



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: December 16, 2025

TO: Board Members

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

FROM: T. Clay Schultz, PhD, Director, Regional Water Project Development
Theresa Finch, P.G., Manager, Regional Water Project Development

SUBJECT: City of Amarillo General Revenue Grant – Wastewater Treatment Plant
Facilities Project – Project No. 21906

ACTION REQUESTED

Consider authorizing the Executive Administrator to execute an agreement with the City of Amarillo for a \$20,000,000 grant pursuant to House Bill 500, 89th Leg., R.S., Article VI, Section 6.02 and Senate Bill 1, 89th Leg., R.S., Article IX, Section 17.18.

BACKGROUND

In the 89th Legislative Session, \$20,000,000 was appropriated to upgrade the City of Amarillo’s (City) wastewater treatment plant facilities. This project will provide critical improvements to the City’s wastewater treatment facilities to ensure continued compliance with state and federal environmental standards, accommodate future growth, and enhance the reliability and efficiency of the wastewater treatment operations of the City.

KEY ISSUES

The 89th Texas Legislature specifically directed the Texas Water Development Board (TWDB) to provide these 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 the TWDB and document the transaction to the satisfaction of the Executive Administrator.

RECOMMENDATION

The Executive Administrator recommends authorizing the execution of an agreement with the City for a \$20,000,000 grant pursuant to House Bill 500, 89th Leg., R.S., Article VI, Section 6.02 and Senate Bill 1, 89th Leg., R.S., Article IX, Section 17.18.

[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

Board Members
December 16, 2025
Page 2

Attachment:

1. Resolution (25-)

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE
TO THE CITY OF AMARILLO
FROM THE GENERAL REVENUE FUND
THROUGH A GRANT IN THE AMOUNT OF \$20,000,000

(25-)

Recitals:

The 89th Texas Legislature, through House Bill 500, 89th Leg. R.S., Article VI and Senate Bill 1, 89th Leg. R.S., Article IX, appropriated to the Texas Water Development Board (TWDB) an amount not to exceed \$20,000,000 out of the General Revenue Fund for the purpose of constructing a wastewater project for the City of Amarillo (City), Texas.

The City seeks financial assistance in the amount of \$20,000,000 in grant funds to finance wastewater improvements identified as Project No. 21906.

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 89th Legislature.

The TWDB hereby finds that the project is eligible to receive funds in accordance with House Bill 500 and Senate Bill 1.

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

A commitment is made by the TWDB to the City of Amarillo, Texas for a grant in the amount of \$20,000,000 from the General Revenue Fund. This commitment will expire on August 31, 2027.

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 Grant Agreement must contain a provision that the City agrees to comply with all of the conditions set forth in the TWDB Resolution.
3. 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.
4. 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

5. 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.
6. 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.
7. Before closing, the City shall submit to the escrow agent a closing memo signed by the Executive Administrator.
8. 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).
9. The City shall submit progress reports with sufficient documentation on costs on a quarterly or monthly basis to allow for the timely distribution of the grant funds.

APPROVED and ordered of record this 16th day of December 2025.

TEXAS WATER DEVELOPMENT BOARD

L'Oreal Stepney, P.E., Chairwoman

DATE SIGNED: _____

ATTEST:

Bryan McMath, Executive Administrator