MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD MEETING
SEPTEMBER 10, 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 Avenue, Stephen F. Austin Building, Room 170 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. Consider designating four brackish groundwater production zones in the southern portion of the Trinity Aquifer. Natalie Ballew, Water Science & Conservation, presented this item.

   Director Franks moved to designate four brackish groundwater production zones in the southern portion of the Trinity Aquifer, as recommended by the Executive Administrator.

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

2. Consider authorizing the Executive Administrator to initiate and enter into one or more contracts in a total cumulative amount not to exceed $4,750,000 to implement mapping and line locating services for small rural water utilities. Jesse Milonovich, Water Supply & Infrastructure, presented this item. Perry Fowler, Texas 811; and Mary Alice McKaughan, Texas Rural Water Association, addressed the Board.

   Director Morgan moved to authorize the Executive Administrator to initiate and enter into one or more contracts in a total cumulative amount not to exceed $4,750,000 to implement mapping and line locating services for small rural water utilities, as recommended by the Executive Administrator.

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

3. Consider adopting the State Fiscal Year 2026-27 Flood Infrastructure Fund Intended Use Plan. Sara Sopczynski, Water Supply & Infrastructure, presented this item. Karen Johnson, Jefferson County Drainage District No. 6, addressed the Board.

   Director Franks moved to adopt the State Fiscal Year 2026-2027 Flood Infrastructure Fund Intended Use Plan, as recommended by the Executive Administrator.

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

4. Briefing and discussion on the Executive Administrator's implementation of the Texas Water Fund implementation plan relating to Texas Water Supply Corporations Grants. Jesse Milonovich, Water Supply Infrastructure, presented this item. Mary Alice McKaughan, Texas Rural Water Association, addressed the Board.

   No action was taken on this item.

5. Consider authorizing the Executive Administrator to execute contracts for Water Supply

Infrastructure Grants for canal lining/conversion projects co-funded with the North American Development Bank in an amount not to exceed $69,511,030. Jessica Peña, Water Supply & Infrastructure, presented this item. Troy Allen, Delta Lake Irrigation District; and John Beckham, North American Development Bank, addressed the Board.

Director Morgan moved to authorize the Executive Administrator to execute contracts for Water Supply Infrastructure Grants for canal lining/conversion projects co-funded with the North American Development Bank in an amount not to exceed $69,511,030, as recommended by the Executive Administrator.

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

6. Consider approving the selected flood management evaluation application and authorizing the Executive Administrator to execute contracts for grant and loan funding from the 2024-2025 Flood Infrastructure Fund cycle in an amount not to exceed $1,100,000 for watershed flood protection planning projects. Chris Mercado, Office of Planning, presented this item.

   Director Franks moved to approve the selected flood management evaluation application and authorize the Executive Administrator to execute contracts for grant and loan funding from the 2024-2025 Flood Infrastructure Fund cycle in an amount not to exceed $1,100,000 for watershed flood protection planning projects, as recommended by the Executive Administrator.

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

7. Consider extending the Nueces River Authority Flood Infrastructure Fund Flood Management Evaluation commitment period closing deadline for Project No. 40222 to December 31, 2026. Chris Mercado, Office of Planning, presented this item.

   Director Morgan moved to extend the Nueces River Authority Flood Infrastructure Fund Flood Management Evaluation commitment period closing deadline for Project No. 40222 to December 31, 2026, as recommended by the Executive Administrator.

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

8. Consider approving by resolution an application from Jefferson County Drainage District No. 6 for $801,012.00 in grant funding from the Flood Infrastructure Fund for a Flood Mitigation Project. Kathy Hopkins, Water Science & Conservation, presented this item.

   Director Franks moved to adopt the proposed resolution for Jefferson County Drainage District No. 6 for grant funding from the Flood Infrastructure Fund for a Flood Mitigation Project, as recommended by the Executive Administrator.

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

   ITEMS 9 AND 10 WERE PRESENTED TOGETHER WITH ONE MOTION.

9. Consider amending by resolution the previously adopted Texas Water Development

Board Resolution Nos. 17-027,18-022, and 21-054, to modify the Acton Municipal Utility District's Clean Water State Revolving Fund project scope of work. Candice DeLello, Water Supply & Infrastructure, presented this item. Keith Kindle, Enprotec/Hibbs & Todd, Inc., addressed the Board.

10. Consider amending by resolution the previously adopted Texas Water Development Board Resolution No. 20-008 to modify the Acton Municipal Utility District's Clean Water State Revolving Fund project scope of work. Candice DeLello, Water Supply & Infrastructure, presented this item. Keith Kindle, Enprotec/Hibbs & Todd, Inc., addressed the Board.

    Director Morgan moved to adopt the proposed resolutions amending the previously adopted Texas Water Development Board Resolution Nos. 17-027,18-022, and 21-054, and the previously adopted Texas Water Development Board Resolution No. 20-008 to modify the Acton Municipal Utility District's Clean Water State Revolving Fund project scope of work, as recommended by the Executive Administrator.

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

11. Consider approving by resolution a request from the City of Alamo (Hidalgo County) for $2,568,600 in financial assistance consisting of $785,000 in financing and $1,783,600 in principal forgiveness from the Drinking Water State Revolving Fund for planning and design of a water system improvements project. Kyleigh Dixon, Water Supply & Infrastructure, presented this item.

    Director Franks moved to adopt the proposed resolution for the City of Alamo for financial assistance from the Drinking Water State Revolving Fund for planning and design of a water system improvements project, 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 City of Annona (Red River County) for $1,732,780 in principal forgiveness from the Clean Water State Revolving Fund for planning, design, and construction of a wastewater system improvements project. Kyleigh Dixon, Water Supply & Infrastructure, presented this item. Lia Clark, Water Finance Exchange, addressed the Board.

    Director Morgan moved to adopt the proposed resolution for the City of Annona 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.

13. Consider approving by resolution a request from the City of Denton (Denton County) for $60,000,000 in financial assistance from the Clean Water State Revolving Fund for construction of a wastewater system improvements project. Ghazaleh Alikaram, Water Supply & Infrastructure, presented this item. Stephen Gay, City of Denton, addressed the Board.

Director Franks moved to adopt the proposed resolution for the City of Denton for financial assistance from the Clean Water State Revolving Fund for construction of a wastewater system improvements project, 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 Dublin (Erath County) for $1,658,000 in principal forgiveness funding from the Drinking Water State Revolving Fund for planning, design, and construction of a water system improvements project. Ghazaleh Alikaram, Water Supply & Infrastructure, presented this item.

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

15. Consider approving by resolution a request from the City of Granbury (Hood County) for $49,985,000 in financing from the Drinking Water State Revolving Fund for construction of a water system improvements project. Grace Davila, Water Supply & Infrastructure, presented this item. Keith Kindle, Enprotec/Hibbs & Todd, Inc.; and Chris Sharp, City of Granbury, addressed the Board.

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

16. Consider approving by resolution a request from the City of New Summerfield (Cherokee County) for $4,846,608 in financial assistance consisting of $1,020,000 in financing and $3,826,608 in principal forgiveness from the Drinking Water State Revolving Fund for planning, acquisition, design, and construction of a water systems improvement project. Grace Davila, Water Supply & Infrastructure, presented this item.

    Director Morgan moved to adopt the proposed resolution for the City of New Summerfield for financial assistance from the Drinking Water State Revolving Fund for planning, acquisition, design, and construction of a water systems improvement project, as recommended by the Executive Administrator.

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

17. Consider approving by resolution a request from the Olmito Water Supply Corporation (Cameron County) for $2,560,000 in financial assistance consisting of $260,000 in financing and $2,300,000 in principal forgiveness from the Drinking Water State Revolving Fund program for planning, acquisition, and design of a water system improvements project. Grace Davila, Water Supply & Infrastructure, presented this item.

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

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

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 11:03 a.m.

APPROVED and ordered of record this the 10th day of September 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