



P.O. Box 13231, 1700 N. Congress Ave.
Austin, TX 78711-3231, www.twdb.texas.gov
Phone (512) 463-7847, Fax (512) 475-2053

AGENDA ITEM MEMO

BOARD MEETING DATE: August 15, 2024

TO: Board Members

THROUGH: Bryan McMath, Interim Executive Administrator
Ashley Harden, General Counsel
Marshall Walters, Assistant General Counsel
Jessica Peña, Deputy Executive Administrator, Water Supply & Infrastructure

FROM: T. Clay Schultz, Ph.D., Director, Regional Water Project Development
Dain Larsen, Assistant Director, Regional Water Project Development

SUBJECT: City of Columbus General Revenue Grant – Wastewater Treatment Facility
Assistance - TWDB Project No. 21837

ACTION REQUESTED

Consider authorizing the Executive Administrator to execute an agreement with the City of Columbus (Colorado County) for a \$3,225,854 grant pursuant to House Bill 1, 88th Legislative Regular Session, Article VI.

BACKGROUND

In the 88th Legislative Session, \$3,225,854 was appropriated to relocate the City of Columbus's wastewater treatment plant out of the floodplain. The project is also funded with a \$15,811,189.50 grant from a federal Community Development Block Grant administered by the Texas General Land Office's Regional Mitigation Program- Council of Governments Method of Distribution for projects to mitigate the risks from hurricanes, tropical storms, flooding, wind, and other hazards.

KEY ISSUES

The Legislature specifically directed the Texas Water Development Board (TWDB) to provide those funds for the above stated purpose. Consequently, the TWDB may provide the funds from the general revenue account without reference to the requirements of other TWDB programs. The conditions necessary to affect the financing are only those necessary to protect the interests of TWDB and document the transaction to the satisfaction of the Executive Administrator.

Our Mission

Leading the state's efforts
in ensuring a secure
water future for Texas

Board Members

Brooke T. Paup, Chairwoman | L'Oreal Stepney, P.E., Board Member
Bryan McMath, Interim Executive Administrator

RECOMMENDATION

The Executive Administrator recommends authorizing the execution of an agreement with the City for a \$3,225,854 grant pursuant to House Bill No. 1, 88th Legislature.

Attachment:

1. Proposed Resolution (24-)

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE
TO THE CITY OF COLUMBUS
FROM THE GENERAL REVENUE FUND
THROUGH A GRANT IN THE AMOUNT OF \$3,225,854

(24-)

Recitals:

The 88th Texas Legislature, through House Bill 1, 88th Leg. R.S., Article VI, appropriated to the Texas Water Development Board (TWDB) an amount not to exceed \$3,225,854 out of the General Revenue Account for the purpose of constructing a wastewater treatment facility for the City of Columbus, Texas.

The City of Columbus (City), located in Colorado County, has filed an application for financial assistance in the amount of \$3,225,854 in grant funds to finance certain wastewater system improvements identified as Project No. 21837.

In accordance with its duties and responsibilities under Texas Water Code § 6.012, the TWDB has considered all matters required by law and in particular, the instructions of the 88th Legislature.

The TWDB hereby finds that the project is eligible to receive funds in accordance with House Bill 1.

NOW, THEREFORE, based on these findings, the TWDB resolves as follows:

A commitment is made by the TWDB to the City of Columbus, Texas for a grant in the amount of \$3,225,854 from the General Revenue Fund. This commitment will expire on September 1, 2025.

Such commitment is conditioned as follows:

Standard Conditions:

1. This commitment is contingent on the City executing a Grant Agreement in a form and substance acceptable to the Executive Administrator.
2. The City shall return any grant funds that are determined to be surplus funds in a manner determined by the Executive Administrator.
3. The Grant Agreement must contain a provision that the City agrees to comply with all of the conditions set forth in the TWDB Resolution, which conditions are incorporated herein.
4. The Grant Agreement must contain a provision that the TWDB may exercise all remedies available to it in law or equity, and any provision of the Grant Agreement

that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect.

5. Financial assistance funds are public funds and, as such, the Grant Agreement must include a provision requiring that these proceeds shall be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256, and the Public Funds Collateral Act, Government Code, Chapter 2257
6. Financial assistance funds shall not be used by the City when sampling, testing, removing or disposing of contaminated soils and/or media at the project site. The Grant Agreement shall include an environmental indemnification provision wherein the City agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the City, its contractors, consultants, agents, officials and employees as a result of activities relating to the project to the extent permitted by law.
7. Prior to closing, and if not previously provided with the application, the City shall submit executed contracts for engineering and, if applicable, financial advisor and bond counsel contracts, for the project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator.
8. Prior to closing, when any portion of the financial assistance is to be held in escrow or in trust, the City shall execute an escrow or trust agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed agreement to the TWDB.
9. The City must immediately notify TWDB, in writing, of any suit against it by the Attorney General of Texas under Texas Penal Code § 1.10(f) (related to federal laws regulating firearms, firearm accessories, and firearm ammunition).

APPROVED and ordered of record this 15th day of August 2024.

TEXAS WATER DEVELOPMENT BOARD

Brooke T. Paup, Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Interim Executive Administrator