

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
BOARD MEETING
AUGUST 21, 2025 – 9:30 A.M.

Chairwoman L'Oreal Stepney called to order the meeting of the Texas Water Development Board at 9:30 a.m. This meeting was held at 1601 Congress Ave., Barbara Jordan Building, Room 2.035, and via Webinar in Austin, TX. In addition to Chairwoman Stepney, Director Miller was in attendance, and a quorum was present.

The General Counsel announced the items for consideration:

1. Consider acknowledging gifts and donations of \$500 or more in value given to the Texas Water Development Board in accordance with Chapter 575 of the Texas Government Code. Kendal Kowal, Office of General Counsel, presented this item.

Chairwoman Stepney moved to acknowledge the gifts and donations of \$500 or more in value given to the Texas Water Development Board in accordance with Chapter 575 of the Texas Government Code, as recommended by the Executive Administrator.

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

2. Consider authorizing the publication of a notice of adoption of rule review for 31 Texas Administrative Code Chapter 362. Breann Hunter, Office of General Counsel, presented this item.

Director Miller moved to authorize the publication of a notice of adoption of rule review for 31 Texas Administrative Code Chapter 362, as recommended by the Executive Administrator.

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

3. Briefing on the resolution reached by the authorized regional representatives related to the interregional conflict between initially prepared regional water plans for planning regions C and D. Breann Hunter, Office of General Counsel, presented this item.

No action was taken on this item.

4. Briefing and discussion on material changes to contracts for goods and services executed during the third quarter of Fiscal Year 2025. LeeRoy Lopez, Office of Finance, presented this item.

No action was taken on this item.

5. Consider selection of bond and disclosure counsel and authorize the Executive Administrator to negotiate and enter into contracts for outside counsel services from September 1, 2025, through August 31, 2027. David Duran, Office of Finance, presented this item.

Chairwoman Stepney moved to authorize the selection of bond and disclosure counsel

and authorize the Executive Administrator to negotiate and enter into contracts for outside counsel services from September 1, 2025, through August 31, 2027, as recommended by the Executive Administrator.

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

6. Consider approving the Fiscal Year 2026 Debt Management Policy of the Texas Water Development Board. David Duran, Office of Finance, presented this item.

Director Miller moved to approve the Fiscal Year 2026 Debt Management Policy of the Texas Water Development Board, as recommended by the Executive Administrator.

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

7. 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. David Duran, Office of Finance, presented this item.

Chairwoman Stepney moved to approve 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, as recommended by the Executive Administrator.

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

8. Consider approving the Fiscal Year 2026 Underwriting Policies and Procedures for Negotiated Bond Transactions of the Texas Water Development Board. David Duran, Office of Finance, presented this item.

Director Miller moved to approve the Fiscal Year 2026 Underwriting Policies and Procedures for Negotiated Bond Transactions of the Texas Water Development Board, as recommended by the Executive Administrator.

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

9. Consider approving the Fiscal Year 2026 Texas Water Development Board Investment Policy and Strategies. Jerry Icaro, Office of Finance, presented this item.

Chairwoman Stepney moved to approve the Fiscal Year 2026 Texas Water Development Board Investment Policy and Strategies, as recommended by the Executive Administrator.

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

10. Consider authorizing the Executive Administrator to execute a contract with the U.S. Geological Survey in an amount not to exceed \$745,000 (including \$475,000 from the Texas Water Development Board) for coastal monitoring in fiscal years 2026 and 2027. Amin Kiaghadi, Water Science & Conservation, presented this item.

Director Miller moved to authorize the Executive Administrator to execute a contract with

the U.S. Geological Survey in an amount not to exceed \$745,000 (including \$475,000 from the Texas Water Development Board) for coastal monitoring in fiscal years 2026 and 2027, as recommended by the Executive Administrator.

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

11. Consider authorizing the Executive Administrator to amend the Fiscal Year 2025 contract with the U.S. Geological Survey for improving reservoir evaporation estimates by adding \$191,500 for continuation of the current study into fiscal years 2026 and 2027, for a total cost not to exceed \$416,500, including \$336,500 from the Texas Water Development Board and \$80,000 from the U.S. Geological Survey. Nelun Fernando, Water Science & Conservation, presented this item.

Chairwoman Stepney moved to authorize the Executive Administrator to amend the Fiscal Year 2025 contract with the U.S. Geological Survey for improving reservoir evaporation estimates by adding \$191,500 for continuation of the current study into fiscal years 2026 and 2027, for a total cost not to exceed \$416,500, including \$336,500 from the Texas Water Development Board and \$80,000 from the U.S. Geological Survey, as recommended by the Executive Administrator.

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

12. Consider the appointment of nine members to the Water Conservation Advisory Council. Denise Livingston, Water Science & Conservation, presented this item.

Director Miller moved to authorize the appointment of nine members to the Water Conservation Advisory Council, as recommended by the Executive Administrator.

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

13. Consider approving by resolution a request from the City of Hamilton (Hamilton County) for \$2,481,690 in principal forgiveness from the Drinking Water State Revolving Fund for planning, acquisition, design, and construction of a water system improvements project. Nancy Richards, Water Supply & Infrastructure, presented this item. Nancy Richards, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the City of Hamilton for \$2,481,690 in principal forgiveness from the Drinking Water State Revolving Fund for planning, acquisition, design, and construction of a water system improvements project, as recommended by the Executive Administrator.

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

14. Consider approving by resolution a request from the City of Wills Point (Van Zandt County) to amend Texas Water Development Board Resolution No. 18-118 to authorize \$2,210,000 in additional financing from the Drinking Water State Revolving Fund for construction of a water system improvement project. Joe Koen, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Wills Point to amend

Texas Water Development Board Resolution No. 18-118 to authorize \$2,210,000 in additional financing from the Drinking Water State Revolving Fund for construction of a water system improvement project, as recommended by the Executive Administrator.

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

15. Consider approving by resolution a request from the City of Pflugerville (Travis and Williamson counties) for \$27,180,000 in financing from the Drinking Water State Revolving Fund for construction of a water system improvements project. David Firgens, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the City of Pflugerville for \$27,180,000 in financing from the Drinking Water State Revolving Fund for construction of a water system improvements project, as recommended by the Executive Administrator.

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

16. Consider approving by resolution a request from the City of Pflugerville (Travis and Williamson counties) for \$74,775,000 in financing from the Drinking Water State Revolving Fund for construction of a water system improvement project. David Firgens, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Pflugerville for \$74,775,000 in financing from the Drinking Water State Revolving Fund for construction of a water system improvement project, as recommended by the Executive Administrator.

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

17. Consider approving by resolution a request from the City of Harlingen (Cameron County) for \$25,116,404 in financial assistance consisting of \$12,560,000 in financing and \$12,556,404 in grant funding from the Economically Distressed Areas Program for construction of a wastewater system improvements project. William Alfaro, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the City of Harlingen for \$25,116,404 in financial assistance consisting of \$12,560,000 in financing and \$12,556,404 in grant funding from the Economically Distressed Areas Program for construction of a wastewater system improvements project, as recommended by the Executive Administrator.

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

18. Consider authorizing the Executive Administrator to execute a grant agreement with the Hidalgo County Drainage District No. 1 in an amount not to exceed \$500,000 in grant funding pursuant to Rider No. 21 of the General Appropriations Act for the 2024-25 Biennium. William Alfaro, Water Science & Infrastructure, presented this item.

Director Miller moved to authorize the Executive Administrator to execute a grant agreement with the Hidalgo County Drainage District No. 1 in an amount not to exceed

\$500,000 in grant funding pursuant to Rider No. 21 of the General Appropriations Act for the 2024-25 Biennium, as recommended by the Executive Administrator.

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

19. Consider approving by resolution a request from the Military Highway Water Supply Corporation (Cameron County) for \$11,905,000 in financial assistance consisting of \$5,955,000 in financing and \$5,950,000 in grant funding from the Economically Distressed Areas Program for planning, acquisition, design, and construction of a water improvements project. William Alfaro, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the Military Highway Water Supply Corporation for \$11,905,000 in financial assistance consisting of \$5,955,000 in financing and \$5,950,000 in grant funding from the Economically Distressed Areas Program for planning, acquisition, design, and construction of a water improvements project, as recommended by the Executive Administrator.

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

20. Consider approving by resolution a request from the City of Breckenridge (Stephens County) for \$5,723,900 in financial assistance consisting of \$1,720,000 in financing and \$4,003,900 in grant funding from the Water Loan Assistance Fund for planning, design, and construction of a water system improvements project. Shubham Aggarwal, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Breckenridge for \$5,723,900 in financial assistance consisting of \$1,720,000 in financing and \$4,003,900 in grant funding from the Water Loan Assistance Fund for planning, design, and construction of water system improvements project, as recommended by the Executive Administrator.

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

21. Consider approving by resolution a request from the City of Corrigan (Polk County) for \$3,957,600 in financial assistance consisting of \$400,000 in financing and \$3,557,600 in grant funding from the Rural Water Assistance Fund for planning, acquisition, design, and construction of water system improvements. Shubham Aggarwal, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the City of Corrigan for \$3,957,600 in financial assistance consisting of \$400,000 in financing and \$3,557,600 in grant funding from the Rural Water Assistance Fund for planning, acquisition, design, and construction of water system improvements, as recommended by the Executive Administrator.

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

22. Consider approving by resolution a request from the City of Del Rio (Val Verde County) for \$1,204,082 in financial assistance consisting of \$590,000 in financing and \$614,082 in principal forgiveness from the Drinking Water State Revolving Fund Lead

Service Replacement Program for planning of a water system improvement project. Shubham Aggarwal, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Del Rio for \$1,204,082 in financial assistance consisting of \$590,000 in financing and \$614,082 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program for the planning of a water system improvement project, as recommended by the Executive Administrator.

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

23. Consider approving by resolution a request from the City of Denison (Grayson County) for \$16,950,000 in financial assistance consisting of \$5,085,000 in financing and \$11,865,000 in grant funding from the Water Loan Assistance Fund for planning, design, and construction of a water system improvements project. Shubham Aggarwal, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the City of Denison for \$16,950,000 in financial assistance consisting of \$5,085,000 in financing and \$11,865,000 in grant funding from the Water Loan Assistance Fund for planning, design, and construction of a water system improvements project, as recommended by the Executive Administrator.

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

24. Consider approving by resolution a request from the East Rio Hondo Water Supply Corporation (Cameron County) for \$17,104,167 in financial assistance consisting of \$5,135,000 in financing and \$11,969,167 in grant funding from the Water Loan Assistance Fund for planning, acquisition, design, and construction of water system improvements. Shubham Aggarwal, Water Science & Infrastructure, presented this item. Brian MacManus, with the East Rio Hondo Water Supply Corporation, addressed the Board.

Director Miller moved to adopt the proposed resolution for the East Rio Hondo Water Supply Corporation for \$17,104,167 in financial assistance consisting of \$5,135,000 in financing and \$11,969,167 in grant funding from the Water Loan Assistance Fund for planning, acquisition, design, and construction of water system improvements, as recommended by the Executive Administrator.

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

25. Consider approving by resolution a request from the Grantwoods Water Supply Corporation (Harris County) for \$253,000 in grant funding from the Water Loan Assistance Fund for planning, design, and construction of water system project. Kyleigh Dixon, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the Grantwoods Water Supply Corporation for \$253,000 in grant funding from the Water Loan Assistance Fund for planning, design, and construction of water system project, as recommended by the Executive Administrator.

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

26. Consider approving by resolution a request from the City of Hamilton (Hamilton County) for \$2,277,337 in grant funding from the Rural Water Assistance Fund for planning, design, and construction of water system improvements. Dain Larsen, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Hamilton for \$2,277,337 in grant funding from the Rural Water Assistance Fund for planning, design, and construction of water system improvements, as recommended by the Executive Administrator.

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

27. Consider approving by resolution a request from the City of Harlingen (Cameron County) for \$8,260,000 in financial assistance consisting of \$2,480,000 in financing and \$5,780,000 in grant funding from the Water Loan Assistance Fund for construction of water system improvements. Dain Larsen, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the City of Harlingen for \$8,260,000 in financial assistance consisting of \$2,480,000 in financing and \$5,780,000 in grant funding from the Water Loan Assistance Fund for construction of water system improvements, as recommended by the Executive Administrator.

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

28. Consider approving by resolution a request from the City of Harlingen (Cameron County) for \$8,305,000 in financial assistance consisting of \$2,495,000 in financing and \$5,810,000 in grant funding from the Water Loan Assistance Fund for construction of water system improvements project. Dain Larsen, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of Harlingen for \$8,305,000 in financial assistance consisting of \$2,495,000 in financing and \$5,810,000 in grant funding from the Water Loan Assistance Fund for construction of water system improvements project, as recommended by the Executive Administrator.

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

29. Consider approving by resolution a request from the Harris County Fresh Water Supply District 1A (Harris County) for \$584,000 in grant funding from the Water Loan Assistance Fund for construction of water system improvements. Dain Larsen, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the Harris County Fresh Water Supply District 1A for \$584,000 in grant funding from the Water Loan Assistance Fund for construction of water system improvements, as recommended by the Executive Administrator.

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

30. Consider approving by resolution a request from the City of New Braunfels (Comal County) for \$24,275,510 in financial assistance consisting of \$11,895,000 in financing and \$12,380,810 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program for planning, acquisition, design, and construction of a water system improvements project. Dain Larsen, Water Science & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution for the City of New Braunfels for \$24,275,510 in financial assistance consisting of \$11,895,000 in financing and \$12,380,810 in principal forgiveness from the Drinking Water State Revolving Fund Lead Service Line Replacement Program for planning, acquisition, design, and construction of a water system improvements project, as recommended by the Executive Administrator.

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

31. Consider approving by resolution a request from the Silver Creek Village Water Supply Corporation (Burnet County) for \$1,490,000 in financial assistance consisting of \$590,000 in financing and \$900,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of water system improvements. Dain Larsen, Water Science & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution for the Silver Creek Village Water Supply Corporation for \$1,490,000 in financial assistance consisting of \$590,000 in financing and \$900,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of water system improvements, as recommended by the Executive Administrator.

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

32. 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. Rusty Burkett, with the Galveston County Consolidated Drainage District, addressed the Board.
33. 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 10:55 a.m.

APPROVED and ordered of record this the 21st day of August 2025.

TEXAS WATER DEVELOPMENT BOARD

L'Oreal Stepney, P.E., Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Executive Administrator