

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.

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

13 (1) organization, existence, or validity;

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

17 (3) right to impose a tax; or

18 (4) legality or operation.

19 [Sections 8853.005-8853.020 reserved for expansion]

20 SUBCHAPTER A-1. TEMPORARY PROVISIONS

21 Sec. 8853.021. APPOINTMENT OF TEMPORARY DIRECTORS. (a)  
22 Not later than the 30th day after the effective date of this  
23 chapter, the Dallam County Commissioners Court shall appoint five  
24 temporary directors to represent the district at large.

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

27 (c) Temporary directors serve until the date initial

1 directors are elected under Section 8853.023.

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

10 Sec. 8853.023. INITIAL DIRECTORS' ELECTION. (a) The  
11 temporary directors shall hold an election to elect the initial  
12 directors of the district.

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

17 (c) If the district imposes a maintenance tax for payment of  
18 expenses, the ballot must be printed to provide for voting for or  
19 against the proposition: "The imposition of a maintenance tax at a  
20 rate not to exceed 1.5 cents for each \$100 of assessed valuation."

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

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

1 section.

2 Sec. 8853.024. INITIAL DIRECTORS. (a) The five initial  
3 directors of the district serve on the board until permanent  
4 directors are elected under Section 8853.054. The five initial  
5 directors shall be elected from the district at large.

6 (b) The five initial directors shall draw lots to determine  
7 which two directors serve a term expiring June 1 following the first  
8 regularly scheduled election of directors under Section 8853.054  
9 and which three directors serve a term expiring June 1 following the  
10 second regularly scheduled election of directors.

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

13 [Sections 8853.026-8853.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

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

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

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

22 Sec. 8853.052. METHOD OF ELECTING DIRECTORS. The directors  
23 of the district are elected from the district at large.

24 Sec. 8853.053. DIRECTOR ELIGIBILITY; QUALIFICATION. (a)  
25 To be eligible to serve as a director a person must be:

26 (1) a registered voter of Dallam County; and

27 (2) a resident of the district.

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

3       Sec. 8853.054. ELECTION DATE. The district shall hold an  
4 election to elect the appropriate number of directors on the  
5 uniform election date prescribed by Section 41.001, Election Code,  
6 in May of each even-numbered year.

7       Sec. 8853.055. VACANCIES. If a vacancy occurs on the board,  
8 the remaining directors shall appoint a person to fill the vacancy  
9 for the unexpired term.

10       Sec. 8853.056. COMPENSATION. (a) Sections 36.060(a),  
11 (b), and (d), Water Code, do not apply to the district.

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

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

18       [Sections 8853.057-8853.100 reserved for expansion]

19                   SUBCHAPTER C. POWERS AND DUTIES

20       Sec. 8853.101. GROUNDWATER CONSERVATION DISTRICT POWERS  
21 AND DUTIES. Except as otherwise provided by this chapter, the  
22 district has the powers and duties provided by the general law of  
23 this state, including Chapter 36, Water Code, applicable to  
24 groundwater conservation districts created under Section 59,  
25 Article XVI, Texas Constitution.

26       Sec. 8853.102. APPLICABILITY OF DISTRICT RULES REGULATING  
27 GROUNDWATER. District rules regulating groundwater adopted under

1 this chapter apply to all persons except as exempted under Section  
2 36.117, Water Code, or this chapter.

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

5 Sec. 8853.104. REGISTRATION AND REPORTING REQUIREMENTS FOR  
6 CERTAIN EXEMPT WELLS. The district may adopt rules that require the  
7 owner or operator of a well or class of wells exempt from permitting  
8 under Section 36.117, Water Code, to register the well with the  
9 district and, except for a well exempt from permitting under  
10 Section 36.117(b)(1), to report groundwater withdrawals from the  
11 well using reasonable and appropriate reporting methods and  
12 frequency.

13 Sec. 8853.105. PROHIBITION ON DISTRICT PURCHASE, SALE,  
14 TRANSPORT, OR DISTRIBUTION OF WATER. The district may not  
15 purchase, sell, transport, or distribute surface water or  
16 groundwater for any purpose.

17 Sec. 8853.106. NO EMINENT DOMAIN POWER. The district may  
18 not exercise the power of eminent domain.

19 Sec. 8853.107. ENFORCEMENT. (a) The district may enforce  
20 this chapter as provided by Chapter 36, Water Code, and this  
21 section.

22 (b) In addition to or instead of a remedy under Chapter 36,  
23 the district may impose an additional fee under Section 8853.152 on  
24 a person producing groundwater in violation of a district rule or  
25 order, including the failure or refusal to comply with a rule or  
26 order to reduce or cease groundwater usage.

27 (c) The fee imposed may not exceed an amount equal to 10

1 times the amount of a fee imposed under Section 8853.152.

2 [Sections 8853.108-8853.150 reserved for expansion]

3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

4 Sec. 8853.151. AD VALOREM TAX RATE. The district may not  
5 impose ad valorem taxes at a rate that exceeds 1.5 cents on each  
6 \$100 valuation of taxable property in the district.

7 Sec. 8853.152. FEES. (a) The board by rule may impose  
8 reasonable fees on each well:

9 (1) for which a permit is issued by the district; and

10 (2) that is not exempt from district regulation.

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

12 (1) the size of column pipe used by the well; or

13 (2) the amount of water actually withdrawn from the  
14 well, or the amount authorized or anticipated to be withdrawn.

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

17 (1) may not exceed:

18 (A) 25 cents per acre-foot for water used for  
19 agricultural irrigation; or

20 (B) 4.25 cents per thousand gallons for water  
21 used for any other purpose; and

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

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

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

- 1               (1) assessed annually;
- 2               (2) used to pay the cost of district operations; and
- 3               (3) used for any other purpose allowed under Chapter
- 4 36, Water Code.

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

8               SECTION 2. The Northern Dallam County Groundwater  
9 Conservation District initially includes all the territory  
10 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 2, 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. (a) The legal notice of the intention to  
12 introduce this Act, setting forth the general substance of this  
13 Act, has been published as provided by law, and the notice and a  
14 copy of this Act have been furnished to all persons, agencies,  
15 officials, or entities to which they are required to be furnished  
16 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
17 Government Code.

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

20 (c) The Texas Commission on Environmental Quality has filed  
21 its recommendations relating to this Act with the governor,  
22 lieutenant governor, and speaker of the house of representatives  
23 within the required time.

24 (d) All requirements of the constitution and laws of this  
25 state and the rules and procedures of the legislature with respect  
26 to the notice, introduction, and passage of this Act are fulfilled  
27 and accomplished.

1           SECTION 4. This Act takes effect immediately if it receives  
2 a vote of two-thirds of all the members elected to each house, as  
3 provided by Section 39, Article III, Texas Constitution. If this  
4 Act does not receive the vote necessary for immediate effect, this  
5 Act takes effect September 1, 2011.