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AGENDA ITEM MEMO

BOARD MEETING DATE: December 16, 2025

TO: Board Members

THROUGH: Bryan McMath, Executive Administrator
Ashley Harden, General Counsel
Georgia Sanchez, Chief Financial Officer

FROM: David Duran, Director, Debt & Portfolio Management
Thomas Quick, Financial Analyst

SUBJECT: Authorization to initiate the proposed 2026 State Revolving Fund Revenue Bond Sale

ACTION REQUESTED

Consider authorizing the Executive Administrator, Assistant Executive Administrator, Chief Financial Officer, Development Fund Manager, and Director of Debt and Portfolio Management to take all necessary actions for the issuance, sale, and delivery of Texas Water Development Board State Revolving Fund Revenue Bonds in one or more series; and approving the selection of financial advisor, bond counsel, disclosure counsel, senior managing underwriter, and co-managing underwriters for the negotiation of the bond issue.

BACKGROUND

The Texas Water Development Board is authorized to issue revenue bonds pursuant to Chapter 15, Subchapter J and Chapter 17, Subchapter I of the Texas Water Code.

Bond proceeds have historically been used to fund projects under the Clean Water State Revolving Fund (CWSRF) to provide financial assistance to various wastewater treatment systems and to fund projects under the Drinking Water State Revolving Fund (DWSRF) to provide financial assistance to community water systems, including projects funded by federal capitalization grant state match requirements.

KEY ISSUES

The net proceeds of the bonds will be used to provide funding to the DWSRF and CWSRF programs.

Hilltop Securities Inc. is recommended to serve as financial advisor; McCall, Parkhurst & Horton L.L.P. as bond counsel; and Bracewell LLP as disclosure counsel.

[Our Mission](#) : [Board Members](#)

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

: L'Oreal Stepney, P.E., Chairwoman | W. Brady Franks, Board Member | Ashley Morgan, Board Member
:
: Bryan McMath, Executive Administrator

Robert W. Baird & Co. Inc. is recommended to serve as senior managing underwriter for the transaction. Recommended co-managing underwriters include Estrada Hinojosa & Co. Inc., Raymond James Financial, Inc., RBC Capital Markets LLC, Siebert Williams Shank & Co., LLC, and UMB Bank, N.A.

Upon the approval of this item, staff will finalize the timeline, engage the service providers, obtain ratings, complete the debt issuance process as required by the Bond Review Board, update the investor outreach website (via BondLink), and take other necessary steps to prepare the bonds for issuance and sale. The Executive Administrator will return with a request to adopt the associated bond resolution(s) and approval of the Preliminary Official Statement for any series to be issued under this authorization.

RECOMMENDATION

The Executive Administrator recommends authorizing the Executive Administrator, Assistant Executive Administrator, Chief Financial Officer, Development Fund Manager, and Director of Debt and Portfolio Management to initiate the SRF bond sale; and approving the selection of financial advisor, bond counsel, disclosure counsel, and senior and co-managing underwriters.