

**NOTICE OF A WORKSHOP - MEETING OF THE COMMISSIONERS COURT
OF CALDWELL COUNTY, TEXAS**



Notice is hereby given that an open meeting of the Caldwell County Commissioners Court will be held on Thursday, March 12, 2026 at 10:00 AM in 110 S Main St. 2nd Floor, Lockhart, Texas at which time the following subjects will be discussed, considered, passed or adopted, to wit:

* Meeting will begin at 10:00 A.M. or immediately following the regular meeting.

A. CALL MEETING TO ORDER

B. INVOCATION

C. PLEDGE OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS:

(Texas Pledge: Honor the Texas Flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.)

D. ANNOUNCEMENTS:

Items or comments from Court members or staff.

E. CITIZENS' COMMENTS:

At this time any person may speak to Commissioners Court if they have filled out a Caldwell County Commissioners Court Participation Form. Comments will be limited to four (4) minutes per person. No action will be taken on these items and no discussion will be had between the speaker(s) and members of the Court. The Court does retain the right to correct factual inaccuracies made by the speakers. (If longer than 30 minutes, then the balance of comments will continue as the last agenda item of the day.) Citizens' Comments may be submitted to the Court at: <http://www.co.caldwell.tx.us/page/caldwell.CommissionersCourtForm>

F. WORKSHOP:

F.1 Workshop to review and discuss the scope of Caldwell County authority and regulatory limitations under Texas law related to data center development and associated infrastructure impacts for informational purposes only. No action will be taken. Speaker: Judge Haden; Backup: 11; Cost: \$0.00

G. ADJOURNMENT:

As authorized by Chapter 551 of the Texas Government Code, the Commissioners Court of Caldwell County, Texas, reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed above. The Court may adjourn for matters that may relate to: Texas Government Code Section 551.071(1) (Consultation with Attorney about Pending or Contemplated Litigation or Settlement Offers); Texas Government Code Section 551.071(2) (Consultation with Attorney when the Attorney's Obligations Under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Conflicts with Chapter 551 of the Texas Government Code); Texas Government Code Section 551.072 (Deliberations about Real Property); Texas Government Code Section 551.073 (Deliberations about Prospective Gift Donations); Texas Government Code Section 551.074 (Deliberations about Personnel Matters); Texas Government Code Section 551.0745 (Deliberations about a County Advisory Body); Texas Government Code Section 551.076 (Deliberations about Security Devices or Security Audits); Texas Government Code Section 551.084 (Exclusion of Witness from Hearing); Texas Government Code Section 551.087 (Deliberations about Economic Development Negotiations); and Texas Government Code Section 551.089 (Deliberations about Security Devices or Security Audits). In the event that the Court adjourns into Executive Session, the Court will announce the section of the Government Code the Commissioners Court is using as its authority to enter into an Executive Session. The meeting facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the County Judge's Office at 512-398-1808 for further information.

Notice: Any documents linked to an item listed in this Agenda are subject to change both after posting and after discussion and vote during the Commissioners Court meeting. A copy of this Notice has been posted on the outdoor bulletin board located at the Caldwell County Courthouse, 110 S. Main Street, Lockhart, Texas 78644. Said place is readily accessible to the general public at all times, and will remain posted continuously for three business days preceding the scheduled time of the meeting. A copy of this Notice has also been posted online at the County's website at <https://www.co.caldwell.tx.us/page/caldwell.CommissionersCourtAgendaMinutesandVideo>.

Caldwell County Agenda Item

AGENDA DATE: March 12, 2026

Type of Agenda Item: Information Only

Subject: Workshop to review and discuss the scope of Caldwell County authority and regulatory limitations under Texas law related to data center development and associated infrastructure impacts for informational purposes only. No action will be taken.

Costs: \$0.00

Agenda Speakers: Judge Haden

Backup Materials: Attached

Total # of Pages: 11

Caldwell County, Texas

Regulation of Data Centers

County Power to Regulate Development

- Under Texas law, Counties have very little authority to regulate development.
 - Counties do not have zoning or similar land use controls. There is no vote on allowing or disallowing a use to occur.
 - Counties can regulate the subdivision of land but must approve the plat if it complies with regulations. Must act within 30 days of submittal.
 - Counties may require a development permit (primarily limited to drainage review) but must approve the permit if it complies with regulations. Must act within 30 days of submittal.

County Power to Regulate Development

- Caldwell County is not a water provider and has no approval role.
 - Decisions regarding the available capacity and the provision of water are made by the water provider. Examples of water providers:
 - Maxwell Water Supply
 - Goforth Water Supply
 - Countyline Water Supply
 - Tri-County Water Supply
- Caldwell County is not an electrical power provider and has no approval role. Power providers are:
 - Lower Colorado River Authority (LCRA) – Wholesale power supplier
 - Bluebonnet Electric Coop – Retail power supplier

County Power to Regulate Development

- County may not enact a moratorium.
- The County cannot pause or stop development.
- County must approve all permit applications within 30 days if application complies with regulations.

Senate Bill 6 Regulates Data Centers

- Senate Bill 6 (2025) heavily regulates large power users (data centers, crypto miners) in the ERCOT region to enhance grid reliability.
- It mandates stricter interconnection, design, and operating standards for large-load customers.
- It requires large loads to disclose information on on-site generation and potentially shut down during – or have backup power for – weather emergencies.
- The Public Utilities Commission develops minimum rates, ensuring large customers pay appropriate transmission charges based on their peak demand.

By Right, a Data Center in a Texas County Can:

- Execute a contract for service with a water and power provider. County has no role in this process.
- Develop wherever they wish in the County subject to compliance with basic subdivision and drainage permit rules.

Impacts from Unregulated Data Centers

- Potential excessive potable water use.
- Potential air pollution associated with diesel power generation systems
- Potential 100% impervious cover.
- Potential stormwater runoff pollution.
- Light pollution.
- Potential issues related to floodplain development.

Impacts from Unregulated Data Centers

- Texas Legislature limits the increase in new revenue for a County to 3.5% annually above the no new revenue rate.
- Caldwell County currently has around \$9 billion in value on the tax roll.
- If several multi-billion-dollar data centers hit the tax roll the County would be forced to lower the tax rate to a level that would cut the county's income by 50% to potentially 100%.
- For at least a year, the County would be insolvent and need to use reserves in order to pay salaries and operating costs.

The Caldwell County Data Center Strategy

- Negotiate a Development Agreement that allows for a give and take discussion. Examples of Development Agreement provisions include:
 - Potential 312 agreement to keep value off tax roll subject to pilot payments to the County in lieu of taxation. This does not impact tax rate.
 - Require closed loop, non-potable water, cooling system. Daily water use is equal to only bathroom and kitchen usage levels.
 - Require stormwater water quality water quality treatment with specified TSS removal. (TCEQ-RG348 Edwards Aquifer Rules – Technical Guidance for Best Management Practices)

The Caldwell County Data Center Strategy

- Require 80% impervious cover limit.
- Require Dark Sky provisions.
- Require 2D modeling of floodplains for more accurate modeling and permitting.
- Require onsite natural gas power generation for cleaner emissions.
- Require highest level of TCEQ wastewater treatment at 5-5-2-0.5 should a discharge permit be requested.
- Obtain cost free dedication of future roadway ROWs and funds for roadway construction.

Conclusion

- This development strategy results in a better project for the citizens of Caldwell County than could otherwise happen with no input from the County.
 - More financial benefit. Pilot payments allow County to increase services to citizens and shift tax burden to industries.
 - More environmental protections.
 - Less impact on regional water systems.