



**PUBLIC SERVICE BOARD MEETING
AGENDA ITEM
REGULAR MEETING
Wednesday, July 8, 2026**

SUBJECT

Resolution for submission of a U.S. Bureau of Reclamation (USBR) WaterSMART Drought Response Program grant application for the Arsenic Treatment for Direct System Wells Project.

BACKGROUND

EPWater intends to submit an application under the USBR's WaterSMART Drought Response Program, Funding Opportunity Number R26AS00016, to help fund the Arsenic Treatment for Direct System Wells Project. The funding opportunity allows requests up to \$1,500,000. The application deadline is July 28, 2026. EPWater will seek the maximum federal grant amount of \$1,500,000 for a project that will address two wells identified for arsenic treatment. Well improvements are estimated to total \$5,520,000.

The proposed project will improve drought resiliency and water supply reliability by supporting treatment of impaired groundwater for beneficial use and expanding the ability to use direct system wells that are affected by arsenic constraints.

PRIOR PSB ACTION

- None

UTILITY KPI ALIGNMENT

Total Water Supply

EVALUATION PROCESS

The USBR's WaterSMART Drought Response Program provides funding for drought resiliency projects that improve water management flexibility and water supply reliability. The funding opportunity aligns with EPWater's proposal to address two wells from the Arsenic Treatment Evaluation that has been conducted. The USBR requires a Public Service Board resolution authorizing the President/CEO or designee to sign and submit the grant application and related documents.

FINANCIAL IMPLICATIONS

The proposed scope of work for the grant application is estimated to be around \$5,520,000. EPWater is prepared to cover the remaining balance of \$4,020,000 if awarded the full \$1,500,000 requested amount. This expenditure is in the approved budget.

PROPOSED ACTION REQUESTED

Consider and adopt a resolution authorizing the President/CEO or designee to sign and submit a U.S. Bureau of Reclamation WaterSMART Drought Response Program grant application, Funding Opportunity Number R26AS00016, for the Arsenic Treatment for Direct System Wells Project (Project) for a grant amount of \$1,500,000, with a total estimated Project cost of \$5,520,000; authorize EPWater's funding commitment of \$4,020,000 toward the Project if grant funds are awarded; and further authorize the President/CEO or designee to provide and sign any documents necessary in connection with the grant application, grant agreement, and acceptance of funds.

SUPPORTING DOCUMENTATION PROVIDED

- Resolution

RESOLUTION

A RESOLUTION AUTHORIZING THE PRESIDENT/CEO TO SIGN AND PROVIDE ANY NECESSARY DOCUMENTS TO COMPLETE SUBMISSION OF A GRANT APPLICATION TO THE U.S. BUREAU OF RECLAMATION (USBR) UNDER FUNDING OPPORTUNITY NUMBER R26AS00016, “WATERSMART DROUGHT RESPONSE PROGRAM,” IN THE AMOUNT OF \$1,500,000 IN GRANT FUNDING FOR THE ARSENIC TREATMENT FOR DIRECT SYSTEM WELLS PROJECT; AUTHORIZING EPWATER’S FUNDING COMMITMENT OF \$4,020,000; AND FURTHER AUTHORIZE THE PRESIDENT/CEO TO ENTER INTO ANY RELATED AGREEMENT AND PROVIDE AND SIGN ANY DOCUMENTS NECESSARY IN CONNECTION WITH THE GRANT APPLICATION, GRANT AGREEMENT, AND ACCEPTANCE OF THE FUNDS FOR THIS PROJECT.

WHEREAS, the El Paso Water Utilities Public Service Board (EPWater or PSB) was established on May 22, 1952, by Ordinance No. 752 of the City of El Paso for the purpose of providing potable water and wastewater collection and treatment for the City of El Paso; and

WHEREAS, EPWater has historically worked with grant agencies to obtain funds for water treatment, water conservation, water reuse and recycling, membrane treatment processes, water supply improvements, and other projects intended to improve the quality, reliability, and resiliency of water services within the service area of El Paso; and

WHEREAS, EPWater has historically applied for and received U.S. Bureau of Reclamation grant funds for water resource, conservation, infrastructure, reverse osmosis, water treatment, water supply, monitoring, and reclaimed water projects; and

WHEREAS, the U.S. Bureau of Reclamation has released Funding Opportunity Number R26AS00016, “WaterSMART Drought Response Program,” and is soliciting eligible proposals for project funding, and requires a resolution authorizing submission of a formal application for such grant funds; and

WHEREAS, EPWater intends to submit an application under the WaterSMART Drought Response Program to help fund the Arsenic Treatment for Direct System Wells Project (the Project), which will address two direct system wells identified in the Arsenic Treatment Evaluation and improve drought resiliency and water supply reliability by supporting treatment of impaired groundwater for beneficial use; and

WHEREAS, the funding opportunity provides for a maximum federal award of \$1,500,000 and requires a minimum non-federal cost share of 50 percent of total project costs; and

WHEREAS, the total estimated project cost for the proposed two-well project is \$5,520,000, and EPWater is prepared to provide the remaining project funding in the amount of \$4,020,000 if awarded; and

WHEREAS, USBR requires a resolution of this type for complete submittal of a formal application for such grant funds; and

WHEREAS, EPWater has determined that the proposed project is consistent with the objectives and requirements of the WaterSMART Drought Response Program and desires to obtain funding for the project;

WHEREAS, if grant funds are awarded, the PSB further authorizes EPWater's commitment to allocate an estimated \$4,020,000 to the Project as the estimated EPWater contribution to the cost of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE EL PASO WATER UTILITIES PUBLIC SERVICE BOARD OF THE CITY OF EL PASO, TEXAS:

Section 1. That the findings and recitations set out in the preamble to this Resolution are found to be true and correct and are hereby adopted by the El Paso Water Utilities Public Service Board and made a part of this Resolution for all purposes.

Section 2. That the PSB, through its Government Affairs and Engineering divisions, has reviewed and supports El Paso Water's application for Number R26AS016 in grant funding for the Arsenic Treatment for Direct System Wells Project, addressing two direct system wells identified in the Arsenic Treatment Evaluation for water supply reliability.

Section 3. That the Public Service Board hereby authorizes the President/CEO to sign and submit any and all documents required for submission of a grant application to the U.S. Bureau of Reclamation under Funding Opportunity Number R26AS00016, "WaterSMART Drought Response Program," in the amount of \$1,500,000 for the Arsenic Treatment for Direct System Wells Project.

Section 4. That, if awarded, the Public Service Board authorizes EPWater's funding commitment in the amount of \$4,020,000 toward the total estimated project cost of \$5,520,000, and further authorizes the President/CEO to enter into a grant agreement and to provide and sign any related documents necessary for acceptance of grant funds and implementation of the project.

Section 5. That the Public Service Board agrees that EPWater will conduct the project, if awarded, in accordance with applicable funding requirements, environmental, engineering, financial, reporting, and accounting procedures required by the U.S. Bureau of Reclamation, and will work with the U.S. Bureau of Reclamation to meet established deadlines.

PASSED AND APPROVED at the regular meeting of the Public Service Board, this 8th day of July, 2026, at which meeting a quorum was present, held in accordance with the provisions of Texas Government Code, Sections 551.001, et seq.

**EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD**

Dr. Anna Gitter, Chair

ATTEST:

Stefanie Block, Secretary-Treasurer

APPROVED AS TO FORM:

Daniel Ortiz, General Counsel

APPROVED AS TO CONTENT:

Jeff Tepsick, Chief Financial Officer