

LOST PINES GROUNDWATER CONSERVATION DISTRICT

RESOLUTION NO. 20260819-1

STATE OF TEXAS

COUNTIES OF BASTROP AND LEE

***RESOLUTION REQUESTING AN IMMEDIATE SPECIAL LEGISLATIVE SESSION
AND LEGISLATIVE CLARIFICATION AND PROTECTION REGARDING THE
REGULATION OF DATA CENTERS AND CONCENTRATED DEMAND LOCATIONS***

WHEREAS, the Lost Pines Groundwater Conservation District (the "District") was created under Section 59, Article XVI, Texas Constitution, Senate Bill 1911 of the 76th Texas Legislature, and the nonconflicting provisions of Chapter 36, Texas Water Code, to conserve, preserve, protect, recharge, and prevent waste of groundwater within the District; and

WHEREAS, the District is the local political subdivision charged with managing groundwater resources that support residents, landowners, agriculture, municipalities, public water suppliers, businesses, and other beneficial uses in Bastrop and Lee Counties; and

WHEREAS, the groundwater resources regulated by the District include the Sparta, Queen City, Carrizo, Calvert Bluff, Simsboro, and Hooper aquifer units, as well as other formations and sands from which groundwater is produced within the District; and

WHEREAS, the District participates in joint groundwater planning through Groundwater Management Area 12 and must manage groundwater production to achieve applicable desired future conditions while recognizing private-property rights and protecting existing wells and water supplies; and

WHEREAS, the District's monitoring program and technical analyses have identified substantial water-level pressures and declines in portions of the Carrizo-Wilcox Aquifer system, including the Carrizo and Simsboro aquifer units, demonstrating the need for timely, scientifically supported management tools; and

WHEREAS, groundwater production and its effects do not stop at county, district, or groundwater-management-area boundaries, and the existing statutory framework does not always provide clear, enforceable procedures for allocating responsibility, requiring mitigation, or coordinating corrective action for cross-boundary impacts; and

WHEREAS, effective groundwater management requires clear priorities for local use, municipal and public water supply, and groundwater transported outside the district when curtailment becomes necessary; and

WHEREAS, data centers and other concentrated demand locations may require large, continuous volumes of water for cooling and related operations and may also create substantial indirect water demands through the generation of electricity needed to operate those facilities; and

WHEREAS, the siting of data centers in rural or rapidly developing areas can place concentrated demands on local aquifers and public infrastructure before sufficient water-supply, monitoring, mitigation, and emergency-response measures are established; and

WHEREAS, water-use information for data centers may be fragmented or unavailable to groundwater conservation districts, regional water planners, local governments, and the public, impairing cumulative-impact analysis and accurate forecasting of future demand; and

WHEREAS, water-use information for Bastrop County proposed data centers is not currently included in the Region K State Water Plan; and

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WHEREAS, the direct use of water for onsite cooling and the indirect use of water associated with electricity generation must be evaluated together so that reducing one component does not inadvertently increase the total water footprint of a proposed facility; and

WHEREAS, although groundwater conservation districts possess general authority under Chapter 36, Texas Water Code, the scale, concentration, and operational characteristics of data-center water demands create legal and regulatory uncertainty concerning siting, cumulative impacts, mitigation, reporting, non-potable sourcing, and emergency response; and

WHEREAS, groundwater conservation districts should not be forced to divert limited public resources from monitoring, permitting, enforcement, and mitigation to defend regulatory actions taken in good faith and supported by best available science; and

WHEREAS, lower-water cooling systems, water reuse, non-potable supplies, distributed-computing approaches, and other emerging technologies may reduce the need for concentrated withdrawals of fresh groundwater and should be evaluated before a data center is authorized to rely on a large potable-groundwater supply; and

WHEREAS, the rapid expansion and long-term water commitments associated with data-center development present an urgent statewide concern that should be addressed before additional facilities are approved without clear, uniform, and enforceable safeguards.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Lost Pines Groundwater Conservation District that the District formally opposes data-center developments proposing concentrated production of high-volume potable groundwater within the District or in hydraulically connected areas unless the developer demonstrates a sustainable water supply and implements robust monitoring, conservation, mitigation, and financial-assurance safeguards; and

BE IT FURTHER RESOLVED that the District calls upon the Governor of Texas to immediately convene a special session of the Texas Legislature dedicated to data-center and concentrated-demand-location concerns, including groundwater availability, electric-grid and energy-water impacts, disclosure requirements, local and regional infrastructure, emergency authority, and protection of existing water users; and

BE IT FURTHER RESOLVED that the District urges the Texas Legislature to clarify and affirm that Groundwater Conservation Districts possess sufficient statutory authority under Chapter 36, Texas Water Code, and that state and local agencies have a coordinated framework to address the following:

- **Industrial Siting:** Tie siting and development approvals and groundwater-permitting decisions directly to demonstrated groundwater availability, and authorize restriction or denial where the affected water resources cannot sustainably support the proposed demand;
- **Impact Assessment and Mitigation:** Require cumulative-impact assessments for data centers and authorize transport, impact, and mitigation fees or financial assurance for large-scale industrial users, with revenues dedicated to monitoring, aquifer protection, replacement water, and remediation of physical damages;
- **Data Transparency:** Require real-time metering and regular public reporting of direct water use, water sources, cooling technology, consumptive use, discharge, reuse, and energy sourcing for data centers and other concentrated demand locations;
- **Non-Potable Water Sourcing:** Require data centers in any Groundwater Management Area and other water-constrained areas to use reclaimed, recycled, non-potable, or brackish water as their primary supply where technically and economically feasible;
- **Emergency Powers:** Authorize temporary moratoria, interim operating limits, or expedited review of high-volume withdrawals when monitoring, modeling, drought conditions, or other best available science indicates a risk of serious or irreparable harm;

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AND BE IT FURTHER RESOLVED that the District urges the Texas Legislature to clarify and strengthen the framework for inter-district and cross-boundary cooperation by providing for:

- **Mandatory Inter-District Mitigation:** A mandatory process before permit issuance when a proposed development in one district is reasonably anticipated to cause significant harm in a neighboring groundwater conservation district, ensuring that every affected person is considered.

AND BE IT FURTHER RESOLVED that the District urges the Texas Legislature to grant Groundwater Conservation Districts specific authority to address:

- **Energy-Water Nexus:** The indirect water consumption associated with electricity generation when evaluating data-center permits, and to require practicable offsets to the total water footprint through high-efficiency cooling, water reuse, conservation, or non-potable sources;
- **Evaluation of Emerging Technologies:** A requirement that data-center applicants evaluate commercially available and developing low-water cooling, reuse, distributed-computing, and other lower-footprint alternatives and demonstrate, through independent technical support, why concentrated fresh-groundwater withdrawals remain necessary;

AND BE IT FURTHER RESOLVED that any legislation addressing data centers and concentrated demand locations should include statutory protections for groundwater conservation districts and their directors, officers, employees, and agents when exercising regulatory authority in good faith and in reliance on best available science, including recovery of attorney's fees and costs in frivolous litigation and expedited judicial-review procedures that prevent regulatory paralysis; and

BE IT FURTHER RESOLVED that regulations adopted under authority granted for data centers and concentrated demand locations should include periodic review provisions so that the regulatory framework remains responsive to technological advances, improved cooling methods, changing market conditions, and updated water and energy data; and

BE IT FURTHER RESOLVED that copies of this resolution be transmitted to the Governor of Texas; the Lieutenant Governor; the Speaker of the Texas House of Representatives; the members of the Texas Legislature representing Bastrop and Lee Counties; the chairs of the Senate Water, Agriculture, and Rural Affairs Committee and the House Natural Resources Committee; the Bastrop County Commissioners Court; the Lee County Commissioners Court; municipalities and public water suppliers within the District; the Groundwater Management Area 12 representatives; the Texas Water Development Board; the Texas Alliance of Groundwater Districts; the Texas Water Association Legislative Committee; neighboring groundwater conservation districts; and other interested state and local officials and stakeholder organizations; and

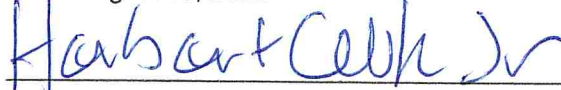
BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon adoption.

ADOPTED this 19th day of August 2026, by the Board of Directors of the Lost Pines Groundwater Conservation District.



Board President

Date: August 19, 2026



Board Secretary-Treasurer

Date: August 19, 2026