

MINUTES OF THE  
TEXAS WATER DEVELOPMENT BOARD  
BOARD MEETING  
December 5, 2013

Chairman Carlos Rubinstein called to order the meeting of the Texas Water Development Board at 9:32 a.m. in Room 170 of the Stephen F. Austin Building, 1700 Congress Avenue, Austin, Texas. In addition to Chairman Rubinstein, Directors Bech Bruun and Mary Ann Williamson were also in attendance, and a quorum was present.

The following individuals were present:

Tina Beck, Legislative Budget Board  
Raul Benevides, City of Mission  
Blaine Brunson, Morgan Stanley  
Cathy Eckols, Public Financial Management  
Anne Burger Entekin, First Southwest  
Gay Erwin, SPI  
Justin Fanning, Morgan Stanley  
Elizabeth Fazio, House Natural Resources  
Committee  
Charlie Flatten, Hill Country Alliance  
Wendy Foster, Foster Solutions, LLC  
Vanessa Fuentes, Rep. Abel Herrero's Office  
Martin Geize, Jr., City of Mission  
Hugo Gonzalez, Jr., City of Robstown  
Rep. Bobby Guerra, State Representative  
Windy Johnson, Texas Conference of Urban  
Counties  
Keith Kindle, Hibbs & Todd, Inc.  
Fred Kurth, City of Mission  
Ken Kramer, Sierra Club  
Peter Lamar  
Dale Lehman, Piper Jaffray

Russel Lenz, AGC of Texas  
Chloe Lieberknecht, The Nature Conservancy  
Rep. Eddie Lucio III, State Representative  
Amanda McPherson, LCRA  
Luke Metzger, Environment Texas  
Tim Mills, Frost Bank  
Luis Moreno, Senator Juan Hinojosa's Office  
Ruben O'Bell, Representative Eddie Lucio III's  
Office  
Timothy Peterson, J.P. Morgan  
Clay Pope  
Josh Reyna, Senator Juan Hinojosa's Office  
Keith Richard, Morgan Stanley  
Ben Rosenberg, U.S. Capital Advisors  
Robert Rucker  
Norberto Salinas, City of Mission  
Roberto Salinas, City of Mission  
Patrick Scott, Barclays  
Dalton Smith, Bank of America  
Houston Tower, Representative Eddie Lucio  
III's Office

1. **CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE CITY OF ROBSTOWN (NUECES COUNTY) FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$866,143 CONSISTING OF A \$490,000 LOAN AND \$376,143 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE THE REPLACEMENT OF EXISTING LINES AND MANHOLES TO ADDRESS SEWER OVERFLOWS, UTILIZING THE PRE-DESIGN FUNDING OPTION.** Javier Pena, Financial Analyst, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the City of Robstown financial assistance from the Clean Water State Revolving Fund to finance the replacement of existing lines

and manholes to address sewer overflows, as recommended by the Executive Administrator.

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

2. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM **GM WATER SUPPLY CORPORATION (SABINE AND SAN AUGUSTINE COUNTIES)** FOR A LOAN IN THE AMOUNT OF \$765,000 FROM THE DRINKING WATER STATE REVOLVING FUND FOR THE CONSTRUCTION OF A NEW TREATMENT PLANT. Javier Pena, Financial Analyst, presented this item.

Director Bruun moved to adopt the proposed Resolution providing GM Water Supply Corporation financial assistance from the Drinking Water State Revolving Fund for the construction of a new treatment plant, as recommended by the Executive Administrator.

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

3. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF CISCO (EASTLAND COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$677,050, CONSISTING OF A \$475,000 LOAN AND \$202,050 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN COSTS RELATING TO LIFT STATION REPLACEMENTS, TREATMENT PLANT MODIFICATIONS AND A REUSE SYSTEM. Darrell Nichols, Program Specialist, presented this item.

Director Williamson moved to adopt the proposed Resolution providing the City of Cisco financial assistance from the Clean Water State Revolving Fund to finance planning and design costs relating to lift station replacements, treatment plant modifications and a reuse system, as recommended by the Executive Administrator.

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

4. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF HUNTINGTON (ANGELINA COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$248,844, CONSISTING OF A \$125,000 LOAN AND \$123,844 IN LOAN FORGIVENESS FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE THE PLANNING AND DESIGN COSTS OF RENOVATIONS TO THE CITY'S WASTEWATER TREATMENT PLANT RESTORING COMPLIANCE WITH STANDARDS. Jessica Zuba, Financial Analyst, presented this item.

Director Williamson moved to adopt the proposed Resolution providing the City of Huntington financial assistance from the Clean Water State Revolving Fund to finance the planning and design costs of renovations to the City's wastewater treatment plant restoring compliance with standards, as recommended by the Executive Administrator.

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

5. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF INGRAM (KERR COUNTY)** FOR A LOAN IN THE AMOUNT OF \$1,185,000 FROM THE CLEAN WATER STATE REVOLVING FUND TO FINANCE THE INSTALLATION OF NEW

GRAVITY SEWER LINES IN THE CENTRAL AND EASTERN PORTIONS OF THE CITY. Jessica Zuba, Financial Analyst, presented this item.

Director Williamson moved to adopt the proposed Resolution providing the City of Ingram financial assistance from the Clean Water State Revolving Fund to finance the installation of new gravity sewer lines in the central and eastern portions of the City, as recommended by the Executive Administrator.

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

6. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF LADONIA (FANNIN COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$394,650, CONSISTING OF A \$200,000 LOAN AND \$194,650 IN LOAN FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE IMPROVEMENTS TO REDUCE WATER LOSS. Jessica Zuba, Financial Analyst, presented this item.

Director Williamson moved to adopt the proposed Resolution providing the City of Ladonia financial assistance from the Drinking Water State Revolving Fund to finance improvements to reduce water loss, as recommended by the Executive Administrator.

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

7. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF MISSION (HIDALGO COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$569,000, CONSISTING OF A \$284,000 GRANT AND A \$285,000 LOAN FROM THE ECONOMICALLY DISTRESSED AREAS PROGRAM TO FINANCE PLANNING, ACQUISITION AND DESIGN OF A PROPOSED PROJECT THAT WILL PROVIDE FIRST TIME WASTEWATER SERVICE TO THE CITY'S NORTH SIDE. Jessica Zuba, Financial Analyst, presented this item.

Director Bruun moved to adopt the proposed Resolution providing the City of Mission financial assistance from the Economically Distressed Areas Program to finance planning, acquisition and design of a proposed project that will provide first time wastewater service to the City's north side, as recommended by the Executive Administrator.

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

8. CONSIDER APPROVING BY RESOLUTION, A REQUEST FROM THE **CITY OF SAN SABA (SAN SABA COUNTY)** FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF \$297,921, CONSISTING OF A \$165,000 LOAN AND \$132,921 IN LOAN FORGIVENESS FROM THE DRINKING WATER STATE REVOLVING FUND TO FINANCE PLANNING AND DESIGN OF A PROPOSED PROJECT TO REDUCE WATER LOSS AND IMPROVE EFFICIENCY. Jessica Zuba, Financial Analyst, presented this item.

Director Williamson moved to adopt the proposed Resolution providing the City of San Saba financial assistance from the Drinking Water State Revolving Fund to finance planning and design of a proposed project to reduce water loss and improve efficiency, as recommended by the Executive Administrator.

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

The General Counsel recommended that the Board consider taking up items 9 and 10 together for consideration. He stated that the requested action on these items was to reaffirm previous Board actions.

9. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE IN THE AMOUNT OF \$175,000 FROM THE CLEAN WATER STATE REVOLVING FUND TO THE **CITY OF INGRAM (KERR COUNTY)** MADE IN TWDB RESOLUTION NO. 13-25 FOR THE INSTALLATION OF NEW GRAVITY WASTEWATER PIPELINES IN THE CENTRAL BUSINESS DISTRICT AND EASTSIDE SERVICE AREA AFTER COMPLETION OF ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR DESIGN.
  
10. CONSIDER AFFIRMING BY RESOLUTION, THE COMMITMENT TO PROVIDE FINANCIAL ASSISTANCE IN THE AMOUNT OF \$4,915,318 FROM THE DRINKING WATER STATE REVOLVING FUND TO THE **CITY OF WEST (MCLENNAN COUNTY)** MADE IN TWDB RESOLUTION NO. 13-123 FOR THE REPLACEMENT OF A WATER TREATMENT PLANT, REPLACEMENT OR REHABILITATION OF A GROUND STORAGE TANK AND CONSTRUCTION OF A NEW ELEVATED STORAGE TANK AFTER COMPLETION OF ENVIRONMENTAL REVIEW, AND APPROVING RELEASE OF FUNDS FOR DESIGN AND CONSTRUCTION. Jennifer Kennedy, Environmental Review, presented this item.

Director Bruun moved to adopt the Resolutions affirming the commitments in Items 9 and 10 to provide financial assistance to the City of Ingram and the City of West, as recommended by the Executive Administrator.

Director Williamson seconded; it passed unanimously.

11. CONSIDER APPOINTMENT OF MEMBERS FOR THE WATER CONSERVATION ADVISORY COUNCIL. Robert Mace, Water Science & Conservation, presented this item.

Director Bruun moved to appoint John Mueller as the Federal Agencies representative and John Foster as the Texas State Soil and Water Conservation Board representative for the Water Conservation Advisory Council, as recommended by the Executive Administrator.

Director Williamson seconded; it passed unanimously.

12. CONSIDER AUTHORIZING THE EXECUTIVE ADMINISTRATOR TO PUBLISH A REQUEST FOR APPLICATIONS IN THE TEXAS REGISTER FOR FISCAL YEAR 2014 AGRICULTURAL WATER CONSERVATION GRANTS FOR A TOTAL AMOUNT NOT TO EXCEED \$2,100,000 FROM THE AGRICULTURAL WATER CONSERVATION FUND. Cameron Turner, Program Specialist, presented this item.

Director Williamson moved to authorize the Executive Administrator to publish a request for applications in the Texas Register for fiscal year 2014 Agricultural Water Conservation Grants.

Director Bruun seconded; it passed unanimously.

13. CONSIDER APPROVING THE UNIFORM STANDARDS TO BE USED BY THE REGIONAL WATER PLANNING GROUPS IN PRIORITIZING PROJECTS IN THEIR REGIONAL PLANS AS SUBMITTED BY THE HB 4 STAKEHOLDER COMMITTEE. Matt Nelson, Regional Water Planning, presented this item. Luke Metzger, Director, Environment Texas, and Ken Kramer, Water Resources Chair, Sierra Club, also addressed the Board. Mr. Kramer also submitted written comments for the record.

Director Bruun moved to approve the uniform standards to be used in prioritizing projects as submitted by the HB 4 Stakeholder Committee, as recommended by the Executive Administrator.

Director Williamson seconded; it passed unanimously.

14. CONSIDER AUTHORIZING AN INCREASE TO THE TOTAL STUDY COSTS IN THE REGIONAL WATER PLANNING CONTRACTS BY AN AMOUNT NOT TO EXCEED \$561,300 FOR PRIORITIZATION OF PROJECTS IN THE 2011 AND 2016 REGIONAL WATER PLANS. Matt Nelson, Regional Water Planning, presented this item.

Director Bruun moved to authorize an increase to the total study costs in the regional water planning contracts for prioritization of projects in the 2011 and 2016 regional water plans, as recommended by the Executive Administrator.

Director Williamson seconded; it passed unanimously.

15. BRIEFING AND DISCUSSION ON DROUGHT CONDITIONS IN THE STATE OF TEXAS. Mark Wentzel, Water Science & Conservation, presented this item. Matt Nelson, Regional Water Planning, also addressed the Board.

No action was taken on this item.

16. THE BOARD WILL RECEIVE COMMENTS FROM THE PUBLIC.

No public comments were received.

The Chairman recognized the following individuals:

State Representative Bobby Guerra, who addressed the Board;  
State Representative Eddie Lucio, III, who addressed the Board; and

the following individuals who did not wish to address the Board:

Tina Beck, Legislative Budget Board;  
Elizabeth Fazio, House Natural Resources Committee;  
Luis Moreno, Senator Juan Hinojosa's Office;  
Josh Reyna, Senator Juan Hinojosa's Office;  
Ruben O'Bell, Representative Eddie Lucio III's Office;  
Houston Tower, Representative Eddie Lucio III's Office; and  
Vanessa Fuentes, Representative Abel Herrero's Office.

17. THE BOARD MAY RECESS INTO EXECUTIVE SESSION TO CONSULT WITH ITS ATTORNEYS REGARDING ANY POSTED MATTER IN WHICH THE BOARD MAY SEEK THE ADVICE OF ITS ATTORNEYS UNDER GOVERNMENT CODE §551.071 AND WILL RECONVENE IN OPEN SESSION FOR ANY APPROPRIATE ACTION ON ANY MATTER CONSIDERED IN EXECUTIVE SESSION.

The Board did not recess into Executive Session to consider any other items.

Chairman Rubinstein adjourned the meeting at 10:34 a.m.

APPROVED and ordered of record this, the \_\_\_\_ day of \_\_\_\_\_, 2013.

TEXAS WATER DEVELOPMENT BOARD

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Carlos Rubinstein, Chairman

ATTEST:

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Kevin Patteson  
Executive Administrator