

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
BOARD MEETING  
OCTOBER 2, 2025

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 2.034, 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. Briefing and discussion on material changes to contracts for goods and services executed during the fourth quarter of Fiscal Year 2025. Lauren Grooms-Meyers, Office of Finance, presented this item.

NO FORMAL ACTION REQUESTED.

2. Consider approving by resolution the establishment of lending rate scales for financial assistance provided under the State Water Implementation Fund for Texas program through the State Water Implementation Revenue Fund for Texas and the Financial Assistance Account of the Texas Water Development Fund II to be effective October 2, 2025. Thomas Quick, Office of Finance, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution establishing the lending rate scales for financial assistance provided under the State Water Implementation Fund for Texas program through the State Water Implementation Revenue Fund for Texas and the Financial Assistance Account of the Texas Water Development Fund II to be effective October 2, 2025, as recommended by our Executive Administrator, as recommended by the Executive Administrator.

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

3. Consider approving Internal Audit's Fiscal Year 2026 Audit Plan. Nicole Campbell, Internal Audit, presented this item.

Director Miller moved to adopt Internal Audit's Fiscal Year 2026 Audit Plan, as recommended by the Executive Administrator

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

4. Consider confirming the existing boundaries of the 16 regional water planning areas without change. Temple McKinnon, Office of Planning, presented this item.

Chairwoman Stepney moved to confirm the existing boundaries of the 16 regional water planning areas without change, as recommended by the Executive Administrator.

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

5. Consider authorizing the Executive Administrator to negotiate and execute contracts with third-party consultants to perform Flood Management Evaluation studies as selected by the Regional Flood Planning Groups to support the regional flood planning process. Matt Nelson, Office of Planning, presented this item. Cindy Engelhardt, with Halff, presented before the Board.

Director Miller moved to authorize the Executive Administrator to negotiate and execute contracts with third-party consultants to perform Flood Management Evaluation studies as selected by the Regional Flood Planning Groups to support the regional flood planning process, as recommended by the Executive Administrator.

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

6. Consider approving the State Fiscal Year 2026 Drinking Water State Revolving Fund Intended Use Plan covering general activities. Patrick Kading, Water Supply & Infrastructure, presented this item. John Merez, with the South Texas Water Authority, addressed the Board.

Chairwoman Stepney moved to approve the State Fiscal Year 2026 Drinking Water State Revolving Fund Intended Use Plan covering general activities, as recommended by the Executive Administrator.

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

7. Consider approving the State Fiscal Year 2026 Clean Water State Revolving Fund Intended Use Plan covering general activities. Patrick Kading, Water Supply & Infrastructure, presented this item. Tom Entsminger, representing Texas Living Water, addressed the Board.

Director Miller moved to approve the State Fiscal Year 2026 Clean Water State Revolving Fund Intended Use Plan covering general activities, as recommended by the Executive Administrator.

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

8. Consider approving the Amended State Fiscal Year 2023 Drinking Water State Revolving Fund Lead Service Line Replacement Intended Use Plan. Patrick Kading, Water Supply & Infrastructure, presented this item.

Chairwoman Stepney moved to approve the Amended State Fiscal Year 2023 Drinking Water State Revolving Fund Lead Service Line Replacement Intended Use Plan, as recommended by the Executive Administrator.

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

9. Consider approving the Amended State Fiscal Year 2025 Drinking Water State Revolving Fund Lead Service Line Replacement Intended Use Plan. Patrick Kading, Water Supply & Infrastructure, presented this item.

Director Miller moved to approve the Amended State Fiscal Year 2025 Drinking Water

State Revolving Fund Lead Service Line Replacement Intended Use Plan, as recommended by the Executive Administrator.

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

10. Consider authorizing the Executive Administrator to execute a contract amendment for the Clean Water State Revolving Fund Set-Aside Contract between the Texas Water Development Board and the Texas Commission on Environmental Quality covering the regular annual appropriations for State Fiscal Year 2026. Jesse Milonovich, Water Supply & Infrastructure, presented this item.

Chairwoman Stepney moved to authorize the Executive Administrator to execute a contract amendment for the Clean Water State Revolving Fund Set-Aside Contract between the Texas Water Development Board and the Texas Commission on Environmental Quality covering the regular annual appropriations for State Fiscal Year 2026, as recommended by the Executive Administrator.

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

11. Consider authorizing the Executive Administrator to execute a contract amendment for the Drinking Water State Revolving Fund Set-Aside Contract between the Texas Water Development Board and the Texas Commission on Environmental Quality covering the regular annual appropriations and appropriations from the Infrastructure Investment and Jobs Act for State Fiscal Year 2026. Jesse Milonovich, Water Supply & Infrastructure, presented this item.

Director Miller moved to authorize the Executive Administrator to execute a contract amendment for the Drinking Water State Revolving Fund Set-Aside Contract between the Texas Water Development Board and the Texas Commission on Environmental Quality covering the regular annual appropriations and appropriations from the Infrastructure Investment and Jobs Act for State Fiscal Year 2026, as recommended by the Executive Administrator.

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

12. Consider amending by resolution the previously adopted Texas Water Development Board Resolution No. 24-062, as amended, to modify the Guadalupe-Blanco River Authority's commitment to extend the commitment period. David Figgins, Water Supply & Infrastructure, presented this item.

Chairwoman Stepney moved to amend the previously adopted Texas Water Development Board Resolution No. 24-062, as amended, to modify the Guadalupe-Blanco River Authority's commitment to extend the commitment period, as recommended by our Executive Administrator.

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

13. Consider approving by resolution a request from the Grassland Water Supply Corporation (Lynn County) for \$398,000 in principal forgiveness from the Drinking Water State Revolving Fund for planning and design of a reverse osmosis water treatment system to

an existing plant project. David Firgens, Water Supply & Infrastructure, presented this item. Joe Craig, with Grassland Water Supply; and Clifford Hillin, with Grassland Water Supply Corporation, addressed the Board.

Director Miller moved to adopt the proposed resolution from the Grassland Water Supply Corporation for financial assistance from the Drinking Water State Revolving Fund for planning and design of a reverse osmosis water treatment system to an existing plant project, as recommended by the Executive Administrator.

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

14. Consider approving by resolution a request from the Welch Water Supply Corporation (Dawson County) for \$3,260,000 in principal forgiveness from the Drinking Water State Revolving Fund for construction of water treatment system improvements. David Firgens, Water Supply & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution from the Welch Water Supply Corporation for financial assistance from the Drinking Water State Revolving Fund for construction of water treatment system improvements, as recommended by the Executive Administrator.

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

15. Consider approving by resolution a request from the Bluff Dale Water Supply Corporation (Erath County) to amend Texas Water Development Board Resolution No. 20-094 to authorize \$145,000 in additional financing from the Drinking Water State Revolving Fund for construction of a water system improvements project. Candice DeLello, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution from Bluff Dale Water Supply Corporation to amend Texas Water Development Board Resolution No. 20-094 to authorize additional 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 Chairwoman Stepney, and it passed unanimously.

16. Consider approving by resolution a request from the City of Dublin (Erath County) for \$2,567,669 in financial assistance consisting of \$210,000 in financing and \$2,357,669 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvements project. Candice DeLello, Water Supply & Infrastructure, presented this item.

Chairwoman Stepney moved to adopt the proposed resolution from the City of Dublin for financial assistance from the Drinking Water State Revolving 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.

17. Consider approving by resolution a request from the City of Strawn (Palo Pinto County) to amend Texas Water Development Board Resolution No. 22-038 to authorize \$1,085,000 in additional financing from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvements project. Candice DeLello, Water Supply & Infrastructure, presented this item.

Director Miller moved to adopt the proposed resolution from the City of Strawn to amend Texas Water Development Board Resolution No. 22-038 to authorize additional financing from the Drinking Water State Revolving Fund for planning, 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.

18. Consider approving by resolution a request from the City of Mercedes (Hidalgo County) for \$23,860,000 in financial assistance consisting of \$13,860,000 in financing and \$10,000,000 in principal forgiveness from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system improvement project. Dain Larsen, Water Supply & Infrastructure, presented this item.

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

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

19. Consider approving a change to the compensation of the Executive Administrator. There was not an oral presentation of this item.

Director Miller moved to approve an increase of the Executive Administrator's compensation as provided in documents submitted to Human Resources before today's Board meeting.

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

20. Consider approving and presenting the 2025 Texas Rain Catcher Awards. Shae Luther, Water Science & Conservation, presented this item. Randy Jasek addressed the Board.

Chairwoman Stepney moved to approve the 2025 Texas Rain Catcher Awards, as recommended by the Executive Administrator.

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

21. 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.

22. 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 open session of the Texas Water Development Board recessed at 10:36 a.m.

After an Executive Session of the Board, the Chairwoman called the meeting of the Texas Water Development Board back into session at 10:48 a.m. There being no further business for the Board, the meeting was adjourned at 11:30 a.m.

APPROVED and ordered of record this the 2<sup>nd</sup> day of October 2025.

TEXAS WATER DEVELOPMENT BOARD

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L'Oreal Stepney, P.E., Chairwoman

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

ATTEST:

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Bryan McMath, Executive Administrator