

By: Seliger

S.B. No. 956

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Northern Dallam County Groundwater Conservation District; providing authority to impose a tax and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle H, Title 6, Special District Local Laws Code, is amended by adding Chapter 8853 to read as follows:

CHAPTER 8853. NORTHERN DALLAM COUNTY GROUNDWATER

CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8853.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the district.

(2) "Director" means a board member.

(3) "District" means the Northern Dallam County Groundwater Conservation District.

Sec. 8853.002. NATURE OF DISTRICT. The district is a groundwater conservation district created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 8853.003. LEGISLATIVE FINDINGS. (a) The district is created to serve a public use and benefit.

(b) All land and other property in the district will benefit from the works and projects that are to be accomplished by the

1 district under this chapter.

2 (c) Any fees imposed by the district are necessary to pay  
3 for the costs of accomplishing district purposes, including the  
4 conservation and management of groundwater resources, as provided  
5 by this chapter and Section 59, Article XVI, Texas Constitution.

6 Sec. 8853.004. INITIAL DISTRICT TERRITORY. (a) The  
7 district is initially composed of the territory described by  
8 Section 2 of the Act enacting this chapter, except that the  
9 territory does not include any territory that was added to the North  
10 Plains Groundwater Conservation District before the effective date  
11 of the Act enacting this chapter.

12 (b) The boundaries and field notes contained in Section 2 of  
13 the Act enacting this chapter form a closure. A mistake made in the  
14 field notes or in copying the field notes in the legislative process  
15 does not affect the district's:

16 (1) organization, existence, or validity;

17 (2) right to issue any type of bond for the purposes  
18 for which the district is created or to pay the principal of and  
19 interest on a bond;

20 (3) right to impose a tax; or

21 (4) legality or operation.

22 [Sections 8853.005-8853.020 reserved for expansion]

23 SUBCHAPTER A-1. TEMPORARY PROVISIONS

24 Sec. 8853.021. APPOINTMENT OF TEMPORARY DIRECTORS.

25 (a) Not later than the 30th day after the effective date of this  
26 chapter, the Dallam County Commissioners Court shall appoint six  
27 temporary directors to represent the district at large.

1       (b) To be eligible to serve as a temporary director, a  
2 person must be a registered voter in Dallam County.

3       (c) Temporary directors serve until the date initial  
4 directors are elected under Section 8853.023.

5       Sec. 8853.022. ORGANIZATIONAL MEETING OF TEMPORARY  
6 DIRECTORS. As soon as practicable after all the temporary  
7 directors have qualified under Section 36.055, Water Code, a  
8 majority of the temporary directors shall convene the  
9 organizational meeting of the district at a location in the  
10 district agreeable to a majority of the directors. If an agreement  
11 on location cannot be reached, the organizational meeting shall be  
12 at the Dallam County Courthouse.

13       Sec. 8853.023. INITIAL DIRECTORS' ELECTION. (a) The  
14 temporary directors shall hold an election to elect the initial  
15 directors of the district.

16       (b) The temporary directors shall have placed on the ballot  
17 the names of all candidates for an initial director's position who  
18 have filed an application for a place on the ballot as provided by  
19 Section 52.003, Election Code.

20       (c) Section 41.001(a), Election Code, does not apply to an  
21 election held under this section.

22       (d) Except as provided by this section, an election under  
23 this section must be conducted as provided by Sections  
24 36.017(b)-(i), Water Code, and the Election Code. The provision of  
25 Section 36.017(d), Water Code, relating to the election of  
26 permanent directors does not apply to an election under this  
27 section.

1       Sec. 8853.024. INITIAL DIRECTORS. (a) The six initial  
2 directors of the district serve on the board until permanent  
3 directors are elected under Section 8853.055. The six initial  
4 directors shall be elected from the district at large.

5       (b) The six initial directors shall draw lots to determine  
6 which three directors serve a term expiring June 1 following the  
7 first regularly scheduled election of directors under Section  
8 8853.055 and which three directors serve a term expiring June 1  
9 following the second regularly scheduled election of directors.

10       Sec. 8853.025. EXPIRATION OF SUBCHAPTER. This subchapter  
11 expires September 1, 2012.

12       [Sections 8853.026-8853.050 reserved for expansion]

13                       SUBCHAPTER B. BOARD OF DIRECTORS

14       Sec. 8853.051. DIRECTORS; TERMS. (a) The district is  
15 governed by a board of six directors.

16       (b) Directors serve staggered four-year terms, with two or  
17 three directors' terms expiring June 1 of each even-numbered year.

18       (c) A director may serve not more than two consecutive  
19 terms. A director may serve a third or subsequent term if the  
20 director has not served in the preceding four years.

21       Sec. 8853.052. METHOD OF ELECTING DIRECTORS. The directors  
22 of the district are elected as follows:

23               (1) three directors from Area A, as described by  
24 Section 2 of the Act enacting this chapter; and

25               (2) three directors from Areas B and C, as described by  
26 Section 2 of the Act enacting this chapter.

27       Sec. 8853.053. ADDITIONAL ELIGIBILITY TO VOTE FOR PROPERTY

1 OWNERS. A person who owns property in the district is not required  
2 to reside in the territory of the district as required by Section  
3 11.001(a)(2), Election Code, to be eligible to vote in a district  
4 election.

5 Sec. 8853.054. DIRECTOR ELIGIBILITY; QUALIFICATION.

6 (a) To be eligible to serve as a director a person must be:

7 (1) a registered voter; or

8 (2) a property owner in the area described by Section 2  
9 of the Act enacting this chapter that the person seeks to represent.

10 (b) Each director must qualify to serve in the manner  
11 provided by Section 36.055, Water Code.

12 Sec. 8853.055. ELECTION DATE. The district shall hold an  
13 election to elect the appropriate number of directors on the  
14 uniform election date prescribed by Section 41.001, Election Code,  
15 in May of each even-numbered year.

16 Sec. 8853.056. VACANCIES. If a vacancy occurs on the board,  
17 the Commissioners Court of Dallam County shall appoint a person who  
18 is qualified under Section 8853.054 to fill the vacancy for the  
19 unexpired term.

20 Sec. 8853.057. COMPENSATION. (a) Sections 36.060(a),  
21 (b), and (d), Water Code, do not apply to the district.

22 (b) A director is entitled to receive compensation of not  
23 more than \$50 a day for each day the director performs the duties of  
24 a director. The compensation may not exceed \$3,000 a year.

25 (c) A director is entitled to receive reimbursement for the  
26 director's reasonable expenses incurred while engaging in  
27 activities on behalf of the district.

1           [Sections 8853.058-8853.100 reserved for expansion]

2                   SUBCHAPTER C. POWERS AND DUTIES

3           Sec. 8853.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
4 AND DUTIES. Except as otherwise provided by this chapter, the  
5 district has the powers and duties provided by the general law of  
6 this state, including Chapter 36, Water Code, applicable to  
7 groundwater conservation districts created under Section 59,  
8 Article XVI, Texas Constitution.

9           Sec. 8853.102. APPLICABILITY OF DISTRICT RULES REGULATING  
10 GROUNDWATER. District rules regulating groundwater adopted under  
11 this chapter apply to all persons except as exempted under Section  
12 36.117, Water Code, or this chapter.

13           Sec. 8853.103. CONTRACTS. The district may contract with  
14 any person, public or private, for any district purpose.

15           Sec. 8853.104. REGISTRATION AND REPORTING REQUIREMENTS FOR  
16 CERTAIN EXEMPT WELLS. The district may adopt rules that require the  
17 owner or operator of a well or class of wells exempt from permitting  
18 under Section 36.117, Water Code, to register the well with the  
19 district and, except for a well exempt from permitting under  
20 Section 36.117(b)(1), to report groundwater withdrawals from the  
21 well using reasonable and appropriate reporting methods and  
22 frequency.

23           Sec. 8853.105. PROHIBITION ON DISTRICT PURCHASE, SALE,  
24 TRANSPORT, OR DISTRIBUTION OF WATER. The district may not  
25 purchase, sell, transport, or distribute surface water or  
26 groundwater for any purpose.

27           Sec. 8853.106. NO EMINENT DOMAIN POWER. The district may

1 not exercise the power of eminent domain.

2 Sec. 8853.107. ENFORCEMENT. (a) The district may enforce  
3 this chapter as provided by Chapter 36, Water Code, and this  
4 section.

5 (b) In addition to or instead of a remedy under Chapter 36,  
6 the district may impose an additional fee under Section 8853.151 on  
7 a person producing groundwater in violation of a district rule or  
8 order, including the failure or refusal to comply with a rule or  
9 order to reduce or cease groundwater usage.

10 (c) The fee imposed may not exceed an amount equal to 10  
11 times the amount of a fee imposed under Section 8853.151.

12 [Sections 8853.108-8853.150 reserved for expansion]

13 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

14 Sec. 8853.151. FEES. (a) The board by rule may impose  
15 reasonable fees on each well:

- 16 (1) for which a permit is issued by the district; and  
17 (2) that is not exempt from district regulation.

18 (b) A production fee may be based on:

- 19 (1) the size of column pipe used by the well; or  
20 (2) the amount of water actually withdrawn from the  
21 well, or the amount authorized or anticipated to be withdrawn.

22 (c) The board shall base the initial production fee on the  
23 criteria listed in Subsection (b)(2). The initial production fee:

24 (1) may not exceed:

25 (A) \$1 per acre-foot for water used for  
26 agricultural irrigation; or

27 (B) 4.25 cents per thousand gallons for water

1 used for any other purpose; and

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

4 (d) In addition to the production fee authorized under this  
5 section, the district may assess an export fee on groundwater from a  
6 well that is produced for transport outside the district.

7 (e) Fees authorized by this section may be:

8 (1) assessed annually;

9 (2) used to pay the cost of district operations; and

10 (3) used for any other purpose allowed under Chapter  
11 36, Water Code.

12 Sec. 8853.152. AD VALOREM TAX RATE. The district may not  
13 impose ad valorem taxes at a rate that exceeds 1.5 cents on each  
14 \$100 valuation of taxable property in the district.

15 Sec. 8853.153. BOND DEBT LIMIT. The total debt created by  
16 the issuance of bonds and notes by the district under Subchapter F,  
17 Chapter 36, Water Code, may not exceed \$500,000 at any time.

18 [Sections 8853.154-8853.200 reserved for expansion]

19 SUBCHAPTER E. LANDOWNER OPTION TO JOIN DISTRICT

20 Sec. 8853.201. APPLICABILITY OF SUBCHAPTER. This  
21 subchapter applies to a landowner who owns land that includes a  
22 portion of the boundary between the North Plains Groundwater  
23 Conservation District and the district.

24 Sec. 8853.202. PETITION. (a) Not later than the first  
25 anniversary of the effective date of the Act creating this chapter,  
26 a landowner may petition the Texas Commission on Environmental  
27 Quality to remove the land from the North Plains Groundwater



1 Conservation District and add the land to the district.

2 (b) The Texas Commission on Environmental Quality shall  
3 grant the petition.

4 Sec. 8853.203. EXPIRATION OF SUBCHAPTER. This subchapter  
5 expires on the first anniversary of the effective date of the Act  
6 creating this chapter.

7 SECTION 2. Except as provided by Subchapter E, Chapter  
8 8853, Special District Local Laws Code, as added by this Act, the  
9 Northern Dallam County Groundwater Conservation District initially  
10 includes all the territory contained in the following area:

11 AREA A

12 Beginning at the northwest corner of Dallam County, Texas,  
13 which point is also the northwest corner of the Panhandle, State of  
14 Texas, and a point in the east boundary line of the State of New  
15 Mexico;

16 Thence eastward along the north boundary line of Dallam  
17 county, Texas, and the south boundary line of Cimarron County,  
18 Oklahoma, to a point on said boundary line which is the northeast  
19 corner of Section 2, Block No. 17, C. S. S. Survey;

20 Thence south along the east section line Sections 2, 5 and 20,  
21 to a point in the southeast corner of Section 20, Block No. 17, C. S.  
22 S. Survey;

23 Thence west along the south section line of Sections 20 and  
24 21, to the southwest corner of Section 21, Block No. 17, C. S. S.  
25 Survey, continuing west on the south section lines of Sections 18,  
26 17, 16, 15, 14 and 13, of Block No. 1, F.D.W. Subdivision;

27 Thence north approximately 0.8 miles along the east section

1 line of Fractional Sections 27 B and 27, to a point in Fractional  
2 Section 27, of the M. E. Hays Subdivision;

3 Thence west to a point on the east section line of Section 25  
4 approximately 0.8 miles north of the southeast corner of Section  
5 25, M. E. Hays Subdivision;

6 Thence south along the east section line of Section 25, to the  
7 southeast corner of section 25, of the M.E. Hays Subdivision;

8 Thence west along the south section line of Section 25, to the  
9 southwest corner of Section 25 of the M.E. Hays Subdivision;

10 Thence south along the east section line of Section 33, to the  
11 southeast corner of Section 33 of the M.E. Hay Subdivision;

12 Thence west along the south section line of Section 33 to the  
13 southeast corner of Section 32 all in the M.E. Hays;

14 Thence south along the east section line of Sections 41, 50,  
15 59, 68, 75, 82, 88 and Fractional Section 93, to the southeast  
16 corner of Fractional Section 93, all in the M. E. Hays Subdivision,  
17 said line being also the north boundary line of the Block No. 7 C. S.  
18 S. Survey;

19 Thence east along the boundary line of the M. E. Hays  
20 Subdivision and Block No. 7, C. S. S. Survey, to the northeast  
21 corner of Section 79, which point is also the northwest corner of  
22 Section 80, both sections being in Block No.7, C. S. S. Survey;

23 Thence south along the east section line of Section 79 to the  
24 southeast corner of the Section 79 of Block No. 7, C. S. S. Survey;

25 Thence east along the north section line of Section 62 to the  
26 northeast corner of Section 62, of Block No. 7, C. S. S. Survey;

27 Thence south along the east section line of Section 62, to the

1 southwest corner of Section 60, Block No. 7, C. S. S. Survey;

2 Thence northwest along the east section line of Section 59  
3 and 58, to the northeast corner of Section 58, all in Block No. 7, C.  
4 S. S. Survey;

5 Thence west along the north section line of Sections 58, 57,  
6 56, 55, 54, 53, 52, 51, to a point on the northwest corner of Section  
7 51, all in Block No. 7, C. S. S. Survey;

8 Thence north along said state line to the northwest corner of  
9 Dallam County, Texas, the point of the beginning of this survey.

10 AREA B

11 Beginning at the northeast corner of Section 13, Block 18, C.  
12 S. S. Survey which point is also the most southerly west corner of  
13 Section 16, Block M-27, T. C. R.R. Co Survey;

14 Thence west along the north section line of Sections 13, 12,  
15 11, 10, 9, 8 and 7 to the northwest corner of Section 7, all in Block  
16 18, C. S. S. Survey;

17 Thence south along the west section line of Sections 7 and 20,  
18 to the southwest corner of Section 20 all in Block 18, C. S. S.  
19 Survey;

20 Thence east along the south section line of Sections 20 and 19  
21 to the southeast corner of Section 19, all in Block 18, C. S. S.  
22 Survey;

23 Thence south along the west section line of Section 35, to the  
24 northeast corner of Section 35, of Block 18, C. S. S. Survey;

25 Thence west along the north section line of Sections 45 and  
26 46, to the northwest corner of Section 46, of Block 18, C. S. S.  
27 Survey;

1           Thence south along the west section line of Section 46 to the  
2 southwest corner of Section 46, of Block 18, C. S. S. Survey;

3           Thence east along the south section line of Sections 46, 45  
4 and 44, to the southeast corner of Section 44, all in Block 18, C. S.  
5 S. Survey;

6           Thence south along the west section line of Section 62, to the  
7 southwest corner of Section 62, of Block 18, C. S. S. Survey,

8           Thence east along the south section line of Sections 62, 63  
9 and Fractional Sections 64 and 65, to the southeast corner of  
10 Fractional Section 65, all in Block 18, C. S. S. Survey;

11           Thence north along the boundary line of Block 18, C. S. S.  
12 Survey and Block M-27, T. C. R.R. Co Survey, to the west section  
13 line of Section 1, Block M-27, T. C. R.R. Co. Survey, said point  
14 being the northeast corner Section 13 of Block 18, C. S. S. Survey,  
15 the point of the beginning of this survey.

16   AREA C

17           Beginning at a point which is the southeast corner of Section  
18 159, which point is also the northeast corner of Section 184 all in  
19 Block No. 1-T, T. & N. O. RR. Co Survey;

20           Thence west along the south section line of Sections 159,  
21 158, 157, 156 and 155 in Block No. 1-T, T. & N. O. RR. Co Survey, and  
22 continuing west along the south section line of Sections 7 and 8 to  
23 the southwest corner of Section 8, in Block No. 1, I. & G. N. RR. Co  
24 Survey,

25           Thence north along the west section line of Section 8 to the  
26 northwest corner of Section 8 in Block No. 1, I. & G. N. RR. Co  
27 Survey;

1           Thence west along the south section line of Sections 94 and 93  
2 to the southwest corner of Section 93 in Block No. 47 1/2, H. T. C.  
3 RR. Co. Survey,

4           Thence north along the west section line of Section 93 to the  
5 northwest corner of Section 93 in Block No. 47 1/2, H. & T. C. RR.  
6 Co. Survey;

7           Thence west along the south section line of Sections 97 and 98  
8 to the southwest corner of Section 98 in Block No. 47 1/2, H. & T. C.  
9 RR. Co. Survey;

10          Thence north along the west section line of Section 98 to the  
11 northwest corner of Section 98 in Block No. 47 1/2, H. & T. C. RR.  
12 Co. Survey;

13          Thence west along the south section line of Sections 104 and  
14 103 to the southwest corner of Section 103, which point is also the  
15 northeast corner of section 101, all in Block No. 47 1/2, H. & T. C.  
16 RR. Co. Survey

17          Thence south along the east section line of sections 101, 88,  
18 87, 74, 63, 50, 39, 25, 16 and 5 of Block No. 47 1/2, H. & T. C. RR.  
19 Co. Survey and continuing south along the east section line of  
20 sections 1, 8, and 9 of Block 1, B. S. & F. Survey to the southeast  
21 corner of section 9, Block 1, B. S. & F. Survey;

22          Thence west along the south section line of section 9 and  
23 continuing west along the south section line of sections 21, 20, and  
24 19, to the southwest corner of section 19, all in Block 1, Brooks &  
25 Burleson Survey;

26          Thence north along the west section line of section 19 to the  
27 northwest corner of section 19 all in the Block 1, Brooks & Burleson

1 Survey;

2 Thence west along the south section line of sections 13 and 14  
3 to the southwest corner of section 14 all in Block 1, Brooks &  
4 Burleson Survey;

5 Thence north along the west section line of section 14 to the  
6 northwest corner of section 14 of Block 1, Brooks & Burleson Survey;

7 Thence west along the south section line of section 1 to the  
8 southwest corner of section 1 of Block 1, Brooks & Burleson Survey;

9 Thence south along the east section line of sections 3, 15, 28  
10 and 29 to the southeast corner of section 29 all in Block 1, Brooks &  
11 Burleson Survey;

12 Thence west along the south section line of section 29 of  
13 Block 1, Brooks & Burleson Survey and along the south line of D B  
14 Hill Survey, to the northeast corner of section 31 of Block 1, C. S.  
15 S. Survey;

16 Thence south along the east section line of section 31 to the  
17 southeast corner of section 31 of Block 1, C. S. S. Survey;

18 Thence east along the north section line of section 25 to the  
19 northeast corner of section 25 of Block 1, C. S. S. Survey;

20 Thence south along the east section line of section 25 to the  
21 southeast corner of section 25 of Block 1, C. S. S. Survey;

22 Thence east along the north section line of sections 21 and 22  
23 of Block 1, C. S. S. Survey and continuing east along the north  
24 section line of Section 7 of Block Z, O K Mapes Survey and  
25 continuing east along the north section line of sections 47, 46, 45  
26 and 44 of Block 1, Brooks & Burleson Survey to the northeast corner  
27 of section 44 of Block 1, Brooks & Burleson Survey;

1           Thence north along the west section line of section 19 to the  
2 northwest corner of section 19 of Block 1. B. S. & F. Survey;

3           Thence east along the north section line of sections 19 and 20  
4 of Block 1, B. S. & F. Survey and continuing east along the north  
5 section line of sections 6, 5 and 4 of Block SUB, W. H. Pardue Survey  
6 also being a common point with the northwest corner of Section 7 of  
7 Block 1 A, C. T. R. R. Survey;

8           Thence south along the west section line of Sections 7 and 6  
9 to the southwest corner of Section 6 of block 1 A, C. T. R. R.  
10 Survey;

11           Thence east along the south section line of section 6 to the  
12 southeast corner of Section 6 of Block 1 A, C. T. R. R. Survey;

13           Thence south along the west section line of Sections 4, and 1  
14 of Block 1, A, C. T. R. R. Survey and continuing south along the west  
15 section line of Section 1A, J. A. Ritchey Survey to the southwest  
16 corner of section 1A, J. A. Ritchey Survey;

17           Thence east along the south section line of Section 1A, J. A.  
18 Ritchey Survey and continuing east along the south line of Section 2  
19 of the S. Clark Survey to the southeast corner of Section 2 of the S.  
20 Clark Survey;

21           Thence north along the east section line of Section 2, S.  
22 Clark Survey to a point this line intersects with the south section  
23 line of section 1 of Block 7T, T. N. O. R. R. Survey;

24           Thence east along the south section line of Section 1 to the  
25 southeast corner of Section 1 of Block 7T, T. N. O. R. R. Survey;

26           Thence north along the east section line of Section 1, 4, 5  
27 and 8 to the northeast corner of Section 8 of Block 7T, T. N. O. R.

1 R. Survey, also being a common point with the northwest corner of  
2 Section 393 of Block 1T, T. & N. O. R. R. Survey;

3 Thence east along the north section line of Sections 393,  
4 394, 395, 396 and 397 of Block 1T, T. & N. O. R. R. Survey until this  
5 line intersects with the common section of Dallam County and  
6 Sherman County in Texas;

7 Thence north along the east boundary of Dallam County which  
8 line is also the west boundary of Sherman County to a point which is  
9 the southeast corner of Section 159, in Block No. 1-T, T. & N. O. RR.  
10 Co Survey, the point of the beginning of this survey.

11 SECTION 3. As soon as practicable, the North Plains  
12 Groundwater Conservation District shall submit a metes and bounds  
13 description of the territory described by Section 2 of this Act that  
14 has been added to the North Plains Groundwater Conservation  
15 District before the effective date of this Act to the:

16 (1) Northern Dallam County Groundwater Conservation  
17 District; and

18 (2) Texas Commission on Environmental Quality.

19 SECTION 4. (a) The legal notice of the intention to  
20 introduce this Act, setting forth the general substance of this  
21 Act, has been published as provided by law, and the notice and a  
22 copy of this Act have been furnished to all persons, agencies,  
23 officials, or entities to which they are required to be furnished  
24 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
25 Government Code.

26 (b) The governor has submitted the notice and Act to the  
27 Texas Commission on Environmental Quality.



1           (c) The Texas Commission on Environmental Quality has filed  
2 its recommendations relating to this Act with the governor,  
3 lieutenant governor, and speaker of the house of representatives  
4 within the required time.

5           (d) All requirements of the constitution and laws of this  
6 state and the rules and procedures of the legislature with respect  
7 to the notice, introduction, and passage of this Act are fulfilled  
8 and accomplished.

9           SECTION 5. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2011.