

Item 5 – Possible Adoption of an Export Fee

The District's Enabling Act contains a provision allowing for the establishment of an export fee related to the transport of groundwater outside of the District.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 8835.151. FEES.

(c) In addition to the fee authorized under Subsection (b), the district may impose methods:

(1) a fee negotiated between the district and the transporter; or

(2) a combined production and export fee not to exceed 17 cents for each thousand gallons for water used.

During the October 12, 2021 Regular Board meeting, the board adopted by resolution the FY2022 Fee Schedule. There was discussion by the Board if a definitive export fee had been adopted. Actions by previous District boards have adopted wording contained in Sec. 8835.151(c)(2) limiting the combined fee not exceed \$0.17/1000 gallons produced. No concrete export fee has been adopted.

District staff agrees that an export fee should be adopted prior to any transport permits being issued. Transport permits are the only category of permit to which the export fee is relevant.

A survey of export fees charged throughout the state has been compiled as a guide. The table of GCDs with adopted export fees in attached.

It is the recommendation by the General Manager and District staff for the Board to adopt an export fee related to transport permits and amend the FY2022 District Fee Schedule by including the adopted export fee.

Districts with Production & Export Fees

GCD	Production Fee/ 1000 gals	Export Fee/1000 gals.	Transfer Fee/ 1000 gals.
Bluebonnet	\$0.045	\$0.125	\$0.17
Lone Star	\$0.085	\$0.0425 (50% surcharge)	\$0.1275
Lower Trinity	\$0.045	\$0.025	\$0.07
South East Texas	\$0.007	\$0.005	\$0.012
Mesa		\$0.25	\$0.25
Mid East Texas	\$0.04	\$0.13	\$0.17
Post Oak Savannah	\$0.013 (permitted)	\$0.10 (permitted)	\$0.113 (permitted)
Neches & Trinity Valleys	\$0.03	\$0.015	\$0.045
Lost Pines	\$0.035 (permitted)	\$0.0175	\$0.0525 (permitted)
Prairielands	\$0.20	\$0.10 (50% surcharge)	\$0.30
Brazos Valley	\$0.04625	???	\$0.04625 + ???

BVGCD Enabling Act caps the Transfer Fee to a maximum of \$0.17/1000 gallons