

NORTH TEXAS MUNICIPAL WATER DISTRICT

RESOLUTION NO. 24-42

**A RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT ON THE
OKLAHOMA-TEXAS BOUNDARY AND NORTH TEXAS MUNICIPAL WATER DISTRICT'S
LAKE TEXOMA PUMP STATION**

WHEREAS, the North Texas Municipal Water District (NTMWD or the "District") is a conservation and reclamation district created under Article XVI, Section 59, of the Texas Constitution, that supplies water to more than two million people in North Texas, with its water rights in Lake Texoma representing approximately 20 percent of NTMWD's water supply; and

WHEREAS, the District has statutory and contractual obligations to plan for and secure adequate water supplies for existing and future member cities and customers; and

WHEREAS, to meet the water supply needs of its member and customer cities in accordance with NTMWD's enabling act, NTMWD owns certain water rights in the State of Texas, including rights to divert and use a portion of Texas' Lake Texoma water supplies allocated pursuant to the Red River Compact; and

WHEREAS, to access its water rights in Lake Texoma, NTMWD jointly owns and operates the Lake Texoma Pump Station with the Greater Texoma Utility Authority, and has made significant investments in the construction, design, permitting and maintenance of its Lake Texoma Pump Station and associated infrastructure for the diversion and use of its Lake Texoma water supplies; and

WHEREAS, at the time of the Pump Station's siting, permitting, construction and completion in 1989, the Pump Station was wholly located within the state of Texas within the United States Army Corps of Engineers (USACE) easement upon which the Pump Station is located being recorded in the public records of Grayson County, Texas; and

WHEREAS, the states of Oklahoma and Texas entered into the Red River Boundary Compact ("Boundary Compact") in 1999 to establish a permanent boundary between the two states and the United States Congress granted consent to the Boundary Compact effective August 31, 2000; and

WHEREAS, the Boundary Compact provides that the state boundary in the Lake Texoma area shall follow the south bank of the Red River as the bank was located and marked by the USACE before the commencement of the construction of Lake Texoma; and

WHEREAS, it has been determined after a review of historical records of the USACE that the boundary established in 2000 was not fully consistent with the requirements set forth in the Texoma Area Boundary Agreement and this discrepancy has resulted in a portion of the Lake Texoma Pump Station to be located within the state of Oklahoma according to the boundary set in 2000; and

WHEREAS, because the boundary within the Lake Texoma area was not established in accordance with the terms and conditions of the Boundary Compact, the operation of the Pump Station results in an interstate transport of water and could result in violations of interstate federal laws; and

WHEREAS, the states of Oklahoma and Texas reformed their respective state Red River Boundary Commissions to redraw a portion of the state boundary in the Lake Texoma area as intended by the Boundary Compact to ensure the boundary is established in accordance with the USACE Lake Texoma preconstruction survey of the south bank of the Red River, or other historical records or documentation of the USACE identifying the location of the south bank of the Red River if the survey is unavailable; and

WHEREAS, the Oklahoma Red River Boundary Commission (OK RRBC) undertook extensive due diligence through the efforts of the University of Oklahoma's Office of General Counsel who engaged and were advised by a team of professionals with legal, engineering, and survey expertise in state boundary, compact, environmental, natural resources, and property law, and that team of experts concluded then informed the OK RRBC that redrawing the boundary line pursuant to the Boundary Compact will not affect land ownership, water rights, or tribal rights; and

WHEREAS, in recognition of the benefits derived from redrawing the Oklahoma-Texas state boundary and in consideration of Oklahoma's willingness to accommodate NTMWD and its public constituents in the resolution of this matter, NTMWD has agreed to remit consideration in the sum of \$10,000,000.00 as described in the associated Agreement; and

WHEREAS, the OK RRBC has agreed to request that those funds be prioritized for water projects in the state of Oklahoma for final appropriation by the Oklahoma Legislature in its next regular session as described in the associated Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH TEXAS MUNICIPAL WATER DISTRICT, THAT:

1. The Executive Director of the District is hereby authorized on behalf of the Board of Directors to finalize negotiations and execute the Agreement and any other documents as are necessary to secure the action of the OK RRBC to accurately state the Oklahoma-Texas boundary in the area surrounding the Lake Texoma Pump Station and return the Pump Station to its original location wholly within the State of Texas; and to remit to the State of Oklahoma an amount not to exceed \$10,000,000 in exchange for this consideration.
2. The Executive Director of the District is hereby authorized to pay an amount not to exceed \$300,000 for the costs associated with the professional services contracted for by the University of Oklahoma on behalf of the OK RRBC, pursuant to the Memorandum of Understanding entered into by the District and the OK RRBC, in addition to previously authorized amounts.

THIS RESOLUTION ADOPTED BY THE NTMWD BOARD OF DIRECTORS IN A REGULAR MEETING ON SEPTEMBER 26, 2024, IN THE ADMINISTRATIVE OFFICES OF THE DISTRICT, WYLIE, TEXAS.

David Hollifield, Secretary

George Crump, President

(SEAL)