

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
BOARD MEETING  
March 17, 2014

Chairman Carlos Rubinstein called to order the meeting of the Texas Water Development Board at 9:31 a.m. in Room 170 of the Stephen F. Austin Building, 1700 Congress Avenue, Austin, Texas. In addition to Chairman Rubinstein, Director Bech Bruun was also in attendance, and a quorum was present.

The following individuals were present:

Fred Aus, Texas Rural Water Association	Izzy Hauss, Central Texas Water Coalition
Ronald Barbera, Mooreville WSC	Larry Hoffman
Danielle Bradford, Piper Jaffray	Carroll Huber, Mooreville WSC
Steve Bresnen, North Harris County RWA	Mary Jane Huber, Mooreville WSC
Violetta Cisotto, City of Houston	State Representative Kyle Kacal
Judy Davis, Mooreville WSC	Dale Lehman, Piper Jaffray
Rob Delaune, Digital Engineering	Debbye Lehman, Piper Jaffray
Glenn Deshields, North Harris County RWA	David Lindsay, Central Texas Water Coalition
Celia Eaves, Texas Rural Water Association	Larry McGinnis, K&L Gates
Ida Ellison	Luke Metzger, Environment Texas
Anne Burger Entekin, First Southwest	Timothy Mills, Frost Bank
Perry Fowler, Texas Water Infrastructure Network	Tilghman Naylor, Jefferies
Phyllis Garcia, San Antonio Water System	Ben Stratman, State Senator Brian Birdwell's Office
Stephanie Gibson, Texas Water Smart	Bob Wallace, Mooreville WSC
Donald Gonzales, San Antonio Water System	Terra Willett, State Representative Kyle Kacal's Office
Marushka Grogan, Texas Rural Water Foundation	John Young, Wells Fargo
Jeremy Haak, Mooreville WSC	
Caroline C. Hackett, Texas Rural Water Foundation	

The Chairman stated that the Board would begin by considering Item No. 2.

2. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE CITY OF SAN ANTONIO, ACTING BY AND THROUGH THE SAN ANTONIO WATER SYSTEM, (BEXAR COUNTY) FOR A LOAN IN THE AMOUNT OF \$38,260,000 FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE CONSTRUCTION COSTS RELATING TO WASTEWATER SYSTEM IMPROVEMENTS. Maxine Gilford, Financial Analyst, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the City of San Antonio, acting by and through the San Antonio Water System, a loan from the Clean Water State Revolving Fund to finance construction costs relating to wastewater system improvements, as recommended by the Executive Administrator.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

3. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE CITY OF SAN ANTONIO, ACTING BY AND THROUGH THE SAN ANTONIO WATER SYSTEM, (BEXAR COUNTY) FOR A LOAN IN THE AMOUNT OF \$22,400,000 FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE CONSTRUCTION COSTS RELATING TO WATER SYSTEM IMPROVEMENTS. Maxine Gilford, Financial Analyst, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the City of San Antonio, acting by and through the San Antonio Water System, a loan from the Drinking Water State Revolving Fund to finance construction costs relating to water system improvements, as recommended by the Executive Administrator.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

4. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE GREATER TEXOMA UTILITY AUTHORITY ON BEHALF OF THE CITY OF KRUM (DENTON COUNTY) FOR A \$2,085,000 LOAN FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE CONSTRUCTION COSTS FOR THE CITY OF KRUM'S WASTEWATER TREATMENT PLANT PROJECT. Joel Smith, Water Supply and Infrastructure, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the Greater Texoma Utility Authority on behalf of the City of Krum, a loan from the Clean Water State Revolving Fund to finance construction costs for the City of Krum's Wastewater Treatment Plant project, as recommended by the Executive Administrator.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

5. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE IN THE AMOUNT OF \$24,440,000 FROM THE CLEAN WATER STATE REVOLVING FUND TO THE CIBOLO CREEK MUNICIPAL AUTHORITY (BEXAR COUNTY) MADE IN TWDB RESOLUTION NO. 11-91 FOR WASTEWATER SYSTEM IMPROVEMENTS INCLUDING THE EXPANSION OF THE ODO J. RIEDEL REGIONAL WATER RECLAMATION PLANT AFTER COMPLETION OF ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR CONSTRUCTION. Kathy Calnan, Project Engineering and Review, presented this item.

Director Bruun moved to adopt the proposed Resolution affirming the commitment to provide financial assistance from the Clean Water State Revolving Fund to the Cibolo Creek Municipal Authority made in TWDB Resolution No. 11-91 for wastewater system improvements including the expansion of the Odo J. Riedel Regional Water Reclamation Plant after completion of environmental review, and approving release of funds for construction, as recommended by the Executive Administrator.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

6. CONSIDER APPROVING THE FOURTH AMENDMENT TO STANDBY BOND PURCHASE AGREEMENT, EXTENDING THE LIQUIDITY FACILITY AGREEMENT WITH JP MORGAN

ON THE VARIABLE RATE DEMAND BONDS FOR THE CLEAN WATER SRF PROGRAM.  
Anne Burger Entreen, First Southwest, presented this item.

Director Bruun moved to approve the Fourth Amendment to the Standby Bond Purchase Agreement, extending the liquidity facility agreement with JP Morgan on the variable rate demand bonds for the Clean Water State Revolving Fund Program.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

7. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO NEGOTIATE AND EXECUTE CONTRACTS IN A TOTAL AMOUNT NOT TO EXCEED \$312,500 ON OR BEFORE AUGUST 31, 2014, FOR STUDIES OF ENVIRONMENTAL FLOWS IN THE BRAZOS RIVER AND ASSOCIATED BAY AND ESTUARY SYSTEM BASIN AND BAY AREA. Ruben Solis, Surface Water Resources, presented this item.

Director Bruun moved to authorize the Executive Administrator to negotiate and execute contracts for studies of environmental flows on or before August 31, 2014 in a total amount not to exceed \$312,500, in the Brazos River and associated bay and estuary system basin and bay area.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

8. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO NEGOTIATE AND EXECUTE CONTRACTS AS APPROVED AND DIRECTED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) NOT TO EXCEED A TOTAL AMOUNT OF \$11,093,759.92 FOR SUBGRANTS FROM FEMA'S FLOOD MITIGATION ASSISTANCE PROGRAM, WITHIN 120 DAYS FROM NOTIFICATION OF AWARD. Kathy Hopkins, Contract Administration, presented this item.

Director Bruun moved to authorize the Executive Administrator to negotiate and execute contracts not to exceed a total amount of \$11,093,759.92 for sub-grants from FEMA's Flood Mitigation Assistance Program, within 120 days from notification of award.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

9. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO PUBLISH A REQUEST FOR APPLICATIONS IN THE TEXAS REGISTER FOR FISCAL YEAR 2014 WATER CONSERVATION EDUCATION GRANTS FOR A TOTAL AMOUNT NOT TO EXCEED \$1,000,000. John Sutton, Water Science and Conservation, presented this item.

Director Bruun moved to authorize the Executive Administrator to publish a Request for Applications in the Texas Register for Fiscal Year 2014 Water Conservation Education Grants for a total amount not to exceed \$1,000,000.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

The Chairman stated that the Board would now consider Item No. 1.

1. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **MOOREVILLE WATER SUPPLY CORPORATION (FALLS COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$1,744,690 FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM TO FUND PLANNING, ACQUISITION, DESIGN, AND CONSTRUCTION OF AN INTERCONNECTION PROJECT TO ADDRESS A WATER WELL FAILURE. Darrell Nichols, Program Specialist, presented this item. State Representative Kyle Kacal also addressed the Board.

Director Bruun moved to adopt the proposed Resolution providing Mooreville Water Supply Corporation financial assistance from the Economically Distressed Areas Program to fund planning, acquisition, design, and construction of an interconnection project to address a water well failure, as recommended by the Executive Administrator.

The motion was seconded by Chairman Rubinstein; it passed unanimously.

The Board then resumed consideration of items in the regular agenda order.

10. BRIEFING AND DISCUSSION ON HB 4 RULE DEVELOPMENT. Todd Chenoweth, Special Advisor, presented this item. Larry Hoffmann and David Lindsay also addressed the Board

No action was taken on this item.

11. 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.

12. THE BOARD WILL RECEIVE COMMENTS FROM THE PUBLIC.

No public comments were received.

13. THE BOARD MAY CONDUCT A CLOSED MEETING TO RECEIVE LEGAL ADVICE AND DISCUSS PENDING OR CONTEMPLATED LITIGATION, SETTLEMENT OFFERS, AND/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 551.103 OF THE OPEN MEETINGS ACT, CHAPTER 551 OF THE GOVERNMENT CODE.

The Board did not meet in closed session.

Chairman Rubinstein adjourned the meeting at 10:23 a.m.

APPROVED and ordered of record this, the \_\_\_\_\_ day of March, 2014.

TEXAS WATER DEVELOPMENT BOARD

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Carlos Rubinstein, Chairman

ATTEST:

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Kevin Patteson  
Executive Administrator