Weatherford Municipal Utility Board

AGENDA REPORT

Meeting Date:	June 26, 2025	**Staff Contact:**	Rick Shaffer, Director of Water Utilities
Item Number:	2025-333-AR	**Phone:**	817-598-4473

SUBJECT: Consider adoption of Resolution R2025-07 authorizing the City Manager to execute a Principal Forgiveness Agreement and Escrow Agreement with the Texas Water Development Board to receive funding under the Clean Water State Revolving Fund - Emerging Contaminants Program, in the amount of $546,000.

BACKGROUND/DISCUSSION

The U.S. Environmental Protection Agency is developing new guidance related to the reduction of per- and polyfluoroalkyl substances ("PFAS") in wastewater treatment facilities, and from certain industrial customers. This is in addition to new guidance that the EPA has already issued regarding water treatment facilities. EPA's goal is to reduce the amount of PFAS in the nation's water supplies and drinking water systems.

In June 2023, the Water Utility submitted a Project Information Form ("PIF") to the Texas Water Development Board ("TWDB") related to the Emerging Contaminants Program. The project identified in the PIF included 24 months of PFAS monitoring and testing of treated effluent from the City's water reclamation facility, biosolids, and pretreatment program participants. It also includes technical engineering analysis for treatment of effluent and biosolids to meet regulatory requirements. This will allow for alternatives and engineering planning for future treatment of PFAS at the water reclamation facility and for coordination with pretreatment customers on their plans for PFAS reduction/removal.

In December 2023, the TWDB invited the City to submit an application for funding of up to $546,000 with 100% principal forgiveness. The Municipal Utility Board ("Utility Board") adopted Resolution R2024-04 in January 2024, authorizing the City Manager to execute all necessary applications, contracts, and agreements to implement and carry out the purposes of the grant.

In March 2025, the TWDB approved the City's application for funding assistance, and the City must close the loan prior to September 30, 2025. Although the TWDB refers to the funding as a "loan", it is 100% principal/loan forgiveness and will be fully reimbursed by the TWDB.

If the Utility Board chooses to accept the funding from the TWDB, the next steps will be to:

- Adopt Resolution R2025-07
- City Manager to execute the Escrow Agreement
- TWDB to incorporate Resolution R2025-07 and the Escrow Agreement into the final Principal Forgiveness Agreement
- City Manager to execute the Principal Forgiveness Agreement

- Close on the loan - tentatively scheduled for July 23, 2025
- Select an engineering consultant - tentatively scheduled for Utility Board approval in September 2025
- Conduct study and PFAS testing - final report tentatively scheduled for October 2028 (inclusive of multiple TWDB review steps)

FINANCIAL IMPACT

If grant funding is accepted, the Wastewater Utility will incur additional expenses up to $546,000 which will be fully reimbursed by TWDB.

SUGGESTED ACTION

Staff recommends that the Municipal Utility Board adopt Resolution R2025-07, authorizing the City Manager to execute a Principal Forgiveness Agreement and Escrow Agreement with the Texas Water Development Board.

ATTACHMENTS

- Resolution R2025-07
- Principal Forgiveness Agreement_Draft
- Escrow Agreement_Draft