county;

14-1 (2) one must be a bona fide agricultural producer who
14-2 derives a substantial portion of his or her income from agriculture
14-3 in the county;

14-4 (3) one must be a director or employee of a rural
14-5 water supply corporation in the county;

14-6 (4) one must represent active industrial interests in
14-7 the county; and

14-8 (5) one must represent the interests of the county at
14-9 large.

14-10 (b) The Burleson County Commissioners Court shall appoint
14-11 five directors, of whom:

14-12 (1) one must represent municipal interests in the
14-13 county;

14-14 (2) one must be a bona fide agricultural producer who
14-15 derives a substantial portion of his or her income from agriculture
14-16 in the county;

14-17 (3) one must be a director or employee of a rural
14-18 water supply corporation in the county;

14-19 (4) one must represent active industrial interests in
14-20 the county; and

14-21 (5) one must represent the interests of the county at
14-22 large.

14-23 (c) Each of the governing bodies authorized by this section
14-24 to make an appointment shall appoint the appropriate number of
14-25 initial directors as soon as practicable following the effective
14-26 date of this Act, but not later than the 45th day after the
14-27 effective date of this Act.

15-1 (d) The initial directors shall draw lots to determine their
15-2 terms. Two initial directors from Milam County and two initial
15-3 directors from Burleson County serve terms that expire on January 1
15-4 of the second year following the confirmation of the district at an
15-5 election held under Section 3.13 of this article. The remaining
15-6 six initial directors serve terms that expire on January 1 of the

15-7 fourth year following the confirmation of the district. On January
15-8 1 of the second year following confirmation of the district and
15-9 every two years after that date, the appropriate commissioners
15-10 court shall appoint the appropriate number of permanent directors.

15-11 SECTION 3.12. ORGANIZATIONAL MEETING. As soon as practicable
15-12 after all the initial directors have been appointed and have
15-13 qualified as provided in this article, a majority of the directors
15-14 shall convene the organizational meeting of the district at a
15-15 location within the district agreeable to a majority of the
15-16 directors. If no location can be agreed on, the organizational
15-17 meeting of the directors shall be at the Milam County Courthouse.

15-18 SECTION 3.13. CONFIRMATION ELECTION. (a) The initial board
15-19 of directors shall call and hold an election on the same date in
15-20 each county within the district to confirm the creation of the
15-21 district.

15-22 (b) Except as provided by this section, a confirmation
15-23 election must be conducted as provided by Sections 36.017, 36.018,
15-24 and 36.019, Water Code, and Section 41.001, Election Code.

15-25 (c) If the majority of qualified voters in a county who vote
15-26 in the election vote to confirm the creation of the district, that
15-27 county is included in the district. If the majority of qualified
16-1 voters in a county who vote in the election vote not to confirm the
16-2 creation of the district, that county is excluded from the
16-3 district.

16-4 (d) The district is dissolved and this article expires on
16-5 August 31, 2003, unless the voters confirm the creation of the
16-6 district before that date.

16-7 ARTICLE 4. MID-EAST TEXAS GROUNDWATER CONSERVATION DISTRICT

16-8 SECTION 4.01. CREATION. (a) A groundwater conservation
16-9 district, to be known as the Mid-East Texas Groundwater
16-10 Conservation District, is created in Leon, Madison, and Freestone
16-11 counties, subject to approval at a confirmation election under
16-12 Section 4.13 of this article. The district is a governmental
16-13 agency and a body politic and corporate.

16-14 (b) The district is created under and is essential to
16-15 accomplish the purposes of Section 59, Article XVI, Texas
16-16 Constitution.

16-17 SECTION 4.02. DEFINITION. In this article, "district" means
16-18 the Mid-East Texas Groundwater Conservation District.

16-19 SECTION 4.03. BOUNDARIES. The boundaries of the district are
16-20 coextensive with the boundaries of Leon, Madison, and Freestone
16-21 counties.

16-22 SECTION 4.04. FINDING OF BENEFIT. All of the land and other
16-23 property included within the boundaries of the district will be
16-24 benefitted by the works and projects that are to be accomplished by
16-25 the district under powers conferred by Section 59, Article XVI,
16-26 Texas Constitution. The district is created to serve a public use
16-27 and benefit.

17-1 SECTION 4.05. GENERAL POWERS. (a) Except as otherwise
17-2 provided by this article, the district has all of the rights,
17-3 powers, privileges, authority, functions, and duties provided by
17-4 the general law of this state, including Chapter 36, Water Code,
17-5 applicable to groundwater conservation districts created under
17-6 Section 59, Article XVI, Texas Constitution. This article prevails
17-7 over any provision of general law that is in conflict or
17-8 inconsistent with this article, including any provision of Chapter
17-9 36, Water Code.

17-10 (b) The district does not have the authority granted by the
17-11 following provisions of Chapter 36, Water Code:

17-12 (1) Section 36.105, relating to eminent domain; and

17-13 (2) Sections 36.020 and 36.201-36.204, relating to
17-14 taxes.

17-15 SECTION 4.06. FEES. (a) The board of directors of the
17-16 district by rule may impose reasonable fees on each well for which
17-17 a permit is issued by the district and which is not exempt from
17-18 regulation by the district. A fee may be based on the size of
17-19 column pipe used by the well or on the actual, authorized, or
17-20 anticipated amount of water to be withdrawn from the well.

17-21 (b) Fees may not exceed:

17-22 (1) \$0.25 dollar per acre-foot for water used for
17-23 irrigating agricultural crops; or

17-24 (2) 17 cents per thousand gallons for water used for
17-25 any other purpose.

17-26 (c) In addition to the fee authorized under Subsection (b)
17-27 of this section, the district may impose a reasonable fee or
18-1 surcharge for an export fee using one of the following methods:

18-2 (1) a fee negotiated between the district and the
18-3 transporter; or

18-4 (2) a combined production and export fee not to exceed
18-5 17 cents per thousand gallons of water used.

18-6 (d) Fees authorized by this section may be assessed annually
18-7 and may be used to fund the cost of operations of the district or
18-8 the Central Carrizo-Wilcox Coordinating Council.

18-9 SECTION 4.07. GROUNDWATER WELLS UNDER JURISDICTION OF
18-10 RAILROAD COMMISSION. (a) A groundwater well drilled or operated
18-11 within the district under a permit issued by the Railroad
18-12 Commission of Texas is under the exclusive jurisdiction of the
18-13 railroad commission and is exempt from regulation by the district.

18-14 (b) Groundwater produced in an amount authorized by a
18-15 railroad commission permit may be used within or exported from the
18-16 district without a permit from the district.

18-17 (c) To the extent groundwater is produced in excess of
18-18 railroad commission authorization, the holder of the railroad
18-19 commission permit must apply to the district for the appropriate
18-20 permit for the excess production and is subject to the applicable
18-21 regulatory fees.

18-22 (d) Groundwater produced from a well under the jurisdiction
18-23 of the railroad commission is generally exempt from water district
18-24 fees. However, the district may impose either a pumping fee or an
18-25 export fee on groundwater produced from an otherwise exempt mine
18-26 well that is used for municipal purposes or by a public utility.
18-27 Any fee imposed by the district under this subsection may not
19-1 exceed the fee imposed on other groundwater producers in the
19-2 district.

19-3 SECTION 4.08. REGIONAL COORDINATION. (a) To provide for
19-4 regional continuity, the district shall participate in a regular
19-5 annual coordination meeting with any groundwater districts that are
19-6 created and/or existing in Bastrop, Lee, Robertson, Brazos, Milam,
19-7 Burleson, Leon, Madison, and/or Freestone counties, and may hold
19-8 coordination meetings at other times as needed.

19-9 (b) Prior to the first annual regional coordination meeting
19-10 held under Subsection (a), the district's board of directors shall
19-11 vote whether to create and be a member of the Central
19-12 Carrizo-Wilcox Coordinating Council under Article 5 of this Act.

19-13 (c) At the first annual regional coordination meeting held
19-14 under Subsection (a), if all of the groundwater districts created
19-15 and/or existing in Bastrop, Lee, Robertson, Brazos, Milam,
19-16 Burleson, Leon, Madison, and/or Freestone counties unanimously vote
19-17 to create and be members of the Central Carrizo-Wilcox Coordinating
19-18 Council, then the district shall be a member of the Central
19-19 Carrizo-Wilcox Coordinating Council under Article 5.

19-20 (d) If the Central Carrizo-Wilcox Coordinating Council is
19-21 not created at the first annual regional coordination meeting held
19-22 under Subsection (a), then the district shall follow the joint
19-23 planning in management area requirements under Chapter 36, Water
19-24 Code.

19-25 SECTION 4.09. MANAGEMENT PLAN. (a) The district shall
19-26 develop or contract to develop its own management plan under
19-27 Section 36.1071, Water Code.

20-1 (b) The district shall submit its management plan under
20-2 Subsection (a) to the Central Carrizo-Wilcox Coordinating Council
20-3 to be included in the management plan developed by the Central
20-4 Carrizo-Wilcox Coordinating Council under Section 5.06 of this Act,
20-5 if the Central Carrizo-Wilcox Coordinating Council is created at
20-6 the first annual regional coordination meeting.

20-7 SECTION 4.10. BOARD OF DIRECTORS. (a) The district is
20-8 governed by a board of nine directors.

20-9 (b) Initial directors serve until permanent directors are
20-10 appointed under Section 4.11 of this article and qualified as
20-11 required by Subsection (d) of this section.

20-12 (c) Permanent directors serve four-year staggered terms.

20-13 (d) Each director must qualify to serve as a director in the
20-14 manner provided by Section 36.055, Water Code.

20-15 (e) A director serves until the director's successor has

20-16 qualified.

20-17 (f) A director may serve consecutive terms.

20-18 (g) If there is a vacancy on the board, the governing body
20-19 of the entity that appointed the director who vacated the office
20-20 shall appoint a director to serve the remainder of the term.

20-21 (h) Directors are not entitled to receive compensation for
20-22 serving as a director but may be reimbursed for actual, reasonable
20-23 expenses incurred in the discharge of official duties.

20-24 (i) A majority vote of a quorum is required for board
20-25 action. If there is a tie vote, the proposed action fails.

20-26 SECTION 4.11. APPOINTMENT OF DIRECTORS. (a) The Leon County
20-27 Commissioners Court shall appoint three directors, of whom:

21-1 (1) one must represent the interests of municipalities
21-2 in the county, or must be a director or employee of a rural water
21-3 supply corporation in the county, or both;

21-4 (2) one must be a bona fide agricultural producer who
21-5 derives a substantial portion of his or her income from agriculture
21-6 in the county; and

21-7 (3) one must represent active industrial interests in
21-8 the county.

21-9 (b) The Madison County Commissioners Court shall appoint
21-10 three directors, of whom:

21-11 (1) one must represent the interests of municipalities
21-12 in the county, or must be a director or employee of a rural water
21-13 supply corporation in the county, or both;

21-14 (2) one must be a bona fide agricultural producer who
21-15 derives a substantial portion of his or her income from agriculture
21-16 in the county; and

21-17 (3) one must represent active industrial interests in
21-18 the county.

21-19 (c) The Freestone County Commissioners Court shall appoint
21-20 three directors, of whom:

21-21 (1) one must represent the interests of municipalities
21-22 in the county, or must be a director or employee of a rural water
21-23 supply corporation in the county, or both;

21-24 (2) one must be a bona fide agricultural producer who
21-25 derives a substantial portion of his or her income from agriculture
21-26 in the county; and

21-27 (3) one must represent active industrial interests in
22-1 the county.

22-2 (d) Each of the governing bodies authorized by this section
22-3 to make an appointment shall appoint the appropriate number of
22-4 initial directors as soon as practicable following the effective
22-5 date of this Act, but not later than the 45th day after the
22-6 effective date of this Act.

22-7 (e) The initial directors shall draw lots to determine their
22-8 terms. A simple majority of the initial directors, if an odd
22-9 number of initial directors are appointed, or half the initial

22-10 directors, if an even number of initial directors are appointed,
22-11 serve terms that expire on January 1 of the fourth year following
22-12 the confirmation of the district at an election held under Section
22-13 4.13 of this article. The remaining initial directors serve terms
22-14 that expire on January 1 of the second year following the
22-15 confirmation of the district. On January 1 of the second year
22-16 following confirmation of the district and every two years after
22-17 that date, the appropriate commissioners courts shall appoint the
22-18 appropriate number of permanent directors.

22-19 SECTION 4.12. ORGANIZATIONAL MEETING. As soon as practicable
22-20 after all the initial directors have been appointed and have
22-21 qualified as provided by this article, a majority of the directors
22-22 shall convene the organizational meeting of the district at a
22-23 location within the district agreeable to a majority of the
22-24 directors. If no location can be agreed on, the organizational
22-25 meeting of the directors shall be at the Leon County Courthouse.

22-26 SECTION 4.13. CONFIRMATION ELECTION. (a) The initial board
22-27 of directors shall call and hold an election on the same date in
23-1 each county within the district to confirm the creation of the
23-2 district.

23-3 (b) Except as provided by this section, a confirmation
23-4 election must be conducted as provided by Sections 36.017, 36.018,
23-5 and 36.019, Water Code, and Section 41.001, Election Code.

23-6 (c) If the majority of qualified voters in a county who vote
23-7 in the election vote to confirm the creation of the district, that
23-8 county is included in the district. If the majority of qualified
23-9 voters in a county who vote in the election vote not to confirm the
23-10 creation of the district, that county is excluded from the
23-11 district.

23-12 (d) The district is dissolved and this article expires on
23-13 August 31, 2003, unless the voters confirm the creation of the
23-14 district before that date.

23-15 ARTICLE 5. CENTRAL CARRIZO-WILCOX COORDINATING COUNCIL

23-16 SECTION 5.01. CREATION. (a) The Central Carrizo-Wilcox
23-17 Coordinating Council is created only if at the first annual
23-18 regional coordination meeting held under Sections 2.08, 3.08, and
23-19 4.08 of this Act, all of the groundwater districts created and/or
23-20 existing in Bastrop, Lee, Robertson, Brazos, Milam, Burleson, Leon,
23-21 Madison, and/or Freestone counties unanimously vote to create and
23-22 be members of the Central Carrizo-Wilcox Coordinating Council.

23-23 (b) The council is created under and is essential to
23-24 accomplish the purposes of Section 59, Article XVI, Texas
23-25 Constitution.

23-26 (c) The council is created to provide regional management of
23-27 groundwater resources within its boundaries in order to preserve a
24-1 sustainable water supply for the future by protecting, recharging,
24-2 and preventing the waste of groundwater and by controlling
24-3 subsidence caused by withdrawal of water from the groundwater

24-4 reservoirs.

24-5 SECTION 5.02. BOUNDARIES. The boundaries of the Central
24-6 Carrizo-Wilcox Coordinating Council are coextensive with the
24-7 boundaries of Bastrop, Lee, Robertson, Brazos, Milam, Burleson,
24-8 Leon, Madison, and Freestone counties.

24-9 SECTION 5.03. DEFINITIONS. In this article:

24-10 (1) "Council" means the Central Carrizo-Wilcox
24-11 Coordinating Council.

24-12 (2) "District" includes:

24-13 (A) the Brazos Valley Groundwater Conservation
24-14 District;

24-15 (B) the Post Oak Savannah Groundwater
24-16 Conservation District;

24-17 (C) the Mid-East Texas Groundwater Conservation
24-18 District;

24-19 (D) the Lost Pines Groundwater Conservation
24-20 District; and

24-21 (E) any other groundwater district created in
24-22 Bastrop, Lee, Robertson, Brazos, Milam, Burleson, Leon, Madison, or
24-23 Freestone County, or in any combination of any of those counties.

24-24 SECTION 5.04. FINDING OF BENEFIT. All of the land and other
24-25 property included within the boundaries of the council will be
24-26 benefitted by regional management of groundwater resources and the
24-27 works and projects that are to be accomplished by the council under
25-1 powers conferred by Section 59, Article XVI, Texas Constitution.
25-2 The council is created to serve a public use and benefit.

25-3 SECTION 5.05. AUTHORITY OF COUNCIL. (a) The council does
25-4 not have the powers granted by Chapter 36, Water Code, except as
25-5 stated in this article and as authorized by the districts. The
25-6 failure of one or more of the districts' confirmation elections
25-7 does not affect the authority of the council.

25-8 (b) The council's authority is limited to groundwater
25-9 produced from and wells drilled into the Carrizo-Wilcox aquifer, as
25-10 defined by the Texas Water Development Board in the current state
25-11 water plan, within the boundaries of the council.

25-12 SECTION 5.06. MANAGEMENT PLAN. (a) The council shall:

25-13 (1) coordinate and maintain a management plan for the
25-14 council's coordinating area;

25-15 (2) collect and maintain data required for management
25-16 of groundwater resources within its boundaries;

25-17 (3) coordinate the districts regarding management plan
25-18 issues; and

25-19 (4) disseminate information and monitor implementation
25-20 of the management plan among the districts.

25-21 (b) The council shall coordinate the comprehensive
25-22 management plan, as required by Sections 36.1071 and 36.1073, Water
25-23 Code, for all of the counties within its boundaries. In
25-24 coordinating the comprehensive management plan, the council shall

25-25 include and use the management plans developed by the individual
25-26 districts.

25-27 (c) In the management plan the council may establish an
26-1 annual total groundwater withdrawal limit and equitable allocation
26-2 for each district as determined from an evaluation of the overall
26-3 scientific data of the groundwater resources in the region,
26-4 including the Texas Water Development Board's groundwater
26-5 availability model. The determination of sustainable groundwater
26-6 withdrawal shall be reviewed at least every five years. An
26-7 individual district may not restrict the total amount of
26-8 groundwater withdrawn in the district to less than the limit as
26-9 determined from the evaluation of scientific data established under
26-10 this subsection. If the council establishes an annual total
26-11 groundwater withdrawal limit and that limit is reached, groundwater
26-12 withdrawal used for public water supply inside the boundaries of
26-13 the council may be restricted only by unanimous vote of the
26-14 council.

26-15 (d) On completion of the comprehensive management plan and
26-16 after approval of the plan by vote of at least 75 percent of the
26-17 council, the council shall forward a copy of the management plan
26-18 and any amendment to the plan to the Texas Water Development Board
26-19 as required by Section 36.1072, Water Code. In preparing the
26-20 comprehensive management plan and its amendments, the council shall
26-21 consider:

26-22 (1) the goals of the management plan and its impact on
26-23 planning throughout the management area;

26-24 (2) the effectiveness of the measures established by
26-25 the management plan for conserving and protecting groundwater and
26-26 preventing waste, and the effectiveness of those measures in the
26-27 management area generally; and

27-1 (3) any other matters that the council considers
27-2 relevant to the protection and conservation of groundwater and the
27-3 prevention of waste in the management area.

27-4 SECTION 5.07. MANAGEMENT OF COUNCIL. (a) The districts'
27-5 representatives appointed to the council shall manage all affairs
27-6 of the council.

27-7 (b) The council may contract with any person, public or
27-8 private, as the council requires to conduct its affairs. The
27-9 council shall set the compensation and terms for consultants.

27-10 (c) In selecting an attorney, engineer, auditor, financial
27-11 advisor, or other professional consultant, the council must follow
27-12 the procedures of Subchapter A, Chapter 2254, Government Code
27-13 (Professional Services Procurement Act).

27-14 (d) The council shall require an officer or consultant who
27-15 collects, pays, or handles any council funds to furnish good and
27-16 sufficient bond, payable to the council, in an amount determined by
27-17 the council to be sufficient to safeguard the council. The bond
27-18 shall be conditioned on the faithful performance of that person's

27-19 duties and on an accounting for all council funds and property.
27-20 The bond shall be signed or endorsed by a surety company authorized
27-21 to do business in this state.

27-22 SECTION 5.08. MEETINGS. (a) The council shall hold a
27-23 regular annual meeting. It may hold meetings at other times as
27-24 required for council business.

27-25 (b) Notice of council meetings shall be given as required by
27-26 the open meetings law, Chapter 551, Government Code.

27-27 (c) The council shall hold its meetings in accordance with
28-1 the open meetings law, Chapter 551, Government Code.

28-2 SECTION 5.09. RECORDS. (a) The council shall keep a
28-3 complete account of all its meetings and proceedings and shall
28-4 preserve all council records in a safe place.

28-5 (b) Council records are the property of the council and are
28-6 subject to Chapter 552, Government Code.

28-7 (c) The preservation, storage, destruction, or other
28-8 disposition of council records are subject to Chapter 201, Local
28-9 Government Code, and rules adopted under that chapter.

28-10 SECTION 5.10. RESEARCH, SURVEYS, AND COLLECTION AND
28-11 DISSEMINATION OF INFORMATION. (a) The council may, but only as
28-12 authorized by the districts:

28-13 (1) perform research projects authorized by Section
28-14 36.107, Water Code;

28-15 (2) coordinate surveys under Section 36.106, Water
28-16 Code, of the groundwater reservoir or subdivision and of the
28-17 facilities for development, production, transportation,
28-18 distribution, and use of the water, to determine the:

28-19 (A) quantity of water available for production
28-20 and use; and

28-21 (B) improvements, development, and recharging
28-22 needed by a reservoir or its subdivision;

28-23 (3) collect information under Section 36.107, Water
28-24 Code, including information regarding the use of groundwater, water
28-25 conservation, and the practicability of recharging a groundwater
28-26 reservoir;

28-27 (4) publish its plans and the information it develops,
29-1 bring them to the attention of the users of groundwater in the
29-2 council area, and encourage the users to adopt and use them, under
29-3 Section 36.110, Water Code; and

29-4 (5) develop programs to educate the public about the
29-5 aquifers in the management area, water conservation, and the
29-6 prevention of pollution of the aquifer.

29-7 (b) A unanimous vote of the council is required before the
29-8 council may take an action authorized by Subsection (a) of this
29-9 section.

29-10 (c) The district shall use existing research, surveys, and
29-11 information from state agencies or other sources to the greatest
29-12 extent possible for developing the management plan, conducting

29-13 research or other projects, and determining withdrawal limits and
29-14 equitable allocations between districts before conducting or
29-15 contracting for similar or complementary research, surveys, and
29-16 information.

29-17 SECTION 5.11. FUNDING. (a) The council shall be funded by
29-18 reasonable assessments of the owners of water wells in the
29-19 Carrizo-Wilcox aquifer that are capable of producing more than
29-20 25,000 gallons of water a day in proportion to the total amount of
29-21 water pumped from the aquifer. The districts shall make the
29-22 assessment.

29-23 (b) The assessments shall be made for:

29-24 (1) coordination and maintenance of a management plan
29-25 for the council's coordinating area;

29-26 (2) collection and maintenance of data required for
29-27 management of groundwater resources within its boundaries;

30-1 (3) coordination of the districts regarding management
30-2 plan issues;

30-3 (4) dissemination of information and monitoring of
30-4 implementation of the management plan among the districts;

30-5 (5) holding of regular council meetings; and

30-6 (6) contracting with any person, public or private, as
30-7 the council requires to accomplish the duties of this subsection.

30-8 (c) The council may be funded for services other than those
30-9 listed in Subsection (b) of this section, in any manner determined
30-10 appropriate by unanimous vote of the council or provided for by
30-11 interlocal agreement.

30-12 (d) The council shall seek to minimize its costs and
30-13 expenditures to the greatest extent feasible.

30-14 SECTION 5.12. SUITS. All courts shall take judicial notice
30-15 of the creation of the council and of its boundaries. Sections
30-16 36.066(f) and (g), Water Code, pertaining to suits, apply to the
30-17 council.

30-18 SECTION 5.13. CONTRACTS. The council may contract in the
30-19 name of the council.

30-20 SECTION 5.14. DISTRICT COORDINATION. (a) The council may
30-21 enter into interlocal agreements with its member districts to
30-22 provide for administrative assistance and other services identified
30-23 in Section 5.10 of this article.

30-24 (b) The council may coordinate the activities of the
30-25 districts to the extent authorized by the districts.

30-26 (c) The council may mediate disputes concerning the
30-27 regulation of groundwater along the boundaries of each district
31-1 and, in the event that the council is unable to reach a resolution,
31-2 it may petition the Texas Natural Resource Conservation Commission
31-3 for resolution of the dispute under Section 36.108, Water Code.

31-4 SECTION 5.15. COMPOSITION OF COUNCIL. (a) Each district
31-5 shall appoint three of its directors to serve on the council's
31-6 board of directors. The appointees to the council's board of

31-7 directors shall serve at the pleasure of their respective
31-8 districts.

31-9 (b) After the council is created and the districts select
31-10 their three representatives to serve on the council, the council
31-11 shall meet and elect a president, a vice president, a secretary,
31-12 and any other officers or assistant officers the council considers
31-13 necessary and shall begin to discharge its duties.

31-14 (c) A quorum for a council meeting is achieved only if:

31-15 (1) a majority of the membership of the council is
31-16 present; and

31-17 (2) each district has a representative at the meeting.

31-18 SECTION 5.16. COORDINATION WITH THE BLUEBONNET GROUNDWATER
31-19 CONSERVATION DISTRICT. (a) The council shall coordinate activities
31-20 with the Bluebonnet Groundwater Conservation District or any other
31-21 groundwater conservation district created in Grimes, Washington,
31-22 Austin, Waller, or Walker County if the groundwater conservation
31-23 district chooses to coordinate activities.

31-24 (b) The Bluebonnet Groundwater Conservation District or any
31-25 other groundwater conservation district created in Grimes,
31-26 Washington, Austin, Waller, or Walker County may appoint a
31-27 nonvoting representative to the council.

32-1 (c) The council may perform duties described in this article
32-2 for the Bluebonnet Groundwater Conservation District or any other
32-3 groundwater conservation district created in Grimes, Washington,
32-4 Austin, Waller, or Walker County through interlocal agreements.

32-5 ARTICLE 6. PROCEDURAL REQUIREMENTS; EFFECTIVE DATE

32-6 SECTION 6.01. FINDINGS RELATED TO PROCEDURAL REQUIREMENTS.

32-7 (a) The proper and legal notice of the intention to introduce this
32-8 Act, setting forth the general substance of this Act, has been
32-9 published as provided by law, and the notice and a copy of this Act
32-10 have been furnished to all persons, agencies, officials, or
32-11 entities to which they are required to be furnished by the
32-12 constitution and other laws of this state, including the governor,
32-13 who has submitted the notice and Act to the Texas Natural Resource
32-14 Conservation Commission.

32-15 (b) The Texas Natural Resource Conservation Commission has
32-16 filed its recommendations relating to this Act with the governor,
32-17 the lieutenant governor, and the speaker of the house of
32-18 representatives within the required time.

32-19 (c) All requirements of the constitution and laws of this
32-20 state and the rules and procedures of the legislature with respect
32-21 to the notice, introduction, and passage of this Act are fulfilled
32-22 and accomplished.

32-23 (d) To the extent of any conflicts, this Act prevails over
32-24 any provision of Senate Bill No. 2, Acts of the 77th Legislature,
32-25 Regular Session, 2001.

32-26 SECTION 6.02. EFFECTIVE DATE. This Act takes effect
32-27 September 1, 2001.

 President of the Senate

I certify that H.B. No. 1784 was passed by the House on April 20, 2001, by a non-record vote; that the House refused to concur in Senate amendments to H.B. No. 1784 on May 23, 2001, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 1784 on May 27, 2001, by a non-record vote; and that the House adopted H.C.R. No. 334 authorizing certain corrections in H.B. No. 1784 on May 28, 2001, by a non-record vote.

 Speaker of the House

 Chief Clerk of the House

I certify that H.B. No. 1784 was passed by the Senate, with amendments, on May 21, 2001, by a viva-voce vote; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 1784 on May 27, 2001, by a viva-voce vote; and that the Senate adopted H.C.R. No. 334 authorizing certain corrections in H.B. No. 1784 on May 28, 2001, by a viva-voce vote.

 Secretary of the Senate

APPROVED:

 Date

 Governor