Weatherford Municipal Utility Board

AGENDA REPORT

Meeting Date:	July 30, 2026	**Staff Contact:**	Rick Shaffer, Director of Water Utilities
Item Number:	2026-958-AR	**Phone:**	817-598-4473

SUBJECT: Consider authorizing the Water Utility to apply for grant funding, in an amount not to exceed $21,000,000 offered by the Texas Water Development Board under the Water Supply and Infrastructure Grant Program; and adopt Resolution No. R2026-14.

BACKGROUND/DISCUSSION

During the 89th Legislative Session, the Texas Legislature passed House Bill 500, appropriating $1.038 billion in funds for water supply and infrastructure projects to the Texas Water Development Board ("TWDB"). The intent is to provide eligible Texas political subdivisions with 100% grant funding for water supply improvements, system replacements, and water loss mitigation projects. The TWDB opened the grant application process in May 2026, and applications are due July 30, 2026. The amount of funding potentially available to each entity is based on the number of customers served; and the maximum amount the City of Weatherford could receive is $21,000,000.

Applicants may only submit one project application, and scoring criteria are based on the Annual Median Household Income of the political entity compared to the State Average, worth up to 10 points, with an additional 10 points awarded for projects that are "construction ready". This scoring criteria was established to help ensure that disadvantaged communities serving the most people receive funding, but also ensure that the funds are expended by the project completion deadline of August 31, 2031. The Water Utility proposes Phase III of the Dr. Paul Phillips Water Purification Plant - Expansion to 18 MGD project, which includes construction of a new Lake Weatherford raw water pump station and pipeline. This project has recently received permit approval from the Texas Commission on Environmental Quality ("TCEQ") and meets TWDB's definition for "construction ready". City staff have completed the application and are ready to submit the application to TWDB pending approval of Resolution R2026-14.

The TWDB schedule is as follows:

- Application deadline: July 30, 2026
- Funding commitments: Fall 2026
- Last date for closing on grants: May 1, 2027 (can close sooner though)
- All funds must be spent/disbursed by: August 31, 2031

FINANCIAL IMPACT

If grant funding is approved, up to $21,000,000 of future construction costs for the Dr. Paul Phillips Water Purification Plant - Expansion to 18 MGD - Phase III (Lake Weatherford Raw Water Pump Station) project would be reimbursed to the City by the TWDB.

SUGGESTED ACTION

Staff recommends approval to apply for grant funding, in an amount not to exceed $21,000,000 from the Texas Water Development Board under the Water Supply and Infrastructure Grant Program. In addition, staff recommends approval of Resolution No. R2026-14 authorizing the City Manager to execute, or cause to be executed, in the name of the City of Weatherford all necessary applications, contracts, and agreements to implement and carry out the purposes of the grant.

ATTACHMENTS

- Resolution No R2026-14