

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD MEETING
MARCH 31, 2026

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 1700 Congress Ave., Stephen F. Austin Building, Room 170; and via Webinar in Austin, Texas. In addition to Chairwoman Stepney, Directors Ashlye Morgan and Brady Franks were in attendance, and a quorum was present.

The General Counsel announced the items for consideration:

1. Consider approving by resolution: (a) the issuance, sale, and delivery of Texas Water Development Board State Revolving Fund Revenue Bonds, in one or more series; (b) a Preliminary Official Statement; and (c) authorization for the Executive Administrator, Assistant Executive Administrator, Chief Financial Officer, Development Fund Manager, Director of Debt & Portfolio Management, or any other authorized representative to act on behalf of the Texas Water Development Board in the sale and delivery of multiple series of such bonds. Lina Linehan, Office of Finance, addressed the Board.

Director Franks moved to adopt the proposed resolution for the issuance, sale, and delivery of Texas Water Development Board State Revolving Fund Revenue Bonds, in one or more series and the Preliminary Official Statement; and authorize the Executive Administrator, Assistant Executive Administrator, Chief Financial Officer, Development Fund Manager, Director of Debt & Portfolio Management, or any other authorized representative to act on behalf of the Texas Water Development Board in the sale and delivery of multiple series of such bonds, as recommended by the Executive Administrator

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

2. Consider authorizing the publication of proposed amendments to 31 Texas Administrative Code Chapter 356. Natalie Ballew, Water Science & Conservation, address the Board.

Director Morgan moved to authorize the publication of proposed amendments to 31 Texas Administrative Code Chapter 356, as recommended by the Executive Administrator

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

3. Consider authorizing the publication of proposed amendments to 31 Texas Administrative Code Chapters 358 and 363. Erika Mancha, Water Science & Conservation, addressed the Board.

Director Franks moved to authorize the publication of proposed amendments to 31 Texas Administrative Code Chapters 358 and 363, as recommended by the Executive Administrator

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

4. Consider authorizing the publication of adoption of amendments to 31 Texas Administrative Code Chapter 363. Marvin Cole-Chaney, Water Supply & Infrastructure,

addressed the Board.

Director Morgan moved to authorize publication of adoption of amendments to 31 Texas Administrative Code Chapter 363, as recommended by the Executive Administrator.

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

5. Consider approving the Second Amended 2023 Regional Flood Plans for Regions 1 and 3-15. Kevin Wessels, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to approve the Second Amended 2023 Regional Flood Plans for Regions 1 and 3-15, as recommended by the Executive Administrator.

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

6. Consider approving the Nueces River Authority's application to conduct a flood management evaluation study and authorizing the Executive Administrator to negotiate and execute a contract for grant funding from the 2024-2025 Flood Infrastructure Fund cycle in an amount not to exceed \$750,000 for this watershed flood protection planning project. Melissa Hislop, Water Supply & Infrastructure, addressed the Board.

Director Morgan moved to approve the Nueces River Authority's application to conduct a flood management evaluation study and authorize the Executive Administrator to negotiate and execute a contract for grant funding from the 2024-2025 Flood Infrastructure Fund cycle in an amount not to exceed \$750,000 for this watershed flood protection planning project, as recommended by the Executive Administrator.

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

7. Consider authorizing the Executive Administrator to execute an Interagency Agreement between Texas Water Development Board and Texas Commission on Environmental Quality in an amount not to exceed \$1,783,220. Jessica Peña, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to authorize the Executive Administrator to execute an Interagency Agreement between Texas Water Development Board and Texas Commission on Environmental Quality in an amount not to exceed \$1,783,220, as recommended by the Executive Administrator.

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

8. Briefing and discussion on the implementation of House Bill 500 relating to Water Supply and Infrastructure Grants. Jessica Peña, Water Supply & Infrastructure, addressed the Board. Also addressing the Board were John Beckham, North American Development Bank; William Duff; Tom Entsminger, National Wildlife Federation; Perry Fowler, Texas Water Infrastructure Network; and Thomas Salazer, City of Three Rivers.

NO FORMAL ACTION WAS TAKEN ON THIS ITEM.

9. Consider approving the State Fiscal Year 2026 Drinking Water State Revolving Fund

Lead Service Line Replacement Intended Use Plan.

Director Morgan moved to approve the State Fiscal Year 2026 Drinking Water State Revolving Fund Lead Service Line Replacement Intended Use Plan, as recommended by the Executive Administrator.

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

10. Consider authorizing the Executive Administrator to 1) select contractors that may be used to complete Water Utilities Technical Assistance Program contract deliverables on behalf of participant systems; 2) select systems to participate in the State Fiscal Year 2026 round of Water Utilities Technical Assistance Program; and 3) initiate and enter into contracts in a total cumulative amount not to exceed \$2,000,000 to implement the Water Utilities Technical Assistance Program. LaTrichia Spikes, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to authorize the Executive Administrator to select contractors that may be used to complete Water Utilities Technical Assistance Program contract deliverables on behalf of participant systems, select systems to participate in the State Fiscal Year 2026 round of the Water Utilities Technical Assistance Program and initiate and enter into contracts in a total cumulative amount not to exceed \$2,000,000 to implement the Water Utilities Technical Assistance Program, as recommended by the Executive Administrator.

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

11. Consider approving by resolution a request from the City of Albany (Shackelford County) for \$2,969,212 in financial assistance consisting of \$505,000 in financing and \$2,464,212 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, addressed the Board.

Director Morgan moved to adopt the proposed resolution for the City of Albany 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 Franks, and it passed unanimously.

12. Consider approving by resolution a request from the Greater Texoma Utility Authority on behalf of the City of Whitewright (Grayson and Fannin counties) for \$3,168,285 in financial assistance consisting of \$965,000 in financing and \$2,203,285 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, addressed the Board.

Director Franks moved to adopt the proposed resolution for the Greater Texoma Utility Authority on behalf of the City of Whitewright 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, as

recommended by the Executive Administrator.

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

13. Consider approving by resolution a request from the Riverbend Water Resources District (Red River County) for \$59,000,000 in financial assistance consisting of \$49,000,000 in financing and \$10,000,000 in principal forgiveness from the Drinking Water State Revolving Fund for construction of a water system improvements project. Joe Koen, Water Supply & Infrastructure, addressed the Board. Also addressing the Board was Kim Keefer, PE with the Riverbend Water Resources District.

Director Morgan moved to adopt the proposed resolution for the Riverbend Water Resources District for financial assistance 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 Franks, and it passed unanimously.

14. Consider authorizing the Executive Administrator to execute an agreement with the City of Columbus for a \$1,400,000 grant pursuant to Senate Bill No. 1, 89th Legislature, Regular Session, Article VI. David Firgens, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to authorize the Executive Administrator to execute an agreement with the City of Columbus for a \$1,400,000 grant pursuant to Senate Bill No. 1, 89th Legislature, Regular Session, Article VI, as recommended by the Executive Administrator.

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

15. Consider approving by resolution a request from the Agua Special Utility District (Hidalgo County) for \$31,040,000 in financial assistance consisting of \$21,040,000 in financing and \$10,000,000 in principal forgiveness from the Drinking Water State Revolving Fund for construction of a water system improvements project. Kevin Smith, Water Supply & Infrastructure, addressed the Board. Also addressing the Board was Roberto Salinas, Agua SUD

Director Morgan moved to adopt the proposed resolution for the Agua Special Utility District for financial assistance 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 Franks, and it passed unanimously.

16. Consider approving by resolution a request from the Jim Hogg County Water Control and Improvement District No. 2 (Jim Hogg County) for \$6,224,250 in financial assistance consisting of \$375,000 in financing and \$5,849,250 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvements project. Kevin Smith, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to adopt the proposed resolution for the Jim Hogg 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 improvements project, as recommended by the Executive Administrator.

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

17. Consider approving by resolution a request from the Dean Water Supply Corporation (Smith County) for \$3,500,000 in financing from the Water Development Fund for planning, design, and construction of a water system project. Bill Blaik, Water Supply & Infrastructure, addressed the Board.

Director Morgan moved to adopt the proposed resolution for the Dean Water Supply Corporation for financing from the Water Development Fund for planning, design, and construction of a water system project, as recommended by the Executive Administrator.

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

18. Consider amending by resolution the previously adopted Texas Water Development Board Resolution No. 25-021 to extend the City of Ennis' Drinking Water State Revolving Fund Lead Service Line Replacement commitment to September 30, 2026. Racquel McCoy, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to amend the previously adopted Texas Water Development Board Resolution No. 25-021 to extend the City of Ennis' Drinking Water State Revolving Fund Lead Service Line Replacement commitment to September 30, 2026, as recommended by the Executive Administrator.

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

19. Consider amending by resolution the previously adopted Texas Water Development Board Resolution No. 25-137 to extend the Sharyland Water Supply Corporation's Drinking Water State Revolving Fund commitment to September 30, 2026. Racquel McCoy, Water Supply & Infrastructure, addressed the Board.

Director Morgan moved to amend the previously adopted Texas Water Development Board Resolution No. 25-137 to extend the Sharyland Water Supply Corporation's Drinking Water State Revolving Fund commitment to September 30, 2026, as recommended by the Executive Administrator.

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

20. Consider approving by resolution a request from the Champions Municipal Utility District (Harris County) for \$10,800,000 in financial assistance from the Texas Water Development Fund for planning, design, and construction of a water and wastewater systems improvements project. Dain Larsen, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to adopt the proposed resolution for the Champions Municipal Utility District for financial assistance from the Texas Water Development Fund for

planning, design, and construction of a water and wastewater systems improvements project, as recommended by our Executive Administrator.

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

21. Consider approving by resolution a request from the City of Katy (Harris, Fort Bend, and Waller counties) for \$20,600,000 in financial assistance from the Texas Water Development Fund for planning, design, and construction of a wastewater system improvements project. Dain Larsen, Water Supply & Infrastructure, addressed the Board.

Director Morgan moved to adopt the proposed resolution for the City of Katy for financial assistance from the Texas Water Development Fund for planning, design, and construction of a wastewater system improvements project, as recommended by the Executive Administrator.

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

22. Consider approving by resolution a request from the City of Mercedes (Hidalgo County) for \$19,014,647 in financial assistance consisting of \$11,780,000 in financing and \$7,234,647 in principal forgiveness from the Drinking Water State Revolving Fund for planning, design, and construction of water system improvements project. Dain Larsen, Water Supply & Infrastructure, addressed the Board. Also addressing the Board was Alberto Perez, City of Mercedes.

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

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

23. Consider approving by resolution a request from the City of Mount Vernon (Franklin County) for \$5,823,069 in financial assistance consisting of \$5,445,000 in financing and \$378,069 in principal forgiveness from the Clean Water State Revolving Fund for construction of wastewater system improvements. Dain Larsen, Water Supply & Infrastructure, addressed the Board.

Director Morgan moved to adopt the proposed resolution for the City of Mount Vernon for financial assistance from the Clean Water State Revolving Fund for construction of wastewater system improvements, as recommended by the Executive Administrator.

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

24. Consider approving by resolution a request from the South Rains Special Utility District (Rains County) for \$2,850,000 in financial assistance from the Texas Water Development Fund for planning, design, and construction of a water system improvements project. Dain Larsen, Water Supply & Infrastructure, addressed the Board.

Director Franks moved to adopt the proposed resolution for the South Rains Special Utility District for financial assistance from the Texas Water Development Fund for planning, design, and construction of a water system improvements project, as recommended by the Executive Administrator.

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

25. Consider approving by resolution a request from the Travis County Water Control and Improvement District - Point Venture (Travis County) for \$6,000,000 in financial assistance from the Texas Water Development Fund for construction of a water system improvements project. Dain Larsen, Water Supply & Infrastructure, addressed the Board.

Director Morgan moved to adopt the proposed resolution for the Travis County Water Control and Improvement District - Point Venture for financial assistance from the Texas Water Development Fund for construction of a water system improvements project, as recommended by the Executive Administrator.

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

26. 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. Alos addressing the Board were Anthony Grover, Mayor of the City of Brady; Gary Jacobson, Lisa McElrath, Steven Miller, City of Brady; and Keith Kindle, Enprotec/Hibbs & Todd, Inc.
27. 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 10:31 a.m. and reconvened at 10:41 a.m. The open session of the Texas Water Development Board recessed a second time at 11:31 a.m.

After an Executive Session of the Board, the Chairwoman called the meeting of the Texas Water Development Board back into session at 12:32 p.m. There being no further business for the Board, the meeting was adjourned at 12:32 p.m.

APPROVED and ordered of record this the 31st day of March 2026.

TEXAS WATER DEVELOPMENT BOARD

L'Oreal Stepney, P.E., Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Executive Administrator