

Austwell City Council Special Meeting

March 10, 2026

The City of Austwell met for a Special Meeting on March 10, 2026, at 6:00 pm.

Mayor Biery called the meeting to order and led the pledge of allegiance.

Mayor Biery welcomed everyone.

Mayor Biery read notes explaining to residents why the City is where it is with financing and TCEQ.

Notes attached.

Council Meeting

Item # 3

Approve Resolution Agreeing to Apply for and Receive Loan Funds from Communities Unlimited

Council Member Ancira made a motion to approve the resolution.

Council Member Torres seconded the motion.

All ayes, motion carries.

Item # 4

Approve Contract with BClear

Contract was previously approved. Mayor Biery to sign contract on 03/10/2026.

Item # 5

Approve Notice to Proceed with BClear

Council Member Torres made a motion to approve the notice to proceed.

Council Member Ancira seconded the motion.

All ayes, motion carries.

Items # 6

Issuing Notice to Proceed for the Geotechnical Survey for the wastewater treatment plant project and authorizing payment of \$40,000 as a part of the bid award no. _____ to Aquos One LLC DBA BClear

Council Member Ancira made a motion to table the discussion

Council Member Torres Seconded the motion.

All ayes, motion carries.

Item # 7

Issuing Notice to Proceed for the wastewater treatment plant bid award no. _____ to Aquos One LLC DBA BClear

Council Member Ancira made a motion to table the discussion

Council Member Torres Seconded the motion.

All ayes, motion carries

Item # 8

Consider and take possible action on a resolution authorizing publication and posting of Notice of Intent to issue Certificates of Obligation for the wastewater treatment plant construction and decommissioning of the current wastewater treatment plant in an amount not to exceed \$1,000,000 and pledge wastewater system revenue for repayment of these Certificates of Obligation

Council Member Ancira made a motion to table the discussion

Council Member Torres Seconded the motion.

All ayes, motion carries

Item # 9

Resolution expressing intent to reimburse project expenditure from proceeds of future tax-exempt obligations

Council Member Ancira made a motion to table the discussion

Council Member Torres Seconded the motion.

All ayes, motion carries

Item # 10

Resolution approving a bond counsel engagement agreement

Council Member Ancira made a motion to table the discussion

Council Member Torres Seconded the motion.

All ayes, motion carries

Adjourn

Adjournment at 6:31 pm

Fwd: WWTP PROJECT CRITICAL TIMELINE AND FINANCING PLAN

From Andy Biery <andrewbiery@gmail.com>

To Barb Merchant <citysecretary@cityofaustwell.com>, Amy Ancira <amy.ancira@yahoo.com>, Monica Torres <monicatorrestx@gmail.com>

Date 2026-03-09 07:35

----- Forwarded message -----

From: Andy Biery <andrewbiery@gmail.com>

Date: Mon, Mar 9, 2026 at 8:34 AM

Subject: WWTP PROJECT CRITICAL TIMELINE AND FINANCING PLAN

To: Travis Pruski <tpruski@nueces-river.org>

MAY 2025 WWTP Failed TCEQ inspection, unrepairable discrepancies, penalty and enforcement waived due to pending plant replacement

Permit for existing plant has already lapsed

Permit for New plant accepted by TCEQ, must be completed to remain in compliance for discharge. Old plant, failure to replace is not an option.

Existing conditions:

BClear Bid is accepted, awaiting notice to proceed. Bid price of \$1,006,000 is \$600,000 better than next bid, price set to expire March 10. If expired, must be rebid, expect 50% increase in price, and failure to meet TCEQ requirements for permitted discharge. The timeframe of notice to proceed is the only path to conforming WWTP operation.

Funding in Place of \$560,000 from MBMT, reimbursement contract. Contract also depends on following pre-established timeline. Funds are immediately available to allow notice to proceed, with anticipated loan funding to arrive prior to exhaustion of grant funds.

Recent legal advice regarding eligibility of the city to utilize loan funds for long term financing left the project in turmoil. Facts to consider:

Attorneys state that they are unable to locate specific language that allows traditional loan financing to be used for this type of long term debt. They are also unable to provide any clear prohibition. The alternatives they suggest (State Approved Revenue Pledge or BOND) Can possibly be in place before the schedule of construction moves into construction Phase (July 1), but not as quickly as a traditional loan, and more expensive.

A traditional Loan can be in place in time to complete the project on the proposed timeline.

The agency (Communities Unlimited) offering the loan we are pursuing were recommended by the TCEQ, exist on all state publications, and routinely offer this type of financing to municipalities all over the state.

We have checked thier references, and other organizations whom have received funding through them, with favorable results.

Recommended course of action:

Primary Plan A: Execute BCLEAR COntract on March 10 and issue notice to proceed, and fund BLCEAR through MBMT Funds through the June timeframe. Pursue loan of \$600,000 through Communities unlimited, with anticipated funding to occur by April 30, 2026, well within the timeframe funds will be required. This will allow BCLEAR to complete Geo-tech survey of site, and complete design phase. With Engineering costs, and first stages of contract execution, total spend not to exceed \$100,000 from MBMT funds.

Primary Plan Backup: Retain second option to proceed with loan from First State Bank of Uvalde, through Nueces River Authority (as per previous funding plan) in the event we are unable to close the loan with Communities Unlimited. Previously conducted work resulted in suitable terms, and could be executed in time to fit into the above timeline, objections to collateral already mitigated. Would need to be approved at the NRA April Board meeting.

Secondary Backup plan: Continue to receive advice from BOJOrquez regarding long term funding mechanism (Bond or Revenue Pledge), with possibility of landing by June 1 if pursued. If this option appears promising, and likely to land (and deemed necessary) we could use it instead of loans, as we should not have needed funds in addition to MBMT prior to the date these funds become available. While considering, consider additional funds for Streets, Drainage or old plant decommissioning.

Andy