



AGENDA ITEM SUMMARY FORM

MEETING DATE: April 14, 2026

PREPARED BY: Hector Renteria

AGENDA CONTENT: Discussion and possible to direct HDR to pursue action on HB 500 grant opportunity for water improvement opportunities.

AGENDA ITEM SECTION: Regular Agenda

BUDGETED AMOUNT: **FUNDS REQUESTED:**

FUND:

EXECUTIVE SUMMARY:

HDR has identified the City of Angleton as a candidate for funding for the newly passed Texas House Bill 500. House Bill 500, passed during the 89th Legislative Session, appropriated \$1.038 billion in funds for water supply and infrastructure projects to the Texas Water Development Board. **This is a one-time opportunity for a limited number of Texas communities to receive grant funding to implement water supply/water infrastructure projects. This funding is expected to be provided as 100% grant assistance.**

HDR has identified three potential projects that were identified in the Utility Master Plan. Please see attachment for more details.

RECOMMENDATION:

Provide HDR direction if the City would like to pursue this grant opportunity and select which project they would like to go submit on.

Key Program Details:

- **Eligibility:**
 - Only projects considered are water supply / water infrastructure projects (wastewater and drainage not allowed) that focus on addressing real or apparent water loss, regulatory compliance, or upgrading/replacing water systems. Examples include correcting deficiencies (water quality, capacity, pressure, water loss); consolidation projects; purchasing capacity or a water system; producing additional water supply (including reuse); purchasing water rights; improving efficiency of water delivery through existing irrigation systems;
 - The primary eligibility requirement is having your Fiscal Year 2025 audit completed and formally adopted by the governing body. Applications cannot be considered without this.
 - Water Use Surveys, Water Use Conservation Plans, and Water Loss Audits must be up to date and on file with TWDB prior to submittal.
 - Project Caps are established by service area population: \$5 million (under 10,000 population), \$15 million (10,001 to 150,000 population), \$25 million (150,001 to 1 million population), and \$40 million (greater than 1 million population).
 - Planning, Acquisition, and Design Costs can be included in grant for areas with service population less than \$150,000. For those areas greater than 150,000 population, costs for grant can only be for construction and project must be “ready to proceed”.
- **Scoring:**
 - The scoring process heavily relies on the Average Median Household Income (AMHI) criteria, with additional points granted to projects that are ready to proceed. (Further details are included in the attachments.)
- **Timeline:**
 - The Implementation Plan is currently under Public Comment under February 4th (more information in the attachments). Applications opened April 1, 2026 and will be due by July 30, 2026. TWDB must be under contract with the applicant and have funds released to them by August 31, 2027. Construction must be completed and all funds expended before August 31, 2031.
- **Procurement:**
 - The TWDB has confirmed that federal procurement rules do not apply; therefore, you should follow established local procurement policies.
 - US Iron and Steel provisions apply.

- TWDB will not issue environmental findings for these projects, but will require an affidavit certifying compliance with all applicable local, state, and federal regulations.

There are three projects identified in the City of Angleton Utility Master Plan, which was most recently updated on November 4, 2025, that would be potentially eligible for funding due to their location in identified low-income areas per our Texas Municipal Income Dashboard. The locations have been listed below and an exhibit showing these three locations has been attached to this email. Please see the below identified projects from the City of Angleton Utility Master Plan:

- Connecting existing water lines on FM 523 through 2,300 LF of 12” PVC water line near the intersection of FM 523 and N. Velasco St.
- Connecting existing water lines on CR 44 through 9,000 LF of 12” PVC water line to improve capacity along CR 44. This project directly serves Growth Areas 4 and 6.
- Connecting existing water lines at the intersection of HWY 288 and FM 523 through 2,500 LF of 12” PVC water line to close a loop from Carbtex Rd., east across HWY 288, and south to FM 523. This project directly serves Growth Areas 3 and 4. (This project may require TxDOT Right-of-Way)

Please note that portions of these identified locations lie outside the City limits, which may impact their eligibility for funding. However, we will be doing additional research to determine if that will affect their eligibility. Please let us know if you would like to meet to discuss this in more detail.

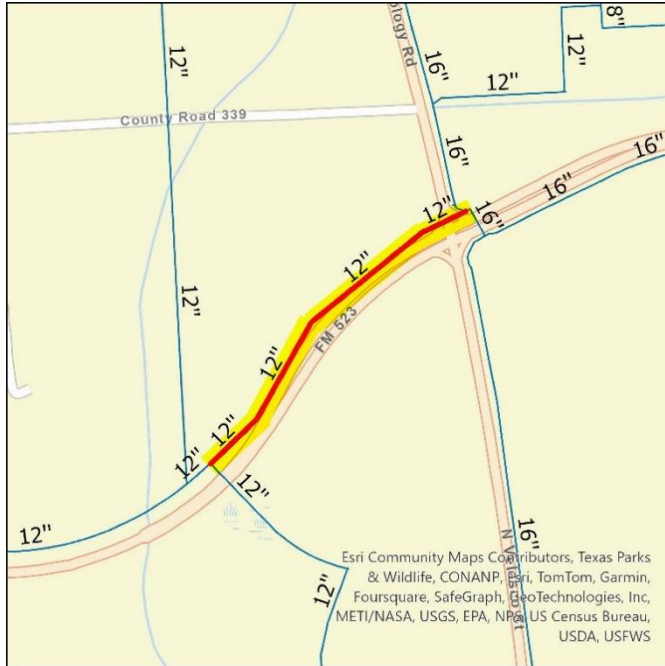
City of Angleton Water System Master Plan

Capital Improvements Plan




Capital Improvements Plan Project ID: FM 523 Interconnect
 CIP Year: 2035

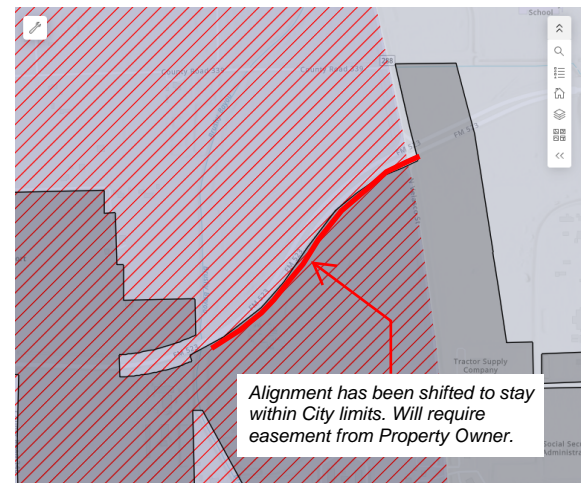
Vicinity Map:



Project Description and Location:

Connecting existing water lines with approximately 2,300 LF of 12" line near the intersection of FM 523 and N Velasco St

-  Identified Low-Income Area
-  City Limits



Planning Level Opinion of Probable Construction Cost

Location per Texas Municipal Income Dashboard

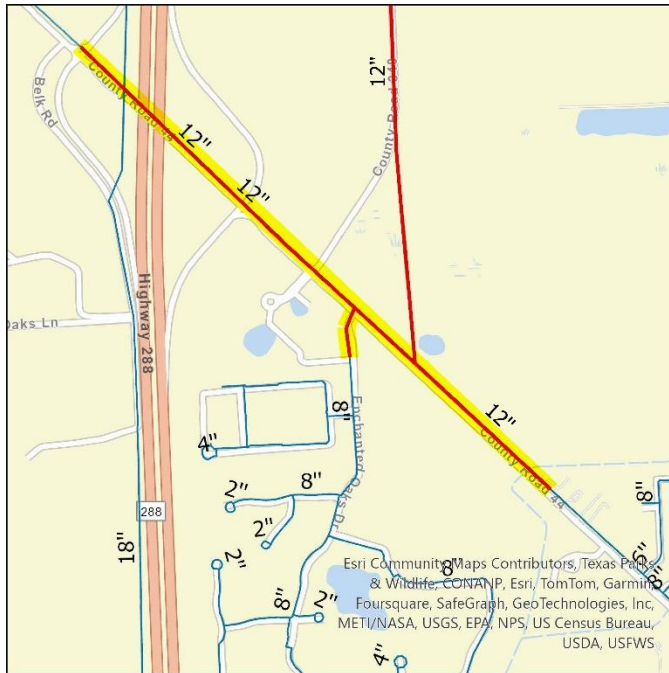
Description	Quantity	Unit	Unit Price	Total
12" PVC Water Line	2,300	LF	\$240	\$552,000
Subtotal				\$552,000
Misc Items			10%	\$55,200
Construction Subtotal				\$607,200
Professional services			25%	\$151,800
Contingency			30%	\$182,160
Market volatility			10%	\$60,720
Project Total				\$1,002,000

City of Angleton Water System Master Plan
Capital Improvements Plan





Capital Improvements Plan Project ID: CR 44 Extension
 CIP Year: 2035

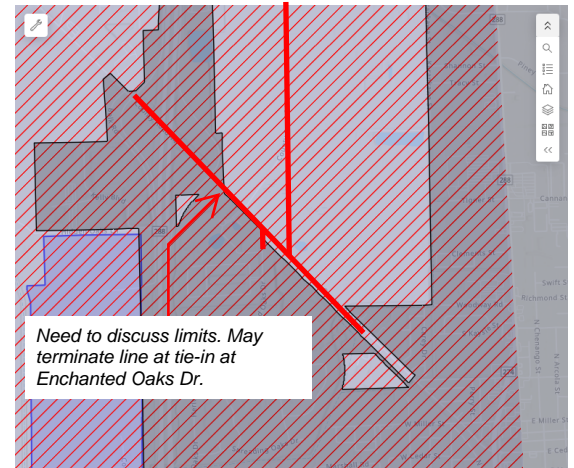
Vicinity Map:



Project Description and Location:

Connecting existing water lines on Country Road 44 through a 12" water line to improve capacity along CR 44 and directly serve Growth Areas 4 and 6.

 Identified Low-Income Area  City Limits



Planning Level Opinion of Probable Construction Cost

Location per Texas Municipal Income Dashboard

Description	Quantity	Unit	Unit Price	Total
12" PVC Water Line	9,000	LF	\$240	\$2,160,000
Subtotal				\$2,160,000
Misc Items			10%	\$216,000
Construction Subtotal				\$2,376,000
Professional services			25%	\$594,000
Contingency			30%	\$712,800
Market volatility			10%	\$237,600
Project Total				\$3,920,000

City of Angleton Water System Master Plan

Capital Improvements Plan





Capital Improvements Plan Project ID: HWY 288 & FM 523
 CIP Year: 2035

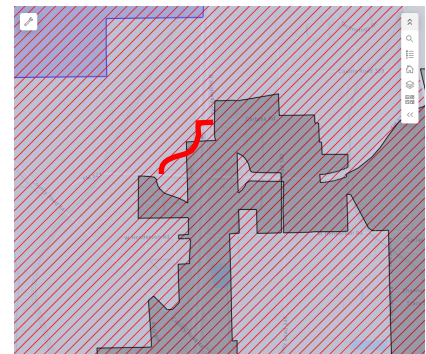
Vicinity Map:



Project Description and Location:

Connecting existing water lines at the intersection of Highway 288 and FM 523 through a 12" line of 2,500 LF to close a loop from Carbtex Rd, east across Hwy 288, south to FM 523. This project directly serves Growth Areas 3 and 4.

 Identified Low-Income Area  City Limits



Planning Level Opinion of Probable Construction Cost

Location per Texas Municipal Income Dashboard

Description	Quantity	Unit	Unit Price	Total
12" PVC Water Line	2,500	LF	\$240	\$600,000
Subtotal				\$600,000
Misc Items			10%	\$60,000
Construction Subtotal				\$660,000
Professional services			25%	\$165,000
Contingency			30%	\$198,000
Market volatility			10%	\$66,000
Project Total				\$1,089,000