

Overview: Texas Ports and Navigation Districts

The first Navigation District was established in 1909, and there are now 24 Navigation Districts statewide.¹

Navigation districts generally provide for the construction and improvement of waterways in Texas for the purpose of navigation. The creation of navigation districts is authorized in two different articles of the Texas Constitution to serve different purposes. Section 52, Article III, authorizes counties, cities, and other political corporations or subdivisions to issue bonds and levy taxes for the purposes of improving rivers, bays, creeks, streams, and canals to prevent overflow, to provide irrigation, and to permit navigation. Section 59, Article XVI, authorizes the creation of conservation and reclamation districts for the purpose of conserving and developing natural resources, including the improvement, preservation, and conservation of inland and coastal water for navigation and controlling storm water and floodwater of rivers and streams in aid of navigation. This section authorizes conservation and reclamation districts to issue bonds and levy taxes for those purposes. Generally, however, navigation districts are structured, governed, and financed in the same manner.

Chapters 60 through 63, Texas Water Code, set forth provisions relating to navigation districts. The purposes and functions of navigation districts are very similar, regardless of the Chapter of the Water Code under which they were created. More than one chapter of the Water Code may be applicable to the manner in which a given navigation district conducts its business.

Chapter 61 (Article III, Section 52, Navigation Districts) authorizes the creation of districts to operate under Section 52, Article III, Texas Constitution. Chapter 62 (Article XVI, Section 59, Navigation Districts) authorizes the creation of navigation districts under Section 59, Article XVI, Texas Constitution. Chapter 60 (Navigation Districts--General Provisions) sets forth provisions relating to both types of districts. Chapter 63 (Self-Liquidating Navigation Districts) applies to Article XVI, Section 59, Navigation Districts having bonds that were approved but never issued. Self-liquidating districts are self-liquidating in character and may become self-supporting through the implementation of tolls, rents, fees, assessments, or other charges other than taxation to pay for construction costs.

Navigation districts have the authority to issue bonds and levy taxes that are deposited into a sinking fund for the reimbursement of the bonds. These districts are also authorized to exercise the power of eminent domain. The Water Code sets forth certain provisions regarding the

¹ Interim Report to the 82nd Texas Legislature House Select Committee on Special Purpose Districts January 2011. http://www.house.state.tx.us/_media/pdf/committees/reports/81interim/House-Select-Committee-on-Special-Purpose-Districts-Interim-Report-2010.pdf

annexation of adjacent territory, the authority to operate port facilities, the conversion of districts, and cooperation with the United States.²

Navigation districts are political subdivisions of the State of Texas. A political subdivision differs from a department board or agency of the State.³ A political subdivision has jurisdiction over a portion of the State; a department, board or agency of the State exercises its jurisdiction throughout the State. Members of the governing body of a political subdivision are elected in local elections or are appointed by locally elected officials; those who govern departments, boards or agencies of the State are elected in statewide elections or appointed by State officials. Political subdivisions have the power to assess and collect taxes; departments, boards and agencies do not.⁴

Chapter 60 of the Water Code

According to Section 60.101, navigation districts may convey the land they own or interest in the land by lease, installment sale, or otherwise, and may purchase, construct, enlarge, extend, repair, maintain, operate, develop, sell by installment sale, or otherwise, and lease as lessor or lessee:

- 1. Wharves and docks:
- 2. Warehouses, grain elevators, other storage facilities, and bunkering facilities;
- 3. Port-related railroads and bridges;
- 4. Floating plants and facilities;
- 5. Lightering, cargo-handling, and towing facilities;
- 6. Everything appurtenant to these facilities; and,
- 7. All other facilities or aids incidental to or useful in the operation or development of the district's ports and waterways or in aid of navigation and navigation-related commerce in the ports and on the waterways.

They may enter into contracts with the United States or with another district, or both, to consummate navigation or other projects of common interest.

Chapter 61 of the Water Code

The purposes of a navigation district are to:

1. Improve rivers, bays, creeks, streams, and canals inside or adjacent to the district;

² All of the preceding information was extracted *from Invisible Government: Special Purpose Districts in Texas*. Research Spotlight, A Publication of the Texas Senate Research Center • October 2008. http://www.senate.state.tx.us/SRC/pdf/SL-SpPurposeDistricts.pdf

³ Tex. Water Code Ann. §§ 16.001(6), 17.001(5), 17.222(5), and 17.272(5)

 $^{^4 \}underline{\text{http://www.leagle.com/decision/19801138609SW2d529_11120.xml/GUARANTY\%20PETROLEUM\%20CORP.}\\ \%20v.\%20ARMSTRONG$

- 2. Construct and maintain canals and waterways to permit or aid navigation; and,
- 3. Issue bonds to pay for these improvements.

A district created for the development of deep-water navigation which includes a city with a population of more than 100,000, according to the last preceding federal census, may operate and develop ports and waterways inside the district and extending to the Gulf of Mexico. The district may acquire, purchase, take over, construct, maintain, operate, develop, and regulate wharves, docks, warehouses, grain elevators, bunkering facilities, belt railroads, floating plants, lighterage, land, towing facilities, and other facilities or aids incident to or necessary to the operation or development of ports and waterways.

Chapter 62 of the Water Code

The purposes of a navigation district are:

- 1. The improvement, preservation, and conservation of inland and coastal water for navigation;
- 2. The control and distribution of storm water and floodwater of rivers and streams in aid of navigation; and,
- 3. Any other purposes necessary or incidental to the navigation of inland and coastal water or in aid of these purposes, as stated in Article XVI, Section 59, of the Texas Constitution.

Navigation districts are authorized to cooperate with the government of the United States:

Section 62.118:

- (a) If a river, creek, stream, bay, canal, or waterway to be improved is navigable or the proposed improvement is of a nature which requires the permission or consent of the United States, the commission may obtain the required permission or consent of the United States.
- (b) Instead of or in addition to employing an engineer as provided in Section 62.076 of this code the commission may:
 - (1) adopt any survey of a river, creek, canal, stream, bay, or waterway previously made by the United States;
 - (2) arrange for surveys, examinations, and investigations of the proposed improvement; or
 - (3) arrange for supervision of the work of improvement by the United States.
- (c) The commission may cooperate and act with the United States in any and all matters relating to the construction and maintenance of canals and the improvement and navigation of navigable rivers, bays, creeks, streams, canals, and waterways.

- (d) The authority to cooperate shall extend to surveys, work, or expenditures of money made or to be made either by the commission or by the United States.
- (e) The United States may aid in all such matters, and the commission shall have authority to consent to the United States entering on and taking management and control of the work where necessary or permissible under the laws, regulations, and orders of the United States.

Chapter 63 of the Water Code⁵

A navigation district may make improvements for:

- 1. The navigation of inland and coastal water;
- 2. The preservation and conservation of inland and coastal water for navigation;
- 3. The control and distribution of storm water and floodwater of rivers and streams in aid of navigation; or,
- 4. Any purpose stated in Article XVI, Section 59, of the Texas Constitution, necessary or incidental to the navigation of inland and coastal water.

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⁵ The Chambers-Liberty Counties Navigation District may be the only chapter 63 navigation district.

Texas Ports and Navigation Districts

As of April 2015

Port Authorities

Common Name	Official Name	Functional Type ⁶	Org. Type	Commissioners Elected/Appointed
1. Port of Anahuac	Chambers- Liberty Counties Navigation District	Barge	Nav. Dist.	Appointed by the Commissioners Courts of both Chambers and Liberty Counties
2. Aransas/ Rockport/ Fulton/ Cove	Aransas County Navigation District No. 1	Fishing	Nav. Dist.	Elected
3. Port of Bay City	Port of Bay City Authority	Barge	Nav. Dist.	Elected
4. Port of Beaumont	Port of Beaumont Navigation District of Jefferson County	Deep Water	Nav. Dist.	Elected
5. Port of Brownsville	Brownsville Navigation District	Deep Water	Nav. Dist.	Elected
6. Cedar Bayou	Cedar Bayou Navigation District	Barge	Nav. Dist.	Positions 1 through 5 are appointed by the Commissioners Court of Chambers County. Position 6 is appointed by the Mayor of the City of Baytown. Position 7 is appointed by the City Council of the City of Baytown

⁶ "Deep water" includes the ability to handle barge traffic as well.

Common Name	Official Name	Functional Type ⁶	Org. Type	Commissioners Elected/Appointed
7. Port of Corpus Christi	Port of Corpus Christi Authority of Nueces County, Texas	Deep Water	Nav. Dist.	3 appointed by the Corpus Christi City Council, 3 appointed by the Nueces County Commissioners Court, and 1 appointed by the San Patricio County Commissioners Court.
8. Port of Freeport	Brazos River Harbor Navigation District of Brazoria County, TX	Deep Water	Nav. Dist.	Elected
9. Port of Galveston	Board of Trustees of the Galveston Wharves	Deep Water	Municipal Utility	Appointed by Galveston City Council
10. Port of Harlingen	Port of Harlingen Authority	Barge	Nav. Dist.	Elected
11. Port of Houston	Port of Houston Authority	Deep Water	Nav. Dist.	Chairman appointed jointly by Harris County Commissioners Court and Houston City Council, These two entities also separately act to each appoint two members of the Port Commission. The Harris County Mayors' and Councils Association and the City of Pasadena each appoint one commissioner.
12. Port of Orange	Orange County Navigation and Port District	Deep Water	Nav. Dist.	Elected

Common Name	Official Name	Functional Type ⁶	Org. Type	Commissioners Elected/Appointed
13. Port of Palacios	Matagorda County Navigation District No. 1	Fishing	Nav. Dist.	Elected
14. Port of Port Arthur	Port of Port Arthur Navigation District	Deep Water	Nav. Dist.	Elected
15. Port of Port Isabel	Port Isabel-San Benito Navigation District	Deep Water	Nav. Dist.	Elected
16. Port of Port Lavaca	Calhoun Port Authority	Deep Water	Nav. Dist.	Elected
17. Port Mansfield	Willacy County Navigation District	Fishing	Nav. Dist.	Elected
18. Port of Sabine Pass	Sabine Pass Port Authority	Deep Water/ Fishing/ Marina	Conservation & Reclamation Dist.	Elected
19. Port of Texas City	Texas City Terminal Railway Company	Deep Water	Private	N/A
20. Port of Victoria	Victoria County Navigation District	Barge	Nav. Dist.	Appointed by Commissioners Court of Victoria County
21. Port of West Calhoun	West Side Calhoun County Navigation District	No facilities— non-federal sponsor for lower reach of canal ⁷	Nav. Dist.	Appointed by Commissioners Court of Calhoun County

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 $^{^{7}}$ Victoria represents West Calhoun in negotiations with the U.S. Army Corps of Engineers.

Other Navigation Districts

Common Name	Official Name	Functional Type	Org. Type	Commissioners Elected/Appointed
Sabine-Neches Navigation District	Sabine- Neches Navigation District	Local sponsor for Sabine- Neches Waterways	Nav. Dist.	Appointed by Jefferson County Commissioners Court
Cypress Valley Navigation District ⁸	Cypress Valley Navigation District	Recreation and conservation	Navigation, conservation, and reclamation district	County Commissioners Court for county of vacating commissioner
Galveston County Navigation District No. 1	Galveston County Navigation District No. 1	Owns and operates Pelican Island Bridge	Nav. Dist.	Elected
Jackson County Navigation District (Edna)	Jackson County Navigation District	Manage pipeline easements across Lavaca and Navidad Rivers	Nav. Dist.	Appointed by Jackson County Commissioners Court
San Patricio County Navigation District ⁹	San Patricio County Navigation District 1	Marina	Nav. Dist.	Appointed by San Patricio County Commissioners Court

⁸ Covers Cypress River and its tributaries and Caddo Lake

⁹ Per Commission Chair, Jay Attaway

Waterway Segments Not Included in above Port Authorities

- Gulf Intracoastal Canal (incl. Chocolate Bayou, San Bernard River)
- Dickinson Bayou
- Channel to Port Bolivar (Ferry landing)

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