

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Jose M. Graveley, President
DATE: March 20, 2023
SUBJECT: Public Hearing Notice and Agenda for the South Texas Water Authority

A public hearing of the STWA Board of Directors is scheduled for:

Tuesday, March 28, 2023

5:30 p.m.

South Texas Water Authority
2302 East Sage Road, Kingsville, Texas

to consider and act upon any lawful subject which may come before it, including among others, the following:

Agenda

1. Call to order.
2. Petition for Addition of Certain Lands to the South Texas Water Authority.
 - a. Adam Edward Frederiksen, South half of Tract 23 and all of Tract 24, Cyndie Park Unit 2 in Nueces County, Texas
3. Public Comment
4. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

JMG/JM/fdl

This meeting notice was posted on STWA's website, www.stwa.org, and on indoor and outdoor bulletin boards at STWA's administrative offices, 2302 East Sage Road, Kingsville, Texas at 145 am on March 24, 2023.
frances De Leon
Assistant Secretary

MEMORANDUM

TO: South Texas Water Authority Board of Directors
FROM: Jose M Graveley, President
DATE: March 20, 2023
SUBJECT: Meeting Notice and Agenda for the South Texas Water Authority

A Regular Meeting of the STWA Board of Directors is scheduled for:

Tuesday, March 28, 2023
Immediately following the 5:30 p.m. STWA Public Hearing
South Texas Water Authority
2302 East Sage Road, Kingsville, Texas

The Board will consider and act upon any lawful subject which may come before it, including among others, the following:

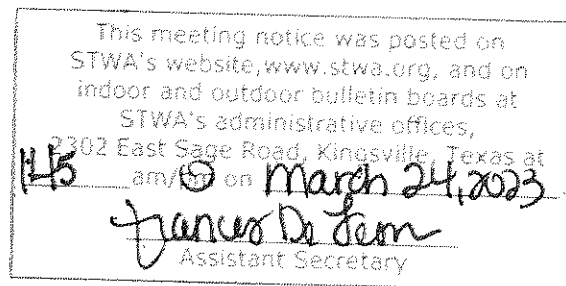
Agenda

1. Call to order.
2. Citizen comments. This is an opportunity for citizens to address the Board of Directors concerning an issue of community interest that is not on the agenda. Comments on the agenda items must be made when the agenda item comes before the Board. The President may place a time limit on all comments. The response of the Board to any comment under this heading is limited to making a statement of specific factual information in response to the inquiry, or, reciting existing policy in response to the inquiry. Any deliberation of the issue is limited to a proposal to place it on the agenda for a later meeting.
3. Approval of Minutes. (Attachment 1)
4. Treasurer's Report/Payment of Bills. (Attachment 2)
5. Operation and Maintenance Reports. (Attachment 3)
 - O&M Report
 - CP Update
6. Approval of Annexation of Certain Lands to the South Texas Water Authority.
 - a. Adam Edward Frederiksen, South half of Tract 23 and all of Tract 24, Cyndie Park Unit 2 in Nueces County, Texas. (Attachment 4)
7. **Resolution 23-06.** Resolution approving Annexation of Certain Lands to the South Texas Water Authority (Adam Edward Frederiksen) (Attachment 5)
8. Petition for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place. (Gabino Anzaldua, Jr. and Sylvia G. Anzaldua, Tract Ten (10) of Tierra Verde Unit II, a subdivision in Nueces County, Texas) (Attachment 6)

9. **Resolution 23-07.** Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Gabino Anzaldua, Jr. and Sylvia G. Anzaldua) (Attachment 7)
10. Bond Counsel Engagement Letter with Daniel M. Martinez of Windstead PC for services pertaining to improvements at STWA facilities. (Attachment 8)
11. **Resolution 23-08.** Resolution declaring intention to reimburse certain expenditures. (Attachment 9)
12. Administration Report.
13. Adjournment.

The Board may go into closed session at any time when permitted by Chapter 551, Government Code. Before going into closed session, a quorum of the Board must be assembled in the meeting room, the meeting must be convened as an open meeting pursuant to proper notice, and the presiding officer must announce that a closed session will be held and must identify the sections of Chapter 551, Government Code, authorizing the closed session.

JMG/JM/fdl
Attachments



ATTACHMENT 1

Approval of Minutes

SOUTH TEXAS WATER AUTHORITY
Regular Board of Directors Meeting
February 28, 2023
Minutes

Board Members Present:

Jose Graveley
Rudy Galvan, Jr.
Kathleen Lowman
Joe Morales
Patsy Rodgers
Arturo Rodriguez

Board Members Absent:

Angela Pena
Imelda Garza
Frances Garcia

Staff Present:

John Marez
Frances De Leon
Jo Ella Wagner
Nigel Gomez
Patrick Sendejo

Guests Present:

None

1. Call to Order.

Mr. Jose Graveley, Board President, called the Regular Meeting of the STWA Board of Directors to order at 5:30 p.m. A quorum was present.

2. Citizen Comments.

Mr. Graveley opened the floor to citizen's comments. No comments were made.

3. Approval of Minutes.

Ms. Rodgers made a motion to approve the minutes of the December 20, 2022 Regular Meeting, January 17, 2023 Public Hearing, January 17, 2023 Regular Meeting and January 31, 2023 Regular Meeting as presented. Mr. Galvan seconded. The motion passed by unanimous vote.

4. Quarterly Report/Treasurer's Report/Payment of Bills.

Ms. Wagner stated that due to software issues, the Treasurer's Report was not complete. She presented the STWA Quarterly Report for Quarter ending December 31, 2022. No bills were presented for payment. Mr. Galvan made a motion to approve the Quarterly Report, Ms. Lowman seconded and all voted in favor.

5. Reports from O&M and CP.

The Board reviewed the O&M and CP reports. Ms. Lowman asked about pending taps and Mr. Gomez responded that progress is being made on outstanding taps. Ms. Lowman also asked about the status of Field Technicians' licensing exams and Mr. Gomez stated that the Field Technician who most recently sat for the exam was very close but did not pass.

6. STWA Master Plan.

Mr. Marez presented a tentative list of proposed projects to be provided to Water Finance Exchange to assist in submission of a Project Information Form to the Texas Water Development Board. He explained that the list is a starting point and asked for the Board's feedback. He added that once submitted, if the Project Information Form is approved for further action, a more detailed list will need to be completed in order to seek out funding. Mr. Morales made a motion to approve the Master Plan and any necessary modifications. Mr. Galvan seconded. The motion passed unanimously.

5. Petition for Addition of Certain Lands to the South Texas Water Authority and setting of public hearing date, time and place (Adam Edward Frederiksen, South half of Tract 23 and all of Tract 24, Cyndie Park Unit 2 in Nueces County, Texas).

The Board reviewed the Annexation Petition. The property owner recently approached the Nueces Water Supply Corporation requesting service outside of the Authority's district boundaries and filed an Annexation Petition to begin the process of obtaining water service on the property. Mr. Marez recommended approval of Resolution 23-05 setting the Public Hearing on March 28, 2023 at 5:30 p.m. at the STWA conference room.

6. Resolution 23-05. Resolution of determination of validity of Petition for Addition of Certain Lands to the South Texas Water Authority and setting the date, time and place for a public hearing and authorizing publication of public hearing notice. (Adam Edward Frederiksen).

Mr. Galvan made a motion to adopt Resolutions 23-05 setting the Public Hearing on March 28, 2023 at 5:30 p.m. at the STWA conference room and authorizing publication of the public hearing notice. The motion was seconded by Ms. Rodgers and passed unanimously.

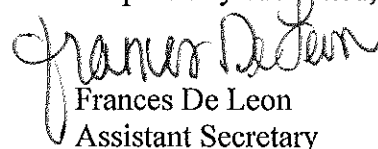
7. Administration Report.

Mr. Marez reported that the newest truck should be delivered the week of March 12th. He added that the next meeting is scheduled for March 28th and reminded the Board about signing up for Rural Water Con if interested.

8. Adjournment.

With no further business to discuss, Ms. Rodgers made a motion to adjourn the meeting at 6:04 p.m. Mr. Rodriguez seconded. All voted in favor.

Respectfully submitted,


Frances De Leon
Assistant Secretary

ATTACHMENT 2

Treasurer's Report/Payment of Bills

The Treasurer's Report will not be available for this meeting, but will be sent in the upcoming days.

ATTACHMENT 3

Field Reports

Memorandum

To: South Texas Water Authority Board of Directors and John Marez, Administrator
From: Nigel Gomez, O&M Supervisor
Date: March 24, 2023
Re: O&M Activities

During the Week of February 6th:

Admin:

- Review GPS records
- City Gallons Report
- TCEQ Investigation

Operations:

- Collect/Monitor NAP samples – STWA, RWSC & NWSC
- Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run & RWSC Meter Run @ Office
- Collect Bac-T Samples
- Weekly CL 17 Verification
- Locates – STWA, RWSC, NWSC
- Completed service orders for NWSC and RWSC
- Remote Readings – NWSC
- Completed Taps - 1
- RWSC Meter Readings

Safety & Maintenance:

Safety Meetings:

Fire Extinguisher Training with King Fire Protection

- Generators – Exercise Transfer Switch
- Weekly Preventative Maintenance – Heavy Equipment
- Disinfect Pump Stations
- Office AC Maintenance, Main AC Filter Change out & Clean Ice Machine
- Daily Vehicle Maintenance Report – Interior, Exterior & Under The Hood Inspections
- Office AC Maintenance

During the Week of February 12th:

Admin:

- Review GPS records
- Water Loss Report
- Pump & Motor Maintenance Class

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL17 Verification
Completed service orders for NWSC and RWSC
DR 900 Calibration

Safety & Maintenance:

Safety Meetings:

“Setting Up a Safe Traffic Control Zone”

Generators – Exercise Transfer Switch

Weekly Preventative Maintenance – Heavy Equipment

Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

During the Week of February 20th:

Admin:

Review GPS records

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL 17 Verification
Completed service orders for NWSC and RWSC
Flushing – NWSC & RWSC
Completed Taps - 1
Lockouts – NWSC

Safety & Maintenance:

Generators – Exercise Transfer Switch

Weekly Preventative Maintenance – Heavy Equipment

Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections

During the Week of February 27th:

Admin:

Review GPS records

TRWA Apprenticeship Updates

Operations:

Collect/Monitor NAP samples – STWA, RWSC & NWSC
Monitor residuals (Total, Free, Mono, FAA) for the Driscoll Booster Station on
the 42” line – Driscoll Before, Ave G, CR 16, Kingsville Meter Run &
RWSC Meter Run @ Office
Collect Bac-T Samples
Weekly CL 17 Verification
Taps- RWSC & NWSC
Completed service orders for NWSC and RWSC

Safety & Maintenance:

Safety Meetings:

TML Video - “Work Zone Safety”

Generators – Exercise Transfer Switch
Weekly Preventative Maintenance – Heavy Equipment
Daily Vehicle Maintenance Report - Interior, Exterior & Under The Hood
Inspections
Completed service orders for NWSC and RWSC
Lockouts – RWSC

To: John Marez

From: Oscar Ortegon, CP Technician
Danny Hinojosa, Assistant CP Technician

Date: March 24, 2023

Re: CP Update

For the month of February 2023, no changes to Contract 2 at this time. Martin Marietta, has started cleaned up our easement so that we have access to install anodes but not completed. CP crew has installed 576 anodes on 397 joints on Contract 2 of the 42" water line. We have replaced 46 old test stations since the beginning of the project. We have completed 45,259 feet out of 51,511 feet in Contract 2. In the meantime, the CP crew has relocated Contract 3. We have been working in Calallen south of Hummingbird Lane and have now installed 115 anodes on 94 joints and 3 test stations on the 42" water line. Compared to last month's report of 112 anodes and 86 joints. We have completed 3,808 feet out of 46,324 feet in Contract 3. Once all Contracts are complete, we can contact to submit quotes for a survey to determine continuity throughout the 42" water main, but the crew has remained busy with other CP related tasks and assisting with other field work for all three entities.

We continue to work on CP related work and helping with other field personnel as follows:

- Perform maintenance and test rectifiers/test stations.
- Maintain grass with herbicide around vaults, manholes, test stations and rectifiers along 42" line.
- Exercise valves on 42" water main @ FM 2826, Driscoll, Bishop, CR 36, Stevens Plant & Kingsville valve.
- Perform locates for 42" water main.
- Assist O&M with ongoing operations.
- Worked on getting quotes for a new rectifier on CR 28 & Highway 77 to provide better Cathodic Protection for Contract 2.

ATTACHMENT 4

Annexation Petition – Adam Edward Frederiksen

Memo

To: South Texas Water Authority Board of Directors
From: John Marez, Executive Director
Date: March 24, 2023
Re: Annexation Petition – Final Approval:
Resolution 23-06 – Adam Edward Frederiksen – South ½ of Tract 23 and all of Tract 24, Cyndie Park Unit 2, in Nueces County, Texas

Background:

On February 28, 2023 the South Texas Water Authority approved holding an Annexation hearing set for its March 28, 2023 Board Meeting. Property owners requesting retail water service from the Nueces Water Supply Corporation are required to be annexed into STWA's district boundaries. This results in the new NWSC member paying the same costs as all other NWSC customers, specifically, a retail water bill from NWSC and property taxes to STWA.

Adam Edward Frederiksen requests retail water service from the Nueces Water Supply Corporation and annexation into the STWA's boundary. This brings about in the new NWSC member paying the same costs (NWSC retail water bill and STWA property taxes) as all other NWSC customers.

Analysis:

The annexation petition and property described is owned by Adam Edward Frederiksen and seeks entry into the STWA's district boundary. This is similar request to previous petitioners that the Board has approved admittance into the STWA area and as a NWSC retail customer.

Staff Recommendation:

Adopt Resolution 23-06

Board Action:

Determine whether to adopt Resolution

Summary:

The annexation process is established by State law and staff is following the required steps. Mr. Frederiksen's property will be extended into the NWSC's distribution system. Mr. Frederiksen has paid the cost of the extension.

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 11006.052, Special District Local Laws Code, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law; that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 11006.052, Special District Local Laws Code and that this

petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

[Signatures and Acknowledgement on following page.]

EXECUTED this 21st day of February, 2023.

Adam E. Frederiksen
Adam Edward Frederiksen

ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY of Nueces

Subscribed and sworn to before me Adam Edward Frederiksen on this the 21st day of February, 2023.

Darlene K Eastman
Notary Public
My Commission Expires: 3/10/25

NOTARY SEAL

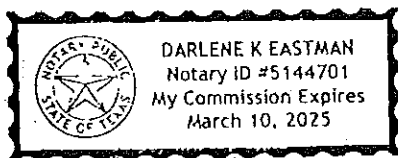


Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Property Description:

All that certain 0.964-acre tract being the south half of Tract 23 and all of Tract 24, Cyndie Park Unit No. 2, an unrecorded subdivision, Nueces County, Texas. Said 0.964-acre tract described in Document No. 2016046735, Official Records Nueces County, Texas. Said 0.964-acre tract being out of lot 25, "Mantor, Briggs and Kuykendall's Subdivision" as shown on the plat recorded in Volume 2, Page 57, Map Records Nueces County, Texas.

ATTACHMENT 5

Resolution 23-06

Chapter 551, Texas Government Code.

SIGNED AND SEALED the 28th day March, 2023.

Imelda Garza, Secretary
Board of Directors

Jose M. Graveley, President
Board of Directors

SOUTH TEXAS WATER AUTHORITY

Resolution 23-06

THE STATE OF TEXAS	§
COUNTIES OF KLEBERG AND NUECES	§
SOUTH TEXAS WATER AUTHORITY	§

WHEREAS, the Board of Directors conducted a hearing on this date in reference to the annexation of the territory described in Exhibit A attached hereto; and

WHEREAS, it was deemed advisable by the Board to approve the annexation of such territory to the Authority; and

WHEREAS, it is officially found and determined: that a case of emergency or urgent public necessity exists which required the holding of the meeting at which this Resolution was adopted and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH TEXAS WATER AUTHORITY:

1. That the annexation of the territory described in Exhibit A is hereby approved by this Board, and it is hereby found that there will be benefit to the territory as amended.
2. That pursuant to Article 7, Chapter 436, Acts of the 66th Legislature, Regular Session, 1979, no election is required to approve the annexation as the petition was signed by all residents and landowners of the annexed territory.

ATTACHMENT 6

Annexation Petition – Gabino and Sylvia Anzaldua

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Executive Director
Date: March 24, 2023
Re: Annexation Petition - Set Time and Date for Public Hearing:
Resolution 23-07 – Gabino Anzaldua & Sylvia G Anzaldua –Tract 10, Tierra Verde Unit II, in Nueces County, Texas

Background:

Property owners requesting retail water service from the Nueces Water Supply Corporation are required to be annexed into STWA's district boundaries. This results in the new NWSC member paying the same costs as all other NWSC customers, specifically, a retail water bill from NWSC and property taxes to STWA. Gabino Anzaldua and Sylvia Anzaldua contacted our office to request service in the Tierra Verde Unit II Subdivision and filed an annexation petition.

Resolution 23-07 sets the date and time for the required public hearing. The public hearing will be scheduled immediately prior to the next regular STW A Board meeting.

Analysis:

Adoption of Resolution 23-07 begins the annexation process and enables the NWSC to provide retail service to Gabino Anzaldua and Sylvia Anzaldua.

Staff Recommendation:

Adopt Resolution 23-07.

Board Action:

Determine whether to adopt Resolution 23-07.

Summary:

The annexation process is established by State law and staff is following the required steps.

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

STATE OF TEXAS :
COUNTY OF NUECES :

TO THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY:

The undersigned (herein called "Petitioner"), holder of title to the territory described by metes and bounds in Exhibit "A" which is attached hereto and incorporated herein for all purposes, being all of the residents and landowners of such territory, as shown by the tax rolls of Nueces County, Texas, and acting pursuant to the provisions of Section 7, Chapter 436, Acts of the 66th Legislature, Regular Session, 1979, respectfully petitions the Board of Directors of South Texas Water Authority that the territory described by metes and bounds in Exhibit "A" be added to and become a part of the established South Texas Water Authority, and in support of this petition would show as follows:

I.

Fee simple title and full ownership of the aforesaid territory, which lies wholly within Nueces County, Texas, is vested in Petitioner.

II.

The addition of said territory to South Texas Water Authority is feasible and practical, would be to the best interest both to the territory and to the Authority and would benefit said territory.

III.

The Authority will be able to supply water, or have water supplied, to the added territory.

IV.

This petition shall constitute an election on the part of the Petitioner, its successors and assigns, for the aforesaid land and any improvements which may be constructed thereon to become liable for all present and future debts of the Authority in the same manner and to the same extent as other lands and improvements in the Authority are liable for the Authority's debts.

V.

Petitioner hereby authorizes the Board of Directors of the Authority to levy taxes and set rates sufficient to pay their share of the aforementioned outstanding indebtedness.

WHEREFORE, Petitioner prays that this petition be properly filed, as provided by law;

Exhibit "A"

To

PETITION FOR ADDITION OF CERTAIN LANDS TO
THE SOUTH TEXAS WATER AUTHORITY

Tract Ten (10), of Tierra Verde Unit II, a subdivision in Nueces County, Texas, according to map or plat recorded in Volume 50, Page 92, Map Records of Nueces County, Texas.

that the Board of Directors of South Texas Water Authority hear and consider the petition in keeping with the provisions of Section 7, Chapter 436, Acts of the 66th Legislature, Regular Session, 1979; and that this petition in all things be granted and that the territory described in Exhibit "A" be added to and become a part of the established South Texas Water Authority; that after this petition is granted the Board's order thereon be filed of record and be recorded in the Deed Records of Nueces County, Texas; and that the area described in Exhibit "A" be thereafter a component part of South Texas Water Authority.

EXECUTED this 7th day of March, 2023.

Gabino Anzaldua, Jr.
Gabino Anzaldua, Jr.

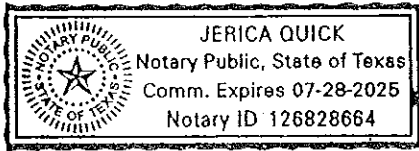
Sylvia G. Anzaldua
Sylvia G. Anzaldua

ACKNOWLEDGEMENTS

STATE OF TEXAS

COUNTY of Nueces

Subscribed and sworn to before me Gabino Anzaldua, Jr. on this the 7 day of March, 2023.



Jerica Quick
Notary Public

My Commission Expires: 07-28-2025

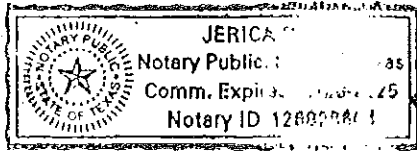
NOTARY SEAL

ACKNOWLEDGEMENTS

STATE OF TEXAS

COUNTY of Nueces

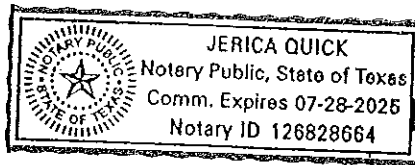
Subscribed and sworn to before me Sylvia G. Anzaldua on this the 7 day of
March, 2023.



Jerica Quick
Notary Public

My Commission Expires: 07-28-2025

NOTARY SEAL



NOTICE OF PUBLIC HEARING ON ANNEXATION

THE STATE OF TEXAS
SOUTH TEXAS WATER AUTHORITY

Pursuant to a Resolution adopted by the Board of Directors of South Texas Water Authority, a hearing shall be held at the South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas, on April 25, 2023 at 5:30 p.m. with respect to the Petition filed by Gabino Anzaldua, Jr. and Sylvia G. Anzaldua for annexation of the territory described below, on the question of whether the territory sought to be annexed will be benefited by the improvements, works, and facilities then owned or operated or contemplated to be owned or operated by the Authority or by the other functions of the Authority. All interested persons may appear at such hearing and offer evidence for or against the proposed annexation.

Signed this the 28th day of March, 2023.

Jose M. Graveley, President
Board of Directors
South Texas Water Authority

That certain lot or tract of land situated in Nueces County, Texas, and more particularly described as follows:

Tract Ten (10) of Tierra Verde Unit II, a subdivision in Nueces County, Texas according to map or plat recorded in Volume 50, Page 92, Map Records of Nueces County, Texas.

ATTACHMENT 7

Resolution 23-07

SOUTH TEXAS WATER AUTHORITY

Resolution 23-07

RESOLUTION OF DETERMINATION OF VALIDITY OF ANNEXATION PETITION,
SETTING PUBLIC HEARING AND AUTHORIZING PUBLICATION OF NOTICE.

WHEREAS, Gabino Anzaldua, Jr. and Sylvia G. Anzaldua (Petitioners), have filed the attached petition (the Petition) with the South Texas Water Authority requesting annexation of their property into the South Texas Water Authority in order to allow water service to the property to be provided by Nueces Water Supply Corporation, and

WHEREAS, the South Texas Water Authority Board of Directors has reviewed the Petition and finds that it meets all of the requirements for annexation into the South Texas Water Authority's District, and

WHEREAS, the Board of Directors hereby sets a public hearing to hear evidence for or against the proposed annexation of this property to be held on April 25, 2023 at 5:30 p.m. at the South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the South Texas Water Authority hereby authorizes the publication of the attached Notice of Public Hearing on Annexation for a public hearing to be held on April 25, 2023 at 5:30 p.m. at South Texas Water Authority, 2302 East Sage Road, Kingsville, Texas. At such hearing all interested persons may appear and offer evidence for or against the proposed annexation of the property described in Exhibit A of the Petition.

Duly adopted this 28th day of March, 2023.

JOSE M. GRAVELEY, PRESIDENT

ATTEST:

IMELDA GARZA, SECRETARY/TREASURER

ATTACHMENT 8

Bond Counsel Engagement Letter

Memo

To: South Texas Water Authority, Board of Directors
From: John Marez, Exec Dir/Administrator
Date: March 24, 2023
Re: Bond Counsel Engagement Letter & Reimbursement Resolution

Background:

Over the past several months the board has received presentations and entered into agreements with various groups to ensure we have experts providing engineering and financial services to pursue our short- and long-term goals. This item is an additional step to prepare the STWA's system to pursue funding options proactively to seek state, federal or other funding sources for repairs or new infrastructure needs.

Authorizing the services of Daniel Martinez with the Winstead Firm prepares the STWA to have legal counsel in place should we need to seek out particular funding options that require bond counsel.

Analysis:

If a governmental issuer such as a city, county, utility, rural water district or school district (the "issuer") is planning a project which may or will be paid in whole or in part with proceeds from tax-exempt bonds, notes or other obligations (the "bonds"), it is important to adopt a reimbursement resolution early in the process. This allows the issuer to reimburse eligible project expenditures that it paid prior to the closing of the bonds from other funds of the issuer, such as the general fund.

It is not uncommon for an issuer to start paying certain project costs, such as architect fees, survey and soil testing costs and initial site work costs prior to the receipt of bond proceeds. The reimbursement of project expenditures paid prior to the issuance of the bonds from those bond proceeds is subject to certain reimbursement rules.

Staff Recommendation:

Approve entering into a Bond Counsel Engagement Agreement and approve Reimbursement Resolution for any future bond or finance work.

Board Action:

- (1) Approve entering into a Bond Counsel Engagement Agreement with Daniel Martinez
- (2) Approve Reimbursement Resolution as presented

Summary:

Adopting a reimbursement resolution and complying with these rules qualifies the STWA for refunds of those project expenditures from bonds or other finance sources. Having a Bond Counsel hired for our future projects ensures we are prepared to pursue upcoming funding options to respond to our infrastructure needs.

112 E. Pecan Street
Suite 725
San Antonio, Texas 78205

210.277.6800 OFFICE
210.277.6810 FAX
winstead.com

RECEIVED

MAR 23 2023

SOUTH TEXAS WATER AUTHORITY

direct dial: 210-277-6803
dmartinez@winstead.com

March 22, 2023

Mr. John Marez
Administrator
South Texas Water Authority
2302 East Sage Road
Kingsville, Texas 78363

BY FEDERAL EXPRESS

Re: South Texas Water Authority

Dear Mr. Marez:

Enclosed are the following documents for execution at the March 28, 2023 regular meeting of the Board of Directors:

1. Bond Counsel Engagement Agreement (two originals); and
2. Reimbursement Resolution (one original five signature pages to the Certificate).

Please have the appropriate officials properly execute and seal all signature pages and return them to me at your earliest convenience. Please return one executed original of the Engagement Agreement. Please keep the remaining original agreement for your files.

Thank you, in advance, for your prompt attention to this matter. If I can provide any additional assistance concerning this matter, please do not hesitate to contact me.

Very truly yours,



Daniel M. Martinez

DMM/tmg

Enclosures

ATTACHMENT 9

Resolution 23-08

CERTIFICATE FOR RESOLUTION

We, the undersigned President and Secretary of the South Texas Water Authority (the "Authority") hereby certify as follows:

1. The Board of Directors of the Authority (the "Board") convened in regular session, open to the public, on March 28, 2023 at the meeting place designated in the notice (the "Meeting"), and the roll was called of the members, to wit:

Jose M. Graveley, President
Frances Garcia, Vice President
Imelda Garza, Secretary/Treasurer
Rudy Galvan, Jr., Director
Kathleen Lowman, Director

Joe Morales, Director
Angela N. Peña, Director
Patsy Rodgers, Director
Art Rodriguez, Director

All members of the Board were present, except _____, thus constituting a quorum. Whereupon among other business, the following was transacted at the Meeting: a written

RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES

(the "Resolution") was duly introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be finally passed and adopted; and after due discussion, such motion, carrying with it the adoption of the Resolution prevailed and carried by the following vote:

YES: _____ NOES: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate; the Resolution has been duly recorded in the Board's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of the Meeting pertaining to the adoption of the Resolution; the persons named in the above and foregoing paragraph are duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Resolution would be introduced and considered for adoption at the Meeting and each of such officers and members consented, in advance, to the holding of the Meeting for such purpose; and the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED this March 28, 2023.

Secretary

President

(AUTHORITY SEAL)

RESOLUTION NO. 23-08

RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES

WHEREAS, South Texas Water Authority (the "Authority") desires to pay expenditures in connection with the design, planning, acquisition, construction, equipping, and/or renovating of the project or facilities described in Exhibit A attached hereto (the "Project");

WHEREAS, Chapter 1201, Texas Government Code (the "Code") permits the Authority to use the proceeds of obligations to reimburse the Authority for costs attributable to the Project paid or incurred before the date of issuance of such obligations; and

WHEREAS, the Authority finds, considers, and declares that the reimbursement of the Authority for the payment of such expenditures will be appropriate and consistent with the objectives of the Authority's programs and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues obligations to finance the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH TEXAS WATER AUTHORITY THAT:

Section 1. This Resolution declares the intention of the Authority to reimburse the expenditures for the Project with the proceeds of obligations. The Authority presently intends to reimburse the expenditure by incurring obligations issued under Texas law, the interest on which is excludable from gross income under section 103 of the Internal Revenue Code of 1986, as amended.

Section 2. The Authority reasonably expects to incur debt, in one or more series of obligations, in an aggregate maximum principal amount now estimated to be \$7,600,000 for the purpose of paying the costs for the acquisition of certain property and related improvements for the Authority.

Section 3. The Authority intends to reimburse the expenditures hereunder not later than 18 months after the date the original expenditure is paid or the date the Project is placed in service or abandoned, but in no event more than three years after the original expenditure is paid unless the Project is a construction project for which the Authority and a licensed architect or engineer have certified that at least five years are necessary to complete the Project in which event the maximum reimbursement period is five years after the date of the original expenditure.

Section 4. The Authority intends that this Resolution satisfy the official intent requirement set forth in Section 1.150-2 of the Treasury Regulations and evidences its intentions under Section 1201.042(c) of the Code.

Section 5. This Resolution shall be liberally construed to evidence the intent of the Authority to comply with state law and federal income tax law in the issuance of tax-exempt obligations for the Project.

* * *

EXHIBIT A

PROJECT DESCRIPTION

Providing for the payment of contractual obligations to be incurred in connection with the design, planning, purchasing, acquisition, construction, equipping, expansion, repair, renovation, and/or rehabilitation of certain Authority-owned public property, specifically being: (1) improvements to the regional water line system, storage tanks, generators, pump and pump station improvements; and (2) payment of contractual obligations for professional services in connection therewith (to wit: consulting, engineering, financial advisory, and legal).