

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
BOARD MEETING
June 16, 2015 – 9:30 A.M.

Chairman Bech K. Bruun called to order the meeting of the Texas Water Development Board at 9:30 a.m. in Room 1-111 of the William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas. In addition to Chairman Bruun, Directors Kathleen Jackson and Carlos Rubinstein were also in attendance, and a quorum was present.

The General Counsel announced the first item for consideration:

1. DISCUSSION REGARDING OUTREACH EFFORTS AND ACTIVITIES BY THE BOARD.

No action was taken on this item.

2. CONSIDER APPROVING BY RESOLUTION THE ESTABLISHMENT OF A NEW TAX-EXEMPT LENDING RATE SCALE FOR THE TEXAS WATER DEVELOPMENT FUND II WATER FINANCIAL ASSISTANCE ACCOUNT TO BE USED FOR THE SOLE PURPOSE OF PROVIDING STATE MATCHING FUNDS FOR THE CLEAN WATER STATE REVOLVING FUND AND DRINKING WATER STATE REVOLVING FUND. Amanda Landry, Chief Financial Officer, presented this item.

Director Rubinstein moved to adopt the proposed Resolution establishing a new tax-exempt lending rate scale for the Texas Water Development Fund II Water Financial Assistance Account to be used for the sole purpose of providing state matching funds for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund, 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 NORTHWEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 22 (HARRIS COUNTY) FOR A \$3,080,000 LOAN FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE DESIGN AND CONSTRUCTION PHASES TO REHABILITATE THE WASTEWATER TREATMENT PLANT AND COLLECTION SYSTEM. Nancy Richards, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution providing Northwest Harris County Municipal Utility District No. 22 financial assistance from the Clean Water State Revolving Fund to finance design and construction phases to rehabilitate the wastewater treatment plant and collection system, as recommended by the Executive Administrator.

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

4. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE SAN JACINTO RIVER AUTHORITY (MONTGOMERY COUNTY) TO AMEND TWDB RESOLUTION NO. 12-56, AS AMENDED BY TWDB RESOLUTION NOS. 14-32 AND 14-81, BY EXTENDING THE

COMMITMENT PERIOD TO FINANCE WATER SYSTEM IMPROVEMENTS THROUGH THE TEXAS WATER DEVELOPMENT FUND. Nancy Richards, Water Supply and Infrastructure, presented this item.

Director Rubinstein moved to adopt the proposed Resolution amending TWDB Resolution Number 12-56, as amended by Resolution Numbers 14-32 and 14-81, by extending the commitment period to the San Jacinto River Authority to finance water system improvements through the Texas Water Development Fund, 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 AMARILLO (POTTER COUNTY) FOR A \$17,195,000 LOAN FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE CONSTRUCTION OF A WATER TRANSMISSION LINE AND PUMP STATION IMPROVEMENTS. Lee Huntoon, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution providing the City of Amarillo financial assistance from the Drinking Water State Revolving Fund to finance construction of a water transmission line and pump station improvements, as recommended by the Executive Administrator.

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

6. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF BRADY (MCCULLOCH COUNTY) TO AMEND THE \$1,804,000 GRANT AND LOAN COMMITMENT APPORTIONMENT IN TWDB RESOLUTION NO. 15-028 FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM ACCOUNT OF THE TEXAS WATER DEVELOPMENT FUND II. Lee Huntoon, Water Supply and Infrastructure, presented this item. Anthony Groves, Mayor of the City of Brady, also addressed the Board.

Director Rubinstein moved to adopt the proposed Resolution amending the grant and loan commitment apportionment from the Economically Distressed Areas Program Account of the Texas Water Development Fund II, made to the City of Brady in TWDB Resolution Number 15-028, as recommended by the Executive Administrator.

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

7. CONSIDER APPROVING BY RESOLUTION EXTENSIONS OF THE COMMITMENT PERIODS TO THE AGUA SPECIAL UTILITY DISTRICT, THE NORTH ALAMO WATER SUPPLY CORPORATION, VAL VERDE COUNTY AND THE AIRLINE IMPROVEMENT DISTRICT THROUGH THE ECONOMICALLY DISTRESSED AREAS PROGRAM BY AMENDING TWDB RESOLUTION NOS. 13-118, 14-114, 15-011 AND 15-011, RESPECTIVELY. Jessica Zuba, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution amending TWDB Resolution Numbers 13-118, 14-114, 15-011 and 14-10 to extend the commitment periods to the Agua Special Utility

District, the North Alamo Water Supply Corporation, Val Verde County, and the Airline Improvement District through the Economically Distressed Areas Program, as recommended by the Executive Administrator.

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

8. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF CAMERON (MILAM COUNTY) TO AMEND TWDB RESOLUTION NO. 15-004, BY EXTENDING THE COMMITMENT PERIOD TO FINANCE PLANNING, ACQUISITION AND DESIGN FOR WATER SYSTEM IMPROVEMENTS THROUGH THE DRINKING WATER STATE REVOLVING FUND. JoAnne Duncan, Water Supply and Infrastructure, presented this item.

Director Rubinstein moved to adopt the proposed Resolution amending TWDB Resolution Number 15-004, by extending the commitment period to the City of Cameron to finance the planning, acquisition and design for water system improvements through the Drinking Water State Revolving Fund, 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 LAREDO (WEBB COUNTY) TO AMEND TWDB RESOLUTION NO. 14-68 TO (A) AUTHORIZE AN \$8,000,000 INCREASE IN FINANCIAL ASSISTANCE, FOR A TOTAL LOAN OF \$18,000,000, FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE THE CONSTRUCTION OF WASTEWATER SYSTEM IMPROVEMENTS; AND (B) EXTEND THE LOAN COMMITMENT PERIOD TO FEBRUARY 29, 2016. Mireya Loewe, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution amending TWDB Resolution Number 14-68, by extending the commitment period to the City of Laredo; and authorizing an \$8,000,000 increase in financial assistance, for a total loan of \$18,000,000, from the Clean Water State Revolving Fund to finance the construction of wastewater system improvements, as recommended by the Executive Administrator.

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

The General Counsel recommended taking up affirmation items 10 through 12 together for consideration.

10. CONSIDER AFFIRMING BY RESOLUTION THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE FROM THE DRINKING WATER STATE REVOLVING FUND TO THE SILVER CREEK VILLAGE WATER SUPPLY CORPORATION (BURNET COUNTY), MADE IN TWDB RESOLUTION NO. 15-013, AND CONCURRING IN THE EXECUTIVE ADMINISTRATOR'S ENVIRONMENTAL FINDING.
11. CONSIDER AFFIRMING BY RESOLUTION THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE FROM THE DRINKING WATER STATE REVOLVING FUND TO

WINDTHORST WATER SUPPLY CORPORATION (ARCHER AND CLAY COUNTIES) MADE IN TWDB RESOLUTION NO. 15-023, AND CONCURRING IN THE EXECUTIVE ADMINISTRATOR'S ENVIRONMENTAL FINDING.

12. CONSIDER AFFIRMING BY RESOLUTION THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVOLVING FUND TO THE CITY OF CADDO MILLS (HUNT COUNTY) MADE IN TWDB RESOLUTION NO. 11-71, AND CONCURRING IN THE EXECUTIVE ADMINISTRATOR'S ENVIRONMENTAL FINDING.

Director Rubinstein moved to affirm the commitments to provide financial assistance from the Drinking Water State Revolving Fund to Silver Creek Village WSC in Board Resolution Number 15-013, and Windthorst WSC in Board Resolution Number 15-023, and to the City of Caddo Mills from the Clean Water State Revolving Fund as made in Board Resolution Number 11-71; and concurring in the Executive Administrator's environmental findings.

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

13. CONSIDER AUTHORIZING PAYMENT OF \$5,291.79 TO THE LOWER COLORADO RIVER AUTHORITY'S ENVIRONMENTAL LABORATORY SERVICES FROM THE FISCAL YEAR 2015 CONTRACT. Janie Hopkins, Water Science & Conservation, presented this item.

Director Jackson moved to authorize the Executive Administrator to make payment of \$5,291.79 to the Lower Colorado River Authority's Environmental Laboratory Services from the fiscal year 2015 contract.

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

14. CONSIDER AUTHORIZING PUBLICATION OF PROPOSED AMENDMENTS TO 31 TEXAS ADMINISTRATIVE CODE (TAC) §357.10, §357.50, §357.51, §357.62, AND §358.3 RELATING TO INTERREGIONAL CONFLICTS IN REGIONAL WATER PLANNING. Todd Chenoweth, Senior Advisor, presented this item.

Chairman Bruun moved to authorize publication of proposed amendments to Title 31 Texas Administrative Code Sections 357.10, 357.50, 357.51, 357.62, and 358.3 relating to Interregional Conflicts in Regional Water Planning, as recommended by the Executive Administrator, with the following change:

The first sentence of the Announcement of Hearing Sections in the Preamble will read as follows:

"The Board will hold a public hearing on this proposal on July 23, 2015 at 1:30 PM in Room 170 of the Stephen F. Austin Bldg., 1700 North Congress Ave., Austin, Texas."

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

15. CONSIDER ADOPTING PROPOSED AMENDMENTS TO 31 TEXAS ADMINISTRATIVE CODE (TAC) §371.42, §375.52, AND §375.62 RELATING TO TYPES OF ENVIRONMENTAL

DETERMINATIONS: CATEGORICAL EXCLUSIONS. Kathy Calnan, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt amendments to Title 31 Texas Administrative Code Sections 371.42, 375.52, and 375.62, relating to Types of Environmental Determinations - Categorical Exclusions, as recommended by the Executive Administrator.

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

16. BRIEFING AND DISCUSSION ON THE NEW ENVIRONMENTAL REVIEW PROCESS FOR FEDERALLY-FUNDED PROJECTS. Kathy Calnan, Water Supply and Infrastructure, presented this item.

No action was taken on this item.

17. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO NEGOTIATE AND EXECUTE CONTRACTS NO LATER THAN AUGUST 31, 2015, IN AN AMOUNT NOT TO EXCEED \$400,000; AND TRANSFER \$400,000 WITHIN THE WATER ASSISTANCE FUND TO RESEARCH AND PLANNING IN ORDER TO FUND AND EXECUTE SUCH CONTRACTS. Tom Entsminger, Water Supply and Infrastructure, presented this item. Domingo Montalvo, Mayor of the City of Wharton, also addressed the Board.

Director Rubinstein moved to authorize the Executive Administrator to negotiate and execute Regional Facility Planning Grant contracts no later than August 31, 2015, in an amount not to exceed \$400,000; and transfer \$400,000 within the Water Assistance Fund to Research and Planning in order to fund and execute such contracts.

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

18. BRIEFING AND DISCUSSION ON THE REQUIREMENT TO REVIEW AND UPDATE DESIGNATIONS OF REGIONAL WATER PLANNING AREA BOUNDARIES. Temple McKinnon, Water Supply and Infrastructure, presented this item. James Lee Murphy, Executive Manager of the Guadalupe-Blanco River Authority, also addressed the Board.

No action was taken on this item.

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

No action was taken on this item.

20. BRIEFING AND DISCUSSION ON THE TEXAS COLORADO RIVER MOBILE LEARNING EXPERIENCE. John Sutton, Water Science and Conservation, introduced Sarah Richards, Executive Director, Colorado River Alliance, who presented this item.

No action was taken on this item.

21. No public comments were received.

22. The Board did not meet in closed session.

Chairman Bruun adjourned the meeting at 11:11 a.m.

APPROVED and ordered of record this, the 16th day of June, 2015.

TEXAS WATER DEVELOPMENT BOARD

Bech K. Bruun, Chairman

DATE SIGNED: _____

ATTEST:

Kevin Patteson,
Executive Administrator