MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD MEETING
AUGUST 6, 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 1601 Congress Ave., Barbara Jordan Building, Room 2.035 and via webinar in Austin, Texas. In addition to Chairwoman Stepney, Directors Ashley Morgan and Brady Franks were 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 third quarter of Fiscal Year 2026. Lauren Grooms-Meyers, Office of Finance, presented this item.

   <u>NO ACTION REQUESTED.</u>

2. Consider approving the Fiscal Year 2027 Texas Water Development Board Investment Policy and Strategies. Jerry Icaro, Office of Finance, presented this item.

   Director Morgan moved to approve the Fiscal Year Fiscal Year 2027 Texas Water Development Board Investment Policy and Strategies, as recommended by the Executive Administrator.

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

3. Consider approving the Fiscal Year 2027 Debt Management Policy of the Texas Water Development Board. Dain Larsen, Office of Finance, presented this item.

   Director Franks moved to approve the Fiscal Year 2027 Debt Management Policy of the Texas Water Development Board, as recommended by the Executive Administrator.

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

4. Consider approving the Fiscal Year 2027 Underwriting Policies and Procedures for Negotiated Bond Transactions of the Texas Water Development Board. Dain Larsen, Office of Finance, presented this item.

   Director Morgan moved to approve the Fiscal Year 2027 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 Director Franks, and it passed unanimously.

5. 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. Dain Larsen, Office of Finance, presented this item.

   Director Franks moved to approve the 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 Morgan, and it passed unanimously.

6. Consider (a) the selection and approval of an arbitrage compliance firm to serve the Texas Water Development Board; and (b) authorizing the Executive Administrator to negotiate and enter into a contract with the arbitrage compliance firm. Thomas Quick, Office of Finance, presented this item.

   Director Morgan moved to authorize the selection and approval of an arbitrage compliance firm to serve the Texas Water Development Board; and authorize the Executive Administrator to negotiate and enter into a contract with the arbitrage compliance firm, as recommended by the Executive Administrator.

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

7. Consider approving the selected flood management evaluation application 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 $379,000. Chris Mercado, Water Science & Conservation, presented this item.

   Director Franks moved to approve the selected flood management evaluation application 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 $379,000, as recommended by the Executive Administrator.

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

8. Consider authorizing the Executive Administrator to execute a contract in an amount not to exceed $2,298,580, including $1,774,000 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 2027. Mark Wentzel, Water Science & Conservation, presented this item.

   Director Morgan moved to authorize the Executive Administrator to execute a contract in an amount not to exceed $2,298,580, including $1,774,000 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 2027, as recommended by the Executive Administrator.

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

9. Consider authorizing the Executive Administrator to execute contracts in a new amount not to exceed $65.97 million, as approved and directed by the Federal Emergency Management Agency, for subgrants under the Fiscal Year 2020 Flood Mitigation Assistance grant program upon notification of award. Kathy Hopkins, Water Science & Conservation, presented this item.

Director Franks moved to authorize the Executive Administrator to execute contracts in a new amount not to exceed $65.97 million, as approved and directed by the Federal Emergency Management Agency, for subgrants under the Fiscal Year 2020 Flood Mitigation Assistance grant program upon notification of award, as recommended by the Executive Administrator.

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

10. Consider approving the State Fiscal Year 2026 Drinking Water State Revolving Fund Emerging Contaminants Intended Use Plan. Rohan Jaysuriya, Water Supply & Infrastructure, presented this item.

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

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

11. Consider approving the State Fiscal Year 2026 Clean Water State Revolving Fund Emerging Contaminants Intended Use Plan. Rohan Jayasuriya, Water Supply & Infrastructure, presented this item.

    Director Franks moved to approve the State Fiscal Year 2026 Clean Water State Revolving Fund Emerging Contaminants Intended Use Plan, as recommended by the Executive Administrator.

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

12. Consider approving by resolution a request from the Parker County Special Utility District (Parker County) for $37,642,456 in principal forgiveness funding from the Drinking Water State Revolving Fund – Emerging Contaminants program for planning, design, and construction of water system improvements project to address emerging contaminants. Joe Koen, Water Supply & Infrastructure, presented this item.

    Director Morgan moved to adopt the proposed resolution for the Parker County Special Utility District for funding from the Drinking Water State Revolving Fund – Emerging Contaminants program for planning, design, and construction of water system improvements project to address emerging contaminants, as recommended by the Executive Administrator.

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

13. Consider approving by resolution a request from the City of Alice (Jim Wells County) for $612,245 in financial assistance consisting of $300,000 in financing and $312,245 in principal forgiveness funding from the Drinking Water State Revolving Fund Lead Service Line Replacement program to fund the required lead service line inventory. Ghazaleh Alikaram, Water Supply & Infrastructure, presented this item.

    Director Franks moved to adopt the proposed resolution for the City of Alice 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 the Executive Administrator.

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

14. Consider approving by resolution a request from the City of Amarillo (Randall and Potter counties) for $60,000,000 in financial assistance from the Clean Water State Revolving Fund for planning and design of a wastewater system improvement project. Shubham Aggarwal, Water Supply & Infrastructure, presented this item.

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

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

15. Consider approving by resolution a request from the City of Rosebud (Falls County) for $3,693,500 in principal forgiveness funding from the Clean Water State Revolving Fund for planning, design, and construction of a drainage improvements project. Shubham Aggarwal, Water Supply & Infrastructure, presented this item.

    Director Franks moved to adopt the proposed resolution for the City of Rosebud for financial assistance from the Clean Water State Revolving Fund for planning, design, and construction of a drainage improvements project, as recommended by the Executive Administrator.

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

16. Consider approving by resolution a request from the City of Tenaha (Shelby County) for $2,655,949 in principal forgiveness funding from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system improvements project. Shubham Aggarwal, Water Supply & Infrastructure, presented this item.

    Director Morgan moved to adopt the proposed resolution for the City of Tenaha for financial assistance from the Clean Water State Revolving 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.

17. Consider approving Fiscal Year 2028-2029 Legislative Appropriations Request.

    <u>THIS ITEM WAS TABLED.</u>

18. 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.

19. 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 10:08 a.m.

APPROVED and ordered of record this the 6TH day of August 2026.

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