

MINUTES OF THE
TEXAS WATER DEVELOPMENT BOARD
BOARD MEETING

September 22, 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 170 of the Stephen F. Austin Building, 1700 N. Congress Avenue, Austin, Texas. In addition to Chairman Bruun, Director Kathleen Jackson was also in attendance, and a quorum was present.

The Chairman recognized Trish Conradt, Chief of Staff for Representative Gary Van Deaver, who was in attending the meeting today.

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. DISCUSSION AND CONSIDERATION REGARDING CURRENT REGIONAL WATER PLANNING AREA BOUNDARIES. Matt Nelson, Water Supply and Infrastructure, presented this item. James Murphy, Executive Manager, Guadalupe-Blanco River Authority, also addressed the Board.

Chairman Bruun moved to continue this matter to the October 13th Board Meeting, for the receipt and consideration of additional public comment.

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

3. CONSIDER APPROVING INTERNAL AUDIT'S FISCAL YEAR 2016 AUDIT PLAN. Nicole Campbell, Internal Auditor, presented this item.

Director Jackson moved to approve the Texas Water Development Board Fiscal Year 2016 Internal Audit Plan.

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

4. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO EXPAND THE BOND COUNSEL FEE CAP PURSUANT TO THE APPLICABLE OUTSIDE COUNSEL CONTRACT. Kaye Schultz, Assistant General Counsel, presented this item.

Chairman Bruun moved to authorize the Executive Administrator to expand the bond counsel fee cap payable to McCall, Parkhurst, & Horton, L.L.P. to an amount not to exceed \$175,000, pursuant to the outside counsel contract with the TWDB for work performed pertaining to the development of the SWIFT and SWIRFT programs and the inaugural bond issuance.

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

5. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CADDO LAKE WATER SUPPLY CORPORATION (HARRISON COUNTY) FOR A \$430,000 LOAN FROM THE TEXAS WATER DEVELOPMENT FUND TO FINANCE THE DESIGN AND CONSTRUCTION OF TWO GROUND STORAGE TANKS. Luis Farias, Water Supply and Infrastructure, presented this item.

Director Jackson moved to adopt the proposed Resolution providing the Caddo Lake Water Supply Corporation financial assistance from the Texas Water Development Fund to finance the design and construction of two ground storage tanks, as recommended by the Executive Administrator.

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

6. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 148 (HARRIS COUNTY) FOR A \$1,100,000 LOAN FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE PLANNING, DESIGN AND CONSTRUCTION COST FOR THE REHABILITATION AND UPGRADING OF AN EXISTING WATER DISTRIBUTION SYSTEM. Nancy Richards, Water Supply and Infrastructure, presented this item.

Chairman Bruun moved to adopt the proposed Resolution providing Harris County Municipal Utility District No. 148 financial assistance from the Drinking Water State Revolving Fund to finance planning, design and construction cost for the rehabilitation and upgrading of an existing water distribution system, as recommended by the Executive Administrator.

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

The General Counsel recommended taking up affirmation Items 7 and 8 together for consideration:

7. CONSIDER AFFIRMING BY RESOLUTION THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE FROM THE DRINKING WATER STATE REVOLVING FUND TO EAST RIO HONDO WATER SUPPLY CORPORATION (CAMERON COUNTY) MADE IN TWDB RESOLUTION NO. 13-103 AND CONCURRING IN THE EXECUTIVE ADMINISTRATOR'S ENVIRONMENTAL FINDING.
8. CONSIDER AFFIRMING BY RESOLUTION THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE FROM THE CLEAN WATER STATE REVOLVING FUND TO THE CITY OF FORT WORTH (TARRANT COUNTY) MADE IN TWDB RESOLUTION NO. 14-106, AND CONCURRING IN THE EXECUTIVE ADMINISTRATOR'S ENVIRONMENTAL FINDING.

Director Jackson moved to affirm the commitments to provide financial assistance from the

Drinking Water State Revolving Fund to East Rio Hondo Water Supply Corporation made in Board Resolution No. 13-103, and from the Clean Water State Revolving Fund to the City of Fort Worth made in Board Resolution No. 14-106; and concurring in the Executive Administrator's environmental findings.

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

9. CONSIDER APPROVING BY RESOLUTION A REQUEST FROM THE CITY OF MELVIN (MCCULLOCH COUNTY) FOR A SIX-MONTH EXTENSION OF THE \$170,000 COMMITMENT IN TWDB RESOLUTION NO. 15-029 FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM, TO FINANCE A RADIUM REMOVAL PROJECT. Lee Huntoon, Water Supply and Infrastructure, presented this item. Mark Pearson, Communities Unlimited, also addressed the Board.

Chairman Bruun moved to adopt the proposed Resolution providing the City of Melvin a six-month extension of the commitment in TWDB Resolution No. 15-029 from the Economically Distressed Areas Program, to finance a radium removal project, as recommended by the Executive Administrator.

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

10. CONSIDER APPROVING THE ADOPTED MINOR AMENDMENT TO THE 2011 REGION H REGIONAL WATER PLAN; AND AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO DEVELOP THE CORRESPONDING AMENDMENT TO THE 2012 STATE WATER PLAN, WITH ASSOCIATED PUBLIC HEARING. Temple McKinnon, Water Supply and Infrastructure, presented this item. She recognized Mark Evans, North Harris County Regional Water Authority, who is attending the meeting today.

Director Jackson moved to approve the adopted Minor Amendment to the 2011 Region H Regional Water Plan, relating to a revision to the Central Harris County Regional Water Authority's recommended transmission and distribution from the City of Houston water management strategy; and authorizing the Executive Administrator to post notice for a public hearing for an associated amendment to the 2012 State Water Plan.

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

11. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO PUBLISH A REQUEST FOR APPLICATIONS FOR DEMONSTRATION PROJECTS FOR ALTERNATIVE WATER SUPPLIES. Matt Webb, Water Science and Conservation, presented this item.

Chairman Bruun moved to authorize the Executive Administer to publish a Request for Applications for Demonstration Projects for Alternative Water Supplies.

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

12. 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.

13. No public comments were received.

14. Chairman Bruun announced that the Board would meet in closed session in Room 600A immediately following the recess of this meeting, as permitted by the Texas Open Meetings Act, including Government Code, Sections 551.071 and 551.074.

The Board stands in recess at 10:38 a.m.

The Board reconvened in open meeting at 12:00 p.m. (Noon) and announced that the Board met in Executive Session pursuant to Government Code Sections 551.071 and 551.074. They met from 10:50 a.m. to 11:55 a.m.

The Chairman moved that the Board approve an Executive Administrator annual salary increase effective September 1, 2015 to reflect the funding level set forth by the Legislature in Article Six of the 84th Legislature General Appropriations Act. The motion was seconded by Director Jackson; it passed unanimously.

The Chairman adjourned the meeting at 12:01 p.m.

APPROVED and ordered of record this, the 22nd day of September, 2015.

TEXAS WATER DEVELOPMENT BOARD

Bech K. Bruun, Chairman

DATE SIGNED: _____

ATTEST:

Kevin Patteson,
Executive Administrator