

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
BOARD MEETING  
August 15, 2024 – 9:30 A.M.

Chairwoman Brooke T. Paup called to order the meeting of the Texas Water Development Board at 9:31 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 was 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.

Preliminary Motion: Chairwoman Paup moved for the Board to accept the Executive Administrator's recommendations for agenda item numbers 5, 6, 7, 9, 12, and 16 to move forward without a presentation by staff or further discussion by the Board.

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

2. CONSIDER ADOPTION OF THE 2024 STATE FLOOD PLAN. Reem Zoun, Office of Planning, presented this item. Also addressing the Board were: Andrew Parks, Director, Senate Committee on Water, Agriculture and Rural Affairs; Janie Lopez, State Representative; Norma Sepulveda, Mayor, City of Harlingen; Gilbert Galvan, General Manager, Cameron County Drainage District No. 6; David Garza, Cameron County Commissioner Precinct 3; Cyrus Reed, Legislative and Conservation Director, Sierra Club; Tom Entsminger, Policy Director, National Wildlife Federation; and Frances Acuna, Climate Resilience Community Organizer.

Director Stepney moved to adopt the 2024 State Flood Plan, including the changes to comply with Texas Water Code § 16.061, and authorize the Executive Administrator to make minor technical and non-substantive language edits, as necessary, prior to the final publication of the graphically enhanced version, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

3. BRIEFING AND DISCUSSION ON MATERIAL CHANGES TO CONTRACTS FOR GOODS AND SERVICES EXECUTED DURING THE THIRD QUARTER OF FISCAL YEAR 2024, AND THE CONTRACT AND PERFORMANCE REPORT FOR THE THIRD QUARTER OF FISCAL YEAR 2024. Cameron Turner, Office of Finance, presented this item.

No action was taken on this item.

4. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO EXECUTE A CONTRACT WITH COMPUTERSHARE FOR THE PURPOSE OF REGISTERING AND SAFEKEEPING POLITICAL SUBDIVISION OBLIGATIONS (PSOS) FOR A ONE-YEAR

TERM BEGINNING SEPTEMBER 1, 2024, AT A COST OF \$420,000, AND AUTHORIZING THE EXECUTION OF UP TO FOUR ADDITIONAL ONE-YEAR RENEWAL OPTIONS PER THE CONTRACT TERMS, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$2,000,000. LeeRoy Lopez, Office of Finance, presented this item.

Chairwoman Paup authorized the Executive Administrator to execute a contract with Computershare for the purpose of registering and safekeeping political subdivision obligations for a one-year term beginning September 1, 2024, at a cost of \$420,000, with the option to extend for four additional one-year periods for a total contract amount not to exceed \$2,000,000, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney.

5. CONSIDER APPROVING THE FISCAL YEAR 2025 TEXAS WATER DEVELOPMENT BOARD INVESTMENT POLICY AND STRATEGIES.

The motion passed unanimously without presentation.

6. CONSIDER APPROVING THE FISCAL YEAR 2025 UNDERWRITING POLICIES AND PROCEDURES FOR NEGOTIATED BOND TRANSACTIONS OF THE TEXAS WATER DEVELOPMENT BOARD.

The motion passed unanimously without presentation.

7. CONSIDER APPROVING THE FISCAL YEAR 2025 DEBT MANAGEMENT POLICY OF THE TEXAS WATER DEVELOPMENT BOARD.

The motion passed unanimously without presentation.

8. CONSIDER APPROVING BY RESOLUTION DELEGATION TO THE EXECUTIVE ADMINISTRATOR AND THE DEVELOPMENT FUND MANAGER THE AUTHORITY TO UTILIZE PREPAYMENTS AND OTHER LAWFULLY AVAILABLE FUNDS TO PAY, REDEEM, AND DEFEASE GENERAL OBLIGATION BONDS. Alejandro Imatzu, Office of Finance, presented this item.

Chairwoman Paup moved to approve the proposed resolution delegating to the Executive Administrator and the Development Fund Manager the authority to utilize prepayments and other lawfully available funds to pay, redeem, and defease General Obligation Bonds, as recommended by our Executive Administrator.

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

9. CONSIDER AUTHORIZING THE PUBLICATION OF A NOTICE OF INTENT TO REVIEW RULES IN 31 TEXAS ADMINISTRATIVE CODE (TAC) CHAPTER 361.

The motion passed unanimously without presentation.

10. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO AMEND THE CONTRACT WITH TEXAS STATE UNIVERSITY IN SUPPORT OF THE TEXAS

INTEGRATED FLOODING FRAMEWORK (TIFF) PROJECT WITH AN ADDITIONAL \$325,000 FOR A TOTAL COST OF THE AMENDED CONTRACT NOT TO EXCEED \$600,000. Saul Nuccitelli, Water Science & Conservation, presented this item.

Chairwoman Paup moved to authorize the Executive Administrator to amend the contract with Texas State University in support of the Texas Integrated Flooding Framework project to add \$325,000 for a total cost not to exceed \$600,000, as recommended by our Executive Administrator.

The motion was seconded by Director Stepney.

11. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO EXECUTE CONTRACTS FOR FISCAL YEAR 2024 AGRICULTURAL WATER CONSERVATION GRANTS. Antonio Delgado, Water Science & Conservation, presented this item.

Director Stepney moved to authorize the Executive Administrator to execute contracts for Fiscal Year 2024 Agricultural Water Conservation Grants, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

12. CONSIDER THE APPOINTMENT OF A MEMBER TO THE WATER CONSERVATION ADVISORY COUNCIL TO REPRESENT GROUNDWATER CONSERVATION DISTRICTS.

The motion passed unanimously without presentation.

13. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO EXECUTE A CONTRACT IN AN AMOUNT NOT TO EXCEED \$2,113,735, INCLUDING \$1,750,000 FROM THE TEXAS WATER DEVELOPMENT BOARD, FOR CONTINUATION OF THE WATER RESOURCES INVESTIGATIONS DATA COLLECTION PROGRAM WITH THE U.S. GEOLOGICAL SURVEY IN FISCAL YEAR 2025. Mark Wentzel, Water Science & Conservation, presented this item.

Director Stepney moved to authorize the Executive Administrator to execute a contract in an amount not to exceed \$2,113,735, including \$1,750,000 from the Texas Water Development Board, for continuation of the Water Resources Investigations data collection program with the U.S. Geological Survey in Fiscal Year 2025, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

14. CONSIDER APPROVING AMENDMENTS TO THE 2021 REGIONAL WATER PLANS FOR REGIONS B, F, G, L, AND M 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.

Chairwoman Paup moved to approve the amendments to the 2021 Regional Water Plans for regions B, F, G, L, and M 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 Stepney, and it passed unanimously.

15. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO EXECUTE AN INTERAGENCY CONTRACT IN A TOTAL AMOUNT NOT TO EXCEED \$300,000 FOR A POPULATION AND WATER DEMAND PROJECTIONS RESEARCH PROJECT, Katie Dahlberg, Office of Planning, presented this item.

Director Stepney moved to authorize the Executive Administrator to execute an interagency contract in a total amount not to exceed \$300,000 for a population and water demand projections research project, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

16. CONSIDER AUTHORIZING THE PUBLICATION 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 (TWDB) REVIEW AND APPROVAL OF DESIGN CRITERIA FOR PLANS AND SPECIFICATIONS FOR SEWAGE COLLECTION, TREATMENT, AND DISPOSAL SYSTEMS.

The motion passed unanimously without presentation.

17. CONSIDER APPROVING THE PRIORITIZED LIST OF PROJECTS TO RECEIVE TEXAS WATER FUND MONIES THROUGH THE RURAL WATER ASSISTANCE FUND OR WATER LOAN ASSISTANCE FUND. Marvin Cole-Chaney, Water Supply & Infrastructure, presented this item.

Director Stepney moved to approve the prioritized list of projects to receive Texas Water Fund monies through the Rural Water Assistance Fund or Water Loan Assistance Fund, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

18. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF GORDON (PALO PINTO COUNTY) FOR \$2,135,784 IN FINANCIAL ASSISTANCE CONSISTING OF \$530,000 IN FINANCING AND \$1,605,784 IN PRINCIPAL FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND FOR PLANNING, DESIGN, AND CONSTRUCTION OF A WATER SYSTEM IMPROVEMENTS PROJECT. Tom Barnett, Water Supply & Infrastructure, presented this item.

Chairwoman Paup moved to adopt the proposed resolution for the City of Gordon for \$2,135,784 in financial assistance consisting of \$530,000 in financing and \$1,605,784 in principal forgiveness 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.

19. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF MERTZON (IRION COUNTY) FOR \$122,449 IN FINANCIAL ASSISTANCE CONSISTING OF \$60,000 IN FINANCING AND \$62,449 IN PRINCIPAL FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND LEAD SERVICE LINE REPLACEMENT PROGRAM TO INVENTORY LEAD SERVICE LINES. Tom Barnett, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the City of Mertzton for \$122,449 in financial assistance consisting of \$60,000 in financing and \$62,449 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program to inventory lead service lines, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

20. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE PANHANDLE GROUNDWATER CONSERVATION DISTRICT (CARSON, GRAY, DONLEY, ROBERTS, ARMSTRONG, POTTER, HUTCHINSON, AND WHEELER COUNTIES) FOR \$1,000,000 IN FINANCIAL ASSISTANCE FROM THE AGRICULTURAL WATER CONSERVATION LOAN PROGRAM TO PROVIDE LOANS TO AREA FARMERS TO PURCHASE IRRIGATION SYSTEMS AND RELATED EQUIPMENT. Tom Barnett, Water Supply & Infrastructure, presented this item.

Chairwoman Paup moved to adopt the proposed resolution for the Panhandle Groundwater Conservation District for \$1,000,000 in financial assistance from the Agricultural Water Conservation Loan Program to provide loans to area farmers to purchase irrigation systems and related equipment, as recommended by our Executive Administrator.

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

21. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO EXECUTE AN AGREEMENT WITH THE CITY OF COLUMBUS (COLORADO COUNTY) FOR A \$3,225,854 GRANT PURSUANT TO HOUSE BILL 1, 88TH LEGISLATIVE REGULAR SESSION, ARTICLE VI. Caaren Skrobarczyk, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution authorizing the Executive Administrator to execute an agreement with the City of Columbus for a \$3,225,854 grant pursuant to House Bill 1, 88th Legislative Regular Session, Article VI, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

22. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF PEARSALL (FRIO COUNTY) FOR \$7,400,000 IN FINANCIAL ASSISTANCE CONSISTING OF \$6,400,000 IN FINANCING AND \$1,000,000 IN

PRINCIPAL FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND FOR PLANNING, DESIGN, AND CONSTRUCTION OF WATER SYSTEM IMPROVEMENTS. Caaren Skrobarczyk, Water Supply & Infrastructure, presented this item.

Chairwoman Paup moved to adopt the proposed resolution for the City of Pearsall (Frio County) for \$7,400,000 in financial assistance consisting of \$6,400,000 in financing and \$1,000,000 in principal forgiveness 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 Stepney, and it passed unanimously.

23. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF PORT LAVACA (CALHOUN COUNTY) FOR \$39,315,000 IN FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVING FUND FOR PLANNING, DESIGN, AND CONSTRUCTION OF WASTEWATER SYSTEM IMPROVEMENTS. Caaren Skrobarczyk, Water Supply & Infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the City of Port Lavaca for \$39,315,000 in financial assistance from the Clean Water State Reving Fund for planning, design, and construction of wastewater system improvements, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

24. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE RIO GRANDE CITY (STARR COUNTY) FOR \$11,310,000 IN FINANCIAL ASSISTANCE CONSISTING OF \$5,655,000 IN FINANCING AND \$5,655,000 IN GRANT FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM FOR PLANNING, ACQUISITION, DESIGN, AND CONSTRUCTION OF A WATER SYSTEM IMPROVEMENTS PROJECT. William Alfaro, Water Supply & infrastructure, presented this item.

Chairwoman Paup moved to adopt the proposed resolution for the Rio Grande City for \$11,310,000 in financial assistance consisting of \$5,655,000 in financing and \$5,655,000 in grant from the Economically Distressed Areas Program for planning, acquisition, 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.

25. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE ANGELINA AND NECHES RIVER AUTHORITY (ANGELINA COUNTY) FOR \$7,705,000 IN GRANT FROM THE RURAL WATER ASSISTANCE FUND FOR PLANNING, ACQUISITION, DESIGN, AND CONSTRUCTION OF A WATER SYSTEM PROJECT. Bill Blaik, Water Supply & Infrastructure, presented this item. Kelley Holcomb, General Manager, Angelina Neches River Authority also addressed the Board.

Director Stepney moved to adopt the proposed resolution for the Angelina and Neches River Authority for \$7,705,000 in grant from the Rural Water Assistance Fund for planning,

acquisition, design, and construction of a water system project, as recommended by Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

26. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF JACKSONVILLE (CHEROKEE COUNTY) FOR \$11,706,500 IN FINANCIAL ASSISTANCE CONSISTING OF \$3,555,000 IN FINANCING AND \$8,151,500 IN PRINCIPAL FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND FOR PLANNING, ACQUISITION, DESIGN, AND CONSTRUCTION OF A SERVICE LINE REPLACEMENT PROJECT. Bill Blaik, Water Supply & Infrastructure, presented this item.

Chairwoman Paup moved to adopt the proposed resolution for the City of Jacksonville for \$11,706,500 in financial assistance consisting of \$3,555,000 in financing and \$8,151,500 in principal forgiveness from the Clean Water State Revolving Fund for planning, acquisition, design, and construction of a service line replacement project, as recommended by our Executive Administrator.

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

27. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE WESTWOOD SHORES MUD (TRINITY COUNTY) FOR \$1,581,632 IN FINANCIAL ASSISTANCE CONSISTING OF \$775,000 IN FINANCING AND \$806,632 IN PRINCIPAL FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND FOR PLANNING, DESIGN, ACQUISITION, AND CONSTRUCTION OF A LEAD SERVICE LINE REPLACEMENT PROJECT. Bill Blaik, Water Supply & infrastructure, presented this item.

Director Stepney moved to adopt the proposed resolution for the Westwood Shores Municipal Utility District for \$1,581,632 in financial assistance consisting of \$775,000 in financing and \$806,632 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, acquisition, and construction of a lead service line replacement project, as recommended by our Executive Administrator.

The motion was seconded by Chairwoman Paup, and it passed unanimously.

28. 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. Addressing the Board was Barbara Canales, Regional Flood Planning Group 13 Chairwoman also addressed the Board regarding agenda item No. 2.

29. 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.

The Board recessed at 10:27 a.m. and reconvened at 10:42 a.m. There being no further business for the Board, the meeting was adjourned at 11:29 a.m.

APPROVED and ordered of record this the 15<sup>th</sup> day of August 2024.

TEXAS WATER DEVELOPMENT BOARD

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Brooke T. Paup, Chairwoman

DATE SIGNED: \_\_\_\_\_

ATTEST:

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Bryan McMath, Interim Executive Administrator