



**A RESOLUTION OF THE  
BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT  
ADOPTING EXPORT FEES  
No. 7-10-25.7**

**WHEREAS**, the Brazos Valley Groundwater Conservation District (“District”) is charged by the Texas Legislature with providing for the conservation, preservation, protection, and prevention of waste of groundwater, and of groundwater resources in Brazos and Robertson counties, Texas, under Texas Water Code § 36.0015;

**WHEREAS**, the District is authorized to make and enforce fair and impartial rules to manage groundwater resources as scientifically necessary to conserve and protect groundwater resources within the District’s boundaries under Texas Water Code § 36.101;

**WHEREAS**, pursuant to the District’s Enabling Act, Chapter 8835 of the Texas Special District Local Laws Code, Texas Water Code § 36.122, and District Rule 9.1, the District may impose an export fee on applicable wells, within the legal limits, including a fee negotiated between the District and the exporter;

**WHEREAS**, the current Schedule of Fees sets forth a two-tier export fee structure with a Tier 1 fee that applies to water authorized for transport but not transported and a Tier 2 fee that applies to water produced, metered, and transported;

**WHEREAS**, in lieu of the District’s export fee provided for in the District’s Schedule of Fees, the District has negotiated an export fee to apply to Transport Permits BVTP-C001, BVTP-C002, BVTP-C003, BVTP-C004, BVTP-C005, BVTP-C006, BVTP-C007, and BVTP-C008 (“Project Transport Permits”) that (i) aligns with the District’s objectives, (ii) reflects the negotiations achieving a comprehensive settlement in connection with these permits and their related operating permits, (iii) is material consideration for Permittees’ release of claims against the District in the settlement agreement, and (iv) is set forth in the attached “Negotiated Export Fee Schedule”; and

**WHEREAS**, the District held a public hearing on the Negotiated Export Fee Schedule.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT THAT:**

The District adopts the attached Negotiated Export Fee Schedule to be applied to the Project Transport Permits.

**PASSED AND APPROVED** this the 10<sup>th</sup> day of July 2025.

**BRAZOS VALLEY GROUNDWATER CONSERVATION DISTRICT**

\_\_\_\_\_  
Jayson Barfknecht, President      Date

\_\_\_\_\_  
Jeff Kennedy, Secretary      Date

**NEGOTIATED EXPORT FEE SCHEDULE**  
**for**  
**BVTP-C001, BVTP-C002, BVTP-C003, BVTP-C004,**  
**BVTP-C005, BVTP-C006, BVTP-C007, and BVTP-C008**

**Negotiated Tier 1 Rate and Fee:**

**Authorized Export**

Beginning on the date that UW Brazos Valley Farm LLC, or any successor(s), heir(s), representative(s), assign(s), or transferee(s) thereto (collectively, "UWBVF"), first signs a Water Supply Agreement ("WSA") to export water out of the District ("Fee Commencement Date"), under any of Transport Permits BVTP-C001, BVTP-C002, BVTP-C003, BVTP-C004, BVTP-C005, BVTP-C006, BVTP-C007, and BVTP-C008 ("Project Transport Permits"), UWBVF shall pay the Negotiated Tier 1 Fee for each of the first four years following the Fee Commencement Date. The Negotiated Tier 1 Fee due and payable to the District shall be calculated applying the rate of \$0.17/1,000 gallons for water authorized for export under the Project Transport Permits, minus the applicable water production fee rate adopted for FY 2025 (\$0.01465/1,000 gallons permitted), subject to an annual increase of three percent (3%) each calendar year. The Negotiated Tier 1 Fee shall be calculated based on 50,000 AFY, which is the collective annual export volume limitation under the Project Transport Permits, during each of the first four years following the Fee Commencement Date. Full payment of the Negotiated Tier 1 Fee on 50,000 AFY by UWBVF is a mandatory obligation under the Settlement Agreement, effective July 1, 2025, during each of the first four years following the Fee Commencement Date, regardless of whether UWBVF begins exporting water out of the District. If water is exported during the first four years following the Fee Commencement Date, UWBVF shall pay both the Negotiated Tier 1 Fee and the 10-Year Negotiated Tier 2 Fee (defined below) on water exported outside the District. Tier 1 Export Fees shall only be paid for the first four years following the Fee Commencement Date.

**10-Year Negotiated Tier 2 Rate and Fee:**

**Metered Export**

Beginning on the Fee Commencement Date and continuing through the end of the day that is the ten-year anniversary of the Fee Commencement Date, for water exported out of the District under any of the Project Transport Permits, the export fee due and payable to the District shall be \$0.206/1,000 gallons exported (the "10-Year Negotiated Tier 2 Fee"). To be clear, the 10-Year Negotiated Tier 2 Fee becomes payable and due once water is actually exported out of the District. The District's Board may increase the 10-Year Negotiated Tier 2 Fee rate by a maximum of three percent (3%) each calendar year after a public hearing.

**Remainder of Export Permit Term Tier 2 Rate and Fee:**

**Metered Export**

Beginning the day after the ten-year anniversary of the Fee Commencement Date, the export fee due and payable to the District under any of the Project Transport Permits shall be the District's duly adopted rate and fee for water exported from the District, consistent with applicable law in effect at the time (the "Remainder of Export Permit Term Tier 2 Fee").

**Special Provision:**

- (a) The payment of the Negotiated Tier 1 Fee shall be made for the full first annual amount due and be remitted to the District within 60 (sixty) calendar days of execution of the Water Supply Agreement. Thereafter, for each of years 2-4, payments of the Negotiated Tier 1 Fee shall be made in accordance with the District's rules on payment timing.