

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
BOARD MEETING
November 6, 2024 – 9:30 A.M.

Chairwoman Brooke T. Paup called to order the meeting of the Texas Water Development Board at 9:37 a.m. This meeting was held at 1700 N. Congress Avenue, Room 170, and through GoToWebinar in Austin, TX. In addition to Chairwoman Paup, Director Stepney, and Director Miller were in attendance, and a quorum was present.

The General Counsel announced the items for consideration:

1. DISCUSSION REGARDING OUTREACH EFFORTS AND ACTIVITIES BY THE BOARD.

No action was taken on this item.

2. Consider Briefing and discussion on material changes to contracts for goods and services executed during the fourth quarter of Fiscal Year 2024, and the contract and performance report for the fourth quarter of Fiscal Year 2024. Cameron Turner, Office of Finance, presented this item.

No action was taken on this item.

3. Consider authorizing the Executive Administrator to negotiate and execute a contract with the General Land Office and a subsequent contract with Texas A&M University for an amount not to exceed \$1.2 million for the continued storage, maintenance and enhancement of the existing Model Storage and Management System (MS2) application. Reem Zoun, Office of Planning, presented this item.

Director Stepney moved to authorize the Executive Administrator to negotiate and execute a contract with the General Land Office and a subsequent contract with Texas A&M University for an amount not to exceed \$1.2 million for the continued storage, maintenance and enhancement of the existing Model Storage and Management System (MS2) application.

The motion was seconded by Director Miller and it passed unanimously.

4. Consider authorizing the Executive Administrator, Chief Financial Officer, Development Fund Manager, and Director of Debt and Portfolio Management to take all necessary actions for the issuance, sale and delivery of Texas Water Development Board State Revolving Fund Revenue Bonds in one or more series; and approving the selection of financial advisor, bond counsel, disclosure counsel, senior managing underwriter, and co-managing underwriters for the negotiation of the bond issue. Alejandro Imatzu, Office of Finance, presented this item.

Director Miller moved to authorize the Executive Administrator, Chief Financial Officer, Development Fund Manager, and Director of Debt and Portfolio Management to take all necessary actions for the issuance, sale and delivery of Texas Water Development Board State Revolving Fund Revenue Bonds in one or more series; and approving the selection of financial advisor, bond counsel, disclosure counsel, senior managing underwriter, and

co-managing underwriters for the negotiation of the bond issue, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney and it passed unanimously.

5. Consider approving amendments to the 2021 Regional Water Plans for Regions G and H and authorizing the Executive Administrator to hold a public hearing for the associated 2022 State Water Plan amendment. Sarah Lee, Office of Planning, presented this item. Joe Freeland, Attorney with the City of Bryan, addressed the Board.

Director Stepney moved to approve the amendments to the 2021 Regional Water Plans for Regions G and H and authorize the Executive Administrator to hold a public hearing for the associated 2022 State Water Plan amendment, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

6. Consider approving the SFY 2025 Drinking Water State Revolving Fund Intended Use Plan covering general activities. Marvin Cole-Chaney, Water Supply & Infrastructure, presented this item.

Director Miller moved to approve the SFY 2025 Drinking Water State Revolving Fund Intended Use Plan covering general activities, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney and it passed unanimously.

7. Consider authorizing the Executive Administrator to execute the State Fiscal Year 2025 Drinking Water State Revolving Fund Set-Aside Contract between the Texas Water Development Board and the Texas Commission on Environmental Quality covering regular annual appropriations and appropriations from the Infrastructure Investment and Jobs Act. Marvin Cole-Chaney, Water Supply & Infrastructure, presented this item.

Director Stepney moved to authorize the Executive Administrator to execute the State Fiscal Year 2025 Drinking Water State Revolving Fund Set-Aside Contract between the Texas Water Development Board and the Texas Commission on Environmental Quality covering regular annual appropriations and appropriations from the Infrastructure Investment and Jobs Act, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

8. Consider authorizing the publication of the adoption of proposed amendments to 31 Texas Administrative Code Chapters 363 and 375 relating to the Water Loan Assistance Fund and the Texas Water Development Board's review and approval of design criteria for plans and specifications for sewage collection treatment and disposal systems. Marvin Cole-Chaney, Water Supply & Infrastructure, presented this item.

Director Miller moved to authorize the publication of the adoption of the proposed amendments to 31 Texas Administrative Code Chapters 363 and 375 relating to the Water Loan Assistance Fund and the Texas Water Development Board's review and

approval of design criteria for plans and specifications for sewage collection treatment and disposal systems, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney, and it passed unanimously.

9. Consider authorizing the publication of proposed amendments to 31 Texas Administrative Code Chapter 363 relating to the creation of a new subchapter for the New Water Supply Fund for Texas. Jessica Peña, Water Supply & Infrastructure, presented this item.

Director Stepney moved to authorize the publication of the proposed amendments to 31 Texas Administrative Code Chapter 363 relating to the creation of a new subchapter for the New Water Supply Fund for Texas, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

10. Consider approving by resolution a request from the City of Mason (Mason County) for \$306,122 in financial assistance consisting of \$150,000 in financing and \$156,122 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program to fund the required lead service line inventory. Dain Larsen, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Mason for financial assistance from the Drinking Water State Revolving Fund Lead Service Line Replacement Program to fund the required lead service line inventory, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney, and it passed unanimously.

11. Consider approving by resolution a request from the City of Slaton (Lubbock County) for \$4,098,917 in financial assistance consisting of \$3,200,000 in financing and \$898,917 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of water system improvements. Dain Larsen, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the City of Slaton for financial assistance from the Drinking Water State Revolving Fund for planning, design, and construction of water system improvements, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

12. Consider approving by resolution a request from the City of Slaton (Lubbock County) for \$336,735 in financial assistance consisting of \$165,000 in financing and \$171,735 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program to fund the required lead service line inventory. Dain Larsen, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Slaton for financial assistance from the Drinking Water State Revolving Fund Lead Service Line Replacement

Program to fund the required lead service line inventory, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney, and it passed unanimously.

13. Consider approving by resolution a request from the City of Thorndale (Milam County) for \$14,940,000 in financial assistance consisting of \$10,940,000 in financing and \$4,000,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning, acquisition, design, and construction of a water supply project. Tom Barnett, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the City of Thorndale for financial assistance from the Drinking Water State Revolving Fund for planning, acquisition, design, and construction of a water supply project, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

14. Consider approving by resolution a request from the Cross Roads Community Water Supply Corporation (Henderson County) for \$1,390,000 in financial assistance consisting of \$490,000 in financing and \$900,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvements project. Joe Koen, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the Cross Roads Community Water Supply Corporation for financial assistance from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvements project, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney, and it passed unanimously.

15. Consider approving by resolution a request from the City of Lone Oak (Hunt County) \$3,280,000 in financial assistance consisting of \$2,880,000 in financing and \$400,000 in principal forgiveness from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system improvements project. Joe Koen, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the City of Lone Oak for financial assistance from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system improvements project, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

16. Consider approving by resolution a request from the Royal Oaks Apartments (Gillespie County) for \$665,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvement project. Shubham Aggarwal, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the Royal Oaks Apartments for financial assistance from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvement project, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney, and it passed unanimously.

17. Consider approving by resolution a request from the Victoria County Water Control and Improvement District No. 2 (Victoria County) for \$2,285,000 in financial assistance consisting of \$885,000 in financing and \$1,400,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of a water system project. Shubham Aggarwal, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the Victoria County Water Control and Improvement District No. 2 for financial assistance from the Drinking Water State Revolving Fund for planning, design, and construction of a water system project, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

18. Consider approving by resolution a request from the Victoria County Water Control and Improvement District No. 2 (Victoria County) for \$810,562 in principal forgiveness from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system project. Shubham Aggarwal, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the Victoria County Water Control and Improvement District No. 2 for financial assistance from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system project, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney, and it passed unanimously.

19. Consider approving by resolution a request from the River Acres Water Supply Corporation (Nueces County) for \$4,316,326 in financial assistance consisting of \$2,115,000 in financing and \$2,201,326 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program for planning, design, and construction of a lead service line replacement project. William Alfaro, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the River Acres Water Supply Corporation for financial assistance from the Drinking Water State Revolving Fund Lead Service Line Replacement Program for planning, design, and construction of a lead service line replacement project, as recommended by our Executive Administrator.

The motion was seconded by Director Miller, and it passed unanimously.

20. The Board will receive comments from the public on any matters within the jurisdiction of the TWDB the exception of matters which are subject to the ex parte prohibition found in Texas Government Code Section 2001.061.

21. THE BOARD MAY ADJOURN INTO EXECUTIVE SESSION AND CONDUCT A CLOSED MEETING TO CONSIDER ANY ITEM ON THIS AGENDA IF A MATTER IS RAISED THAT IS APPROPRIATE FOR THE BOARD TO CONDUCT A PRIVATE CONSULTATION WITH ITS ATTORNEY ON A MATTER IN WHICH THE DUTY OF THE ATTORNEY TO THE GOVERNMENTAL BODY UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE. THE BOARD MAY CONDUCT A CLOSED MEETING TO RECEIVE LEGAL ADVICE AND DISCUSS PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS, OR THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE OR DISMISSAL OF SPECIFIC BOARD EMPLOYEES, INCLUDING THE EXECUTIVE ADMINISTRATOR AND GENERAL COUNSEL, AS PERMITTED BY SECTIONS 551.071 AND 551.074, THE TEXAS OPEN MEETINGS ACT, CODIFIED AS CHAPTER 551 OF THE TEXAS GOVERNMENT CODE. THE BOARD MAY ALSO MEET IN OPEN MEETING TO TAKE ACTION ON LEGAL OR PERSONNEL MATTERS CONSIDERED IN THE CLOSED MEETING AS REQUIRED BY SECTION 551.102 OF THE OPEN MEETINGS ACT, CHAPTER 551 OF THE GOVERNMENT CODE. THE BOARD MAY CONDUCT A CLOSED MEETING TO CONSIDER AND DISCUSS FINANCIAL MATTERS RELATED TO THE INVESTMENT OR POTENTIAL INVESTMENT OF THE BOARD'S FUNDS, AS PERMITTED BY SECTION 6.0601(A) OF THE TEXAS WATER CODE. THE BOARD MAY ALSO MEET IN OPEN MEETING TO TAKE ACTION ON A FINANCIAL MATTER DISCUSSED IN THE CLOSED MEETING AS REQUIRED BY SECTION 6.0601(B) OF THE TEXAS WATER CODE.

There being no further business for the Board, the meeting was adjourned at 10:42 a.m.

APPROVED and ordered of record this the 6th day of November 2024.

TEXAS WATER DEVELOPMENT BOARD

Brooke T. Paup, Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Interim Executive Administrator