

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

Chairman Carlos Rubinstein called to order the meeting of the Texas Water Development Board at 1:30 p.m. in Room E2.030 of the Texas State Capitol Building, 1100 Congress Avenue, Austin, Texas. In addition to Chairman Rubinstein, Directors Kathleen Jackson and Bech Bruun were also in attendance, and a quorum was present.

The General Counsel announced the first item for consideration:

1. BRIEFING AND DISCUSSION ON HB 4 RULE DEVELOPMENT. Todd Chenoweth, Senior Advisor, presented this item. Frank Gradilone, PVA, Inc., also addressed the Board.

No action was taken on this item.

2. OVERVIEW AND HISTORY OF THE TEXAS WATER DEVELOPMENT FUND PROGRAM. Jeff Walker, presented this item.

No action was taken on this item.

3. BRIEFING AND DISCUSSION ON DROUGHT CONDITIONS IN THE STATE OF TEXAS. Mark Wentzel, presented this item.

No action was taken on this item.

4. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE TOWN OF ANTHONY (EL PASO COUNTY) FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$1,041,936 CONSISTING OF A \$735,000 LOAN AND \$306,936 LOAN FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE PLANNING, ACQUISITION AND DESIGN COSTS RELATING TO AN ARSENIC REMOVAL SYSTEM AND ADDITIONAL WATER SYSTEM IMPROVEMENTS. Luis Farias, Regional Water Planning & Development, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the Town of Anthony financial assistance from the Drinking Water State Revolving Fund to finance planning, acquisition and design costs relating to an arsenic removal system and additional water system improvements, as recommended by the Executive Administrator.

The motion was seconded by Jackson; it passed unanimously.

5. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE CITY OF BALLINGER (RUNNELS COUNTY) FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$296,700 CONSISTING OF A \$210,000 LOAN AND \$86,700 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN FOR THE REHABILITATION AND EXPANSION OF THE CITY'S LAGOON WASTEWATER

TREATMENT PLANT AND EXPAND THE EFFLUENT LAND APPLICATION SYSTEM. Luis Farias, Regional Water Planning & Development, presented this item. City of Ballinger Mayor, Sam Mallory, also addressed the Board.

Director Jackson moved to adopt the proposed Resolution providing the City of Ballinger financial assistance from the Clean Water State Revolving Fund to finance planning and design for the rehabilitation and expansion of the City's lagoon wastewater treatment plant and expand the effluent land application system, as recommended by the Executive Administrator.

The motion was seconded by Bruun; it passed unanimously.

6. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE CITY OF BALLINGER (RUNNELS COUNTY) FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$10,495,004 CONSISTING OF A \$7,395,000 LOAN AND \$3,100,004 IN LOAN FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE A WELL FIELD TO SUPPLEMENT THE CITY'S SURFACE WATER SUPPLY AND CONSTRUCT PUMPING FACILITIES AND TRANSMISSION LINES TO CITY'S WATER TREATMENT PLANT, UTILIZING THE PRE-DESIGN FUNDING OPTION, AND THE GRANTING OF A WAIVER OF THE REQUIREMENT THAT THE PROJECT BE CONSISTENT WITH THE STATE WATER PLAN AND WITH AN APPROVED REGIONAL WATER PLAN. Luis Farias, Regional Water Planning & Development, presented this item. City of Ballinger Mayor, Sam Mallory, also addressed the Board.

Director Bruun moved to adopt the proposed Resolution providing the City of Ballinger financial assistance from the Drinking Water State Revolving Fund to finance a well field to supplement the City's surface water supply and construct pumping facilities and transmission lines to City's water treatment plant, and the granting of a waiver of the requirement that the project be consistent with the State Water Plan and with an approved regional water plan, as recommended by the Executive Administrator.

The motion was seconded by Jackson; it passed unanimously.

7. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE EL PASO WATER UTILITIES ACTING ON BEHALF OF THE CITY OF EL PASO (EL PASO COUNTY) FOR A GRANT IN THE AMOUNT OF \$330,730 FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM TO FINANCE PLANNING, ACQUISITION AND DESIGN COSTS FOR PROJECTS THAT WILL PROVIDE FIRST TIME WATER AND WASTEWATER SERVICES TO THE CANUTILLO AREA. Luis Farias, Regional Water Planning & Development, presented this item.

Director Jackson moved to adopt the proposed Resolution providing El Paso Water Utilities, acting on behalf of the City of El Paso, financial assistance from the Economically Distressed Areas Program to finance planning, acquisition and design costs for projects that will provide first time water and wastewater services to the Canutillo area, as recommended by the Executive Administrator.

The motion was seconded by Director Bruun; it passed unanimously.

8. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE EL PASO UTILITIES ACTING ON BEHALF OF THE CITY OF EL PASO (EL PASO COUNTY) FOR A GRANT IN THE AMOUNT OF \$38,016 FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM TO FINANCE PLANNING COSTS FOR A PROJECT THAT WILL PROVIDE FIRST TIME WASTEWATER SERVICE TO THE MONTANA VISTA AREA. Luis Farias, Regional Water Planning & Development, presented this item.

Director Bruun moved to adopt the proposed Resolution providing El Paso Utilities, acting on behalf of the City of El Paso, financial assistance from the Economically Distressed Areas Program to finance planning costs for a project that will provide first time wastewater service to the Montana Vista area, as recommended by the Executive Administrator.

The motion was seconded by Director Jackson; it passed unanimously.

9. CONSIDER APPROVING BY RESOLUTION, AN AMENDMENT OF TWDB RESOLUTION NO. 13-115 PURSUANT TO A REQUEST FROM THE CITY OF BANGS (BROWN COUNTY) FOR A CHANGE IN THE TYPE OF PROPOSED PUBLIC SECURITY OFFERED FOR FINANCIAL ASSISTANCE FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE INSTALLATION OF AN AUTOMATIC METER READING SYSTEM TO IMPROVE BILLING EFFICIENCIES, UTILIZING THE PRE-DESIGN COMMITMENT OPTION. Luis Farias, Regional Water Planning & Development, presented this item.

Director Jackson moved to adopt the proposed Resolution amending Board Resolution No. 13-115 to change the type of proposed public security offered for financial assistance from the Drinking Water State Revolving Fund to finance installation of an automatic meter reading system to improve billing efficiencies, as recommended by the Executive Administrator.

The motion was seconded by Director Bruun; it passed unanimously.

10. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE VISTA VERDE WATER SYSTEMS, INC. (MONTGOMERY COUNTY) FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$200,000 IN LOAN FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE WATER SYSTEM IMPROVEMENTS FOR UPGRADES TO THE EXISTING SYSTEM. Nancy Richards, Regional Water Planning & Development, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the Vista Verde Water Systems, Inc. financial assistance from the Drinking Water State Revolving Fund to finance water system improvements for upgrades to the existing system, as recommended by the Executive Administrator.

The motion was seconded by Director Jackson; it passed unanimously.

11. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE SAN JACINTO RIVER AUTHORITY (MONTGOMERY COUNTY) FOR A THREE MONTH EXTENSION TO CLOSE THE \$25,680,000 REMAINING IN LOAN COMMITMENT UNDER TWDB

RESOLUTION NO. 12-56 FROM THE TEXAS WATER DEVELOPMENT FUND TO FINANCE WATER SYSTEM IMPROVEMENTS. Brenner Brown, Regional Water Planning & Development, presented this item.

Director Jackson moved to adopt the proposed Resolution providing the San Jacinto River Authority a three month extension to close the loan commitment under TWDB Resolution No. 12-56 from the Texas Water Development Fund to finance water system improvements, as recommended by the Executive Administrator.

The motion was seconded by Director Bruun; it passed unanimously.

12. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE AGUA SPECIAL UTILITY DISTRICT (HIDALGO COUNTY) TO AMEND TWDB RESOLUTION 13-42 FOR THE CLEAN WATER STATE REVOLVING FUND (CWSRF) COMMITMENTS (L1000143 AND LF1000144). Mireya Loewe, Regional Water Planning & Development, presented this item.

Director Bruun moved to adopt the proposed Resolution amending Board Resolution 13-42 for commitments from the Clean Water State Revolving Fund, as recommended by the Executive Administrator.

The motion was seconded by Director Jackson; it passed unanimously.

The General Counsel recommended the Board consider taking up Affirmation Items 13-15 together for consideration.

13. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE IN THE AMOUNT OF \$300,000 FROM THE CLEAN WATER STATE REVOLVING FUND, EQUIVALENCY PROGRAM TO THE CITY OF MARLIN (FALLS COUNTY) MADE IN TWDB RESOLUTION NO. 12-48 FOR SELECT COLLECTION SYSTEM IMPROVEMENTS AFTER COMPLETION OF ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR DESIGN AND CONSTRUCTION OF THE PROPOSED PROJECT COMPONENTS.
14. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE IN THE AMOUNT OF \$10,425,000 FROM THE DRINKING WATER STATE REVOLVING FUND TO THE CITY OF EDINBURG (HIDALGO COUNTY) MADE IN TWDB RESOLUTION NO. 13-104 FOR THE WEST WATER TREATMENT PLANT EXPANSION PROJECT AFTER COMPLETION OF ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR CONSTRUCTION.
15. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE IN THE AMOUNT OF \$1,860,000 FROM THE CLEAN WATER STATE REVOLVING FUND TO KERR COUNTY MADE IN TWDB RESOLUTION NO. 12-47 FOR THE CENTER POINT WASTEWATER FACILITIES IMPROVEMENT PROJECT AFTER COMPLETION OF ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR DESIGN.

Director Jackson moved to adopt the Resolutions affirming commitments to provide financial assistance as set forth in Items 13 through 15, as recommended by the Executive Administrator.

The motion was seconded by Director Bruun; it passed unanimously.

16. THE BOARD WILL RECEIVE COMMENTS FROM THE PUBLIC.

Public comments were made by the following:

Larry Hoffman
Bill Greenleaf, Upper Trinity Regional Water District

17. 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 2:34 p.m.

APPROVED and ordered of record this, the 17th day of April, 2014.

TEXAS WATER DEVELOPMENT BOARD

Carlos Rubinstein, Chairman

DATE SIGNED: _____

ATTEST:

Kevin Patteson
Executive Administrator