

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
BOARD MEETING
September 4, 2014 – 9:30 A.M.

Chairman Carlos Rubinstein called to order the meeting of the Texas Water Development Board at 9:32 a.m. in Room 170 of the Stephen F. Austin Building, 1700 North 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. OVERVIEW OF TEXAS NATURAL RESOURCES INFORMATION SYSTEM AND THE STRATEGIC MAPPING PROGRAM. Richard Wade, Operations and Administration, presented this item.

No action was taken on this item.

2. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE CITY OF BROWNWOOD (BROWN COUNTY) FOR A SIX-MONTH EXTENSION OF THE \$8,560,000 LOAN COMMITMENT IN RESOLUTION NO. 12-86 FROM THE TEXAS WATER DEVELOPMENT FUND, TO FINANCE A DIRECT POTABLE REUSE PROJECT AND WASTEWATER IMPROVEMENTS. Luis Farias, Water Supply and Infrastructure, presented this item. David Harris, Director of Utilities, City of Brownwood, also addressed the Board.

Director Bruun moved to adopt the proposed providing the City of Brownwood a six-month extension of the loan commitment in Resolution No. 12-86 from the Texas Water Development Fund, to finance a direct potable reuse project and wastewater improvements, as recommended by the Executive Administrator.

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

3. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE LOWER COLORADO RIVER AUTHORITY (TRAVIS COUNTY) FOR A \$250,000,000 LOAN FROM THE TEXAS WATER DEVELOPMENT FUND TO FINANCE THE PLANNING, ACQUISITION, DESIGN, AND CONSTRUCTION OF AN OFF-CHANNEL RESERVOIR, AND ASSOCIATED IMPROVEMENTS. Jeff Walker, Water Supply and Infrastructure, presented this item. Phil Wilson, General Manager, LCRA, Ken Kramer, Sierra Club, and Clay Schultz, Water Supply and Infrastructure, TWDB, also addressed the Board.

Director Jackson moved to adopt the proposed Resolution providing the Lower Colorado River Authority financial assistance from the Texas Water Development Fund to finance the planning, acquisition, design, and construction of an off-channel reservoir, and associated improvements, as recommended by the Executive Administrator.

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

4. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE BEAVER CREEK WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 FOR A \$476,112 GRANT FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM TO FINANCE DESIGN OF A PROJECT TO CONSTRUCT A NEW WATER SYSTEM. Brenner Brown, Water Supply and Infrastructure, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the Beaver Creek Water Control and Improvement District No. 1 financial assistance from the Economically Distressed Areas Program to finance design of a project to construct a new water system, as recommended by the Executive Administrator.

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

5. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE CITY OF HUTTO (WILLIAMSON COUNTY) FOR A \$21,740,000 LOAN FROM THE CLEAN WATER STATE REVOLVING FUND FOR DESIGN AND CONSTRUCTION OF A LIFT STATION, FORCE MAIN, AND A WASTEWATER TREATMENT PLANT. Brenner Brown, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution providing the City of Hutto financial assistance from the Clean Water State Revolving Fund for design and construction of a lift station, force main, and a wastewater treatment plant, as recommended by the Executive Administrator.

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

6. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE CITY OF EARLY (BROWN COUNTY) FOR A \$8,365,000 LOAN FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING, ACQUISITION, DESIGN AND CONSTRUCTION FOR WASTEWATER IMPROVEMENTS, UTILIZING THE PRE-DESIGN FUNDING OPTION. Luis Farias, Water Supply and Infrastructure, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the City of Early financial assistance from the Clean Water State Revolving Fund to finance planning, acquisition, design and construction for wastewater improvements, as recommended by the Executive Administrator.

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

7. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE CITY OF LOS FRESNOS (CAMERON COUNTY) FOR A \$820,000 LOAN AND \$344,980 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS FOR IMPROVEMENTS AND EXPANSION OF THE WASTEWATER SYSTEM. Mireya Loewe, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution providing the City of Los Fresnos financial assistance from the Clean Water State Revolving Fund to finance planning and design costs for improvements and expansion of the wastewater system, 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 CITY OF LOS FRESNOS (CAMERON COUNTY) FOR: (A) A \$1,000,000 LOAN AND \$426,101 IN LOAN FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS FOR IMPROVEMENTS AND EXPANSION OF THE WATER TREATMENT PLANT AND SYSTEM; AND (B) WAIVER OF THE REQUIREMENT FOR CONSISTENCY WITH THE REGIONAL AND STATE WATER PLANS. Mireya Loewe, Water Supply and Infrastructure, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the City of Los Fresnos financial assistance from the Drinking Water State Revolving Fund to finance planning and design costs for improvements and expansion of the water treatment plant and system; and a waiver of the requirement for consistency with the Regional and State Water Plans, as recommended by the Executive Administrator.

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

9. CONSIDER APPROVING, BY RESOLUTION, A REQUEST FROM THE CITY OF MCALLEN (HIDALGO COUNTY) TO AMEND RESOLUTION NO. 14-07 AUTHORIZING A \$10 MILLION INCREASE IN FINANCIAL ASSISTANCE FOR A TOTAL OF \$40,202,322, CONSISTING OF A LOAN IN THE AMOUNT OF \$40,000,000 AND \$202,322 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE CONSTRUCTION COSTS RELATED TO UPGRADING A WASTEWATER TREATMENT PLANT. Mireya Loewe, Water Supply and Infrastructure, presented this item. Mark Vega, City of McAllen, also addressed the Board.

Director Jackson moved to adopt the proposed Resolution amending Resolution No. 14-07 to authorize an increase in financial assistance to the City of McAllen from the Clean Water State Revolving Fund to finance construction costs related to upgrading a wastewater treatment plant, as recommended by the Executive Administrator.

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

The General Counsel recommended that the Board take up and consider Affirmation Items 10 and 11 together.

10. CONSIDER AFFIRMING BY RESOLUTION, THE COMPLETION OF THE ENVIRONMENTAL REVIEW FOR A \$1,370,000 COMMITMENT FROM THE DRINKING WATER STATE REVOLVING FUND TO THE CITY OF PORT ARTHUR (JEFFERSON COUNTY) MADE IN TWDB RESOLUTION NO 14-49.
11. CONSIDER AFFIRMING BY RESOLUTION, THE COMPLETION OF THE ENVIRONMENTAL REVIEW FOR COMMITMENTS FROM THE DRINKING WATER STATE REVOLVING FUND TO THE **TYLER COUNTY WATER SUPPLY CORPORATION (TYLER COUNTY)** MADE IN TWDB RESOLUTION NOS. 08-71 AND 07-60.

Director Bruun moved to adopt the Resolutions affirming commitments to provide financial assistance as set forth in Items 10 and 11, as recommended by the Executive Administrator.

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

12. CONSIDERATION OF A SETTLEMENT AGREEMENT IN RESOLUTION OF LITIGATION STYLED AS *DIANE HYATT V. LISA GLENN, ET AL.*, CAUSE NO. 1:12-CV-01154-LY.

Chairman Rubinstein moved to approve the proposed settlement agreement in resolving Cause No. 1:12-cv-01154-LY.

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

13. BRIEFING AND DISCUSSION ON HB 4 RULE DEVELOPMENT. Todd Chenoweth, Senior Advisor, presented this item.

No action was taken on this item.

14. No public comments were received.

15. The Board did not meet in closed session.

Chairman Rubinstein recognized Rusty Smith from Senator Kel Seliger's Office, who was attending the meeting today.

The meeting adjourned at 10:43 a.m.

APPROVED and ordered of record this, the 4th day of September, 2014.

TEXAS WATER DEVELOPMENT BOARD

Carlos Rubinstein, Chairman

DATE SIGNED: _____

ATTEST:

Kevin Patteson
Executive Administrator