

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
BOARD MEETING
April 18, 2013

Chairman Billy R. Bradford, Jr. called to order the regular meeting of the Texas Water Development Board at 9:30 a.m. in Room 170 of the Stephen F. Austin Building, Austin, Texas. In addition to Chairman Bradford, all other Board members with the exception of Mr. Rylander were in attendance and a quorum was present:

Lewis H. McMahan
Joe M. Crutcher
Edward G. Vaughan
Monte Cluck

Members of the Texas Water Development Board staff attending included: Stacy Barna, Jim Bateman, Joyce Bourenane, Carolyn Brittin, James Bronikowski, Brenner Brown, Kelly Burton, Melanie Callahan, Kathy Calnan, David Carter, Marvin Chaney, JoAnne Duncan, Mark Ellison, Scot Foltz, Larry French, Monica Galuski, Maxine Gilford, Lisa Glenn, Mark Hall, Dan Hardin, Ruben Hernandez, Amanda Jenami, Chris Jurgens, Sandy Kaiser, Jennifer Kennedy, Randy Lara, Dain Larsen, Kathleen Ligon, Darryl Lindgens, Mireya Loewe, LeeRoy Lopez, Ryan Long, Robert Mace, Jeremy Mazur, Linda McCall, David Meesey, Jesse Milonovich, Dave Mitamura, Piper Montemayor, Brannon Morrison, Matt Nelson, Darrell Nichols, Brenda O'Neill, Javier Pena, Ken Petersen, Lisa Petoskey, Jonathan Pi, Debbie Ramirez, Joe Reynolds, Nancy Richards, Cindy Ridgeway, Leo Ruiz, Clay Schultz, Mike Segner, Caaren Skrobarczyk, Shawn Snyder, Comer Tuck, Jeff Walker, Gilbert Ward, Mark Wentzel, David Yager, and Larry Zamzow.

The following individuals were present:

Pat Mercado-Allinger, Texas Historical Commission	Dr. Deborah Koeck, Wimberley
Mary Kate Brown, Wimberley	Steve Klepfer, Wimberley
Gary Callon, Wimberley	Brian LaBorde, City of Buda
Alison Campbell, Wimberley	Marc Long, Tetra Tech, Inc.
Dean Campbell, Wimberley	P. N. Longoria, City of Edinburg
Kim Carroll, Carroll & Blackman, Inc.	Mac McCullough, Wimberley
Steve Coonan, Wimberley	Manuel Mendez, Aqua SUD
Orlando Cruz, Olmito WSC	Graham Moore, Lockheed, Andrews & Newman
Nick Darnak, Plum Creek Watershed Partnership	Tricia Mosier, City of McAllen
Jennifer Douglas, Wimberley	Gail Pigg, Wimberley
Stanley Fees, City of Buda	Gary Pigg, Wimberley
Don Ferguson, Wimberley	Thomas Pollan, Wimberley
Bob Flocke, Wimberley	Art Reyna
Neal Ford, Orange County Drainage District	Pedro Rodriguez, Jr., Olmito WSC
Tim Fulfer, Wimberley	Mark Stephenson, Orange County Drainage District
Richard Hinojosa, City of Edinburg	Victor Trevino, Olmito WSC
Joe Janes, General Land Office	Cris Vela, Aqua SUD
Scott Johnson, Wimberley	Holly Hall Wilson, Wimberley
Mark Jones, Hays County	Melissa Young, Wimberley
Keith Kindle, Enprotec	

1. CONSIDER APPROVAL OF THE FEBRUARY 28, 2013 BOARD MEETING MINUTES.

Mr. Vaughan moved to approve the minutes; the motion was seconded by Mr. Cluck; it passed unanimously.

REPORTS

2. CONTRACT STATUS REPORT REGARDING THE STATUS OF PENDING CONTRACTS THAT ARE UNDER DEVELOPMENT AND EXECUTED CONTRACTS THAT HAVE BEEN PREVIOUSLY APPROVED BY THE BOARD. (David Carter, Contract Administration)
3. FINANCIAL ASSISTANCE PROGRAMS PERFORMANCE REPORT REGARDING LOAN AND GRANT COMMITMENT ACTIVITY. (Jeff Walker, Project Development)
4. STATUS OF APPLICATIONS FOR FINANCIAL ASSISTANCE. (Jeff Walker, Project Development)
5. REPORT ON ACTIVITIES RELATING TO THE ECONOMICALLY DISTRESSED AREAS PROGRAM, INCLUDING THE EDAP STATUS REPORT. (Mireya Loewe, Project Oversight)

Chairman Bradford announced that Items 2-5 are reports that have been submitted to the Board but are not posted for discussion or action.

CONSENT

6. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **AGUA SPECIAL UTILITY DISTRICT (HIDALGO COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$4,750,000, CONSISTING OF A \$2,375,000 LOAN AND \$2,375,000 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND-DISADVANTAGED COMMUNITIES PROGRAM TO FINANCE WASTEWATER SYSTEM IMPROVEMENTS, UTILIZING THE PRE-DESIGN FUNDING OPTION. FINANCE COMMITTEE ITEM NO. 3. (Caaren Skrobarczyk)
7. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **AQUA WATER SUPPLY CORPORATION (BASTROP COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$181,768, CONSISTING OF A \$54,530 LOAN AND \$127,238 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS RELATED TO WASTEWATER SYSTEM IMPROVEMENTS. (Dain Larsen)
8. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF BUDA (HAYS COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$401,500, CONSISTING OF A \$125,000 LOAN AND \$276,500 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO PROVIDE PLANNING AND DESIGN COSTS FOR FIRST TIME WASTEWATER SERVICE. (Jessica Zuba)

9. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF MCALLEN (HIDALGO COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$3,245,393, CONSISTING OF A \$2,995,000 LOAN AND \$250,393 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS RELATED TO WASTEWATER SYSTEM IMPROVEMENTS. (Dain Larsen)
10. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF WIMBERLEY (HAYS COUNTY)** FOR A LOAN IN THE AMOUNT OF \$650,000 FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS RELATING TO WASTEWATER SYSTEM IMPROVEMENTS. FINANCE COMMITTEE ITEM NO. 4. (Caaren Skrobarczyk)
11. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF GORDON (PALO PINTO COUNTY)** FOR A LOAN IN THE AMOUNT OF \$1,170,000 FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE WATER SYSTEM IMPROVEMENTS, UTILIZING THE PRE-DESIGN COMMITMENT OPTION. (Caaren Skrobarczyk)
12. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF WILLOW PARK (PARKER COUNTY)** FOR A LOAN IN THE AMOUNT OF \$685,000 FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE WATER SYSTEM IMPROVEMENTS, UTILIZING THE PRE-DESIGN COMMITMENT OPTION. (Javier Pena)
13. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF ELDORADO (SCHLEICHER COUNTY)** FOR A TWO MONTH EXTENSION FOR THE \$2,695,000 FINANCIAL ASSISTANCE COMMITMENT UNDER TWDB RESOLUTION NO. 12-42 FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE WATER SYSTEM IMPROVEMENTS UTILIZING THE PRE-DESIGN COMMITMENT OPTION. (Dain Larsen)
14. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF HONEY GROVE (FANNIN COUNTY)** FOR A TWO MONTH EXTENSION FOR THE \$283,700 FINANCIAL ASSISTANCE COMMITMENT UNDER TWDB RESOLUTION NO. 12-95 FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS FOR WATER SYSTEM IMPROVEMENTS. (Dain Larsen)
15. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF MCALLEN (HIDALGO COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$434,000, CONSISTING OF A \$217,000 LOAN AND A \$217,000 GRANT FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM TO PROVIDE PLANNING COSTS FOR FIRST TIME WASTEWATER SERVICE. (Jessica Zuba)
16. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **OLMITO WATER SUPPLY CORPORATION (CAMERON COUNTY)** FOR FINANCIAL

ASSISTANCE IN THE AMOUNT \$2,760,000 CONSISTING OF A \$1,040,000 LOAN FROM THE TEXAS WATER DEVELOPMENT FUND II (TAXABLE) AND A \$1,720,000 LOAN FROM THE RURAL WATER ASSISTANCE FUND TO FINANCE WATER SYSTEM IMPROVEMENTS, UTILIZING THE PRE-DESIGN FUNDING OPTION. (Jessica Zuba)

17. CONSIDER APPROVING BY RESOLUTION, A REQUEST BY **EAST RIO HONDO WATER SUPPLY CORPORATION** FOR A PARTIAL RELEASE OF LIEN ON A PORTION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY. (Jim Bateman)
18. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO THE **CITY OF BRECKENRIDGE (STEPHENS COUNTY)** MADE IN TWDB RESOLUTION NO. 12-65 FOR SELECT PROJECT ELEMENTS AFTER ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR DESIGN AND CONSTRUCTION FROM THE \$2,384,878 DRINKING WATER STATE REVOLVING FUND LOAN FOR SURFACE WATER TREATMENT PLANT IMPROVEMENTS. (Jennifer Kennedy)
19. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENTS TO THE **CITY OF SAN JUAN (HIDALGO COUNTY)** MADE IN TWDB RESOLUTIONS NOS. 12-116 AND 13-13 FOR SELECT PROJECT ELEMENTS AFTER ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR DESIGN AND CONSTRUCTION FROM THE \$8,756,308 AND \$2,000,000 DRINKING WATER STATE REVOLVING FUND LOANS FOR WATER SYSTEM IMPROVEMENTS. (Jennifer Kennedy)
20. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO PUBLISH IN THE *TEXAS REGISTER* A REQUEST FOR STATEMENTS OF QUALIFICATIONS FOR A TOTAL AMOUNT NOT TO EXCEED \$540,135 FOR A RESEARCH PROJECT IN SUPPORT OF THE GROUNDWATER AVAILABILITY MODELING PROGRAM. (Cindy Ridgeway)
21. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO: (A) NEGOTIATE AND EXECUTE CONTRACTS ON OR BEFORE AUGUST 31, 2013 IN A TOTAL AMOUNT NOT TO EXCEED \$847,738 FOR SOLICITED GRANT APPLICATIONS FOR FLOOD PROTECTION PLANNING; AND (B) TRANSFER FUNDS FROM THE WATER ASSISTANCE FUND TO THE RESEARCH AND PLANNING FUND. (Gilbert Ward)

Chairman Bradford stated that there were several individuals at the meeting who wished to present comments to the Board on Board Consent Item No. 10. He said that the Board would consider Consent Items Nos. 6-9 and 11-21 at this time and would then hear comments and consider Item No. 10.

Mr. Crutcher moved to approve Board Consent Items Nos. 6-9 and 11-21. Mr. Cluck seconded; it passed unanimously.

The Board then considered Board Consent Item No. 10.

10. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF WIMBERLEY (HAYS COUNTY)** FOR A LOAN IN THE AMOUNT OF \$650,000 FROM

THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS RELATING TO WASTEWATER SYSTEM IMPROVEMENTS. FINANCE COMMITTEE ITEM NO. 4. Caaren Skrobarczyk, Financial Analyst, presented this item. Jim Bateman, Staff Attorney, also addressed the Board.

Chairman Bradford introduced Ken Petersen, General Counsel, who explained the rules and procedures for persons wishing to make public comments on agenda Item No. 10.

The following individuals made public comments to the Board:

Scott Johnson
Gail Pigg
Dr. Deborah Koeck
Tim Fulfer
Melissa Young
Holly Wilson
Dean Campbell
Mac McCullough
Don Ferguson, City Mgr., City of Wimberley

Mr. Crutcher moved to approve staff's recommendation; Mr. Vaughan seconded; it passed unanimously.

REGULAR

22. BRIEFING, DISCUSSION AND CONSIDER RECOMMENDING APPROVAL OF AMENDMENTS TO THE STATE FISCAL YEAR (SFY) 2013 DRINKING WATER STATE REVOLVING FUND INTENDED USE PLAN. Stacy Barna, Program Development, presented this item.

Mr. Vaughan moved to approve staff's recommendation; Mr. McMahan seconded; it passed unanimously.

23. BRIEFING, DISCUSSION AND CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO: (A) ENTER INTO AN INTERAGENCY CONTRACT WITH THE TEXAS GENERAL LAND OFFICE IN WHICH THE TEXAS WATER DEVELOPMENT BOARD WILL CONDUCT A COMPREHENSIVE BORDER COLONIA DRAINAGE STUDY OF THE **LOWER RIO GRANDE VALLEY (HIDALGO, CAMERON AND WILLACY COUNTIES)**; (B) PUBLISH A REQUEST FOR QUALIFICATIONS IN ORDER TO SELECT A QUALIFIED ENGINEERING FIRM TO CONDUCT THE REQUIRED STUDY; AND (C) NEGOTIATE AND EXECUTE A CONTRACT WITH THE SELECTED FIRM TO CONDUCT THE DRAINAGE STUDY UNDER THE DIRECTION OF TWDB STAFF. Gilbert Ward, Water Resources Planning and Information, presented this item.

Mr. Vaughan moved to approve staff's recommendation; Mr. Cluck seconded; it passed unanimously.

24. BRIEFING, DISCUSSION, AND CONSIDER AUTHORIZING: (A) PUBLICATION OF NEW 31 TEXAS ADMINISTRATIVE CODE (TAC) SECTION 354.1, RELATING TO A MEMORANDUM OF UNDERSTANDING BETWEEN THE TEXAS WATER DEVELOPMENT BOARD AND THE TEXAS HISTORICAL COMMISSION; (B) THE REPEAL OF CURRENT 31 TAC SECTION 354.1, RELATING TO A MEMORANDUM OF UNDERSTANDING WITH THE TEXAS HISTORICAL COMMISSION; AND (C) THE SUBSEQUENT PUBLICATION OF NOTICE OF ADOPTION OF THE RULEMAKING IF NO SUBSTANTIVE COMMENTS REQUIRE BOARD CONSIDERATION. Christopher Jurgens, Construction Assistance, presented this item.

Mr. McMahan moved to approve staff's recommendation; Mr. Cluck seconded; it passed unanimously.

25. BRIEFING AND DISCUSSION ON DROUGHT CONDITIONS IN THE STATE OF TEXAS. Mark Wentzel, Water Science & Conservation, presented this item.

No action was taken on this item.

26. THE BOARD WILL RECEIVE COMMENTS FROM THE PUBLIC.

No comments were received.

27. THE BOARD MAY RECESS INTO EXECUTIVE SESSION TO CONSULT WITH ITS ATTORNEYS REGARDING ANY POSTED MATTER IN WHICH THE BOARD MAY SEEK THE ADVICE OF ITS ATTORNEYS UNDER GOVERNMENT CODE §551.071 AND WILL RECONVENE IN OPEN SESSION FOR ANY APPROPRIATE ACTION ON ANY MATTER CONSIDERED IN EXECUTIVE SESSION.

The Board did not recess into Executive Session to consider any items.

The meeting adjourned at 10:45 a.m.

APPROVED and ordered of record this, the 16th day of May, 2013.

TEXAS WATER DEVELOPMENT BOARD

Billy R. Bradford, Jr., Chairman

ATTEST:

Melanie Callahan,
Executive Administrator