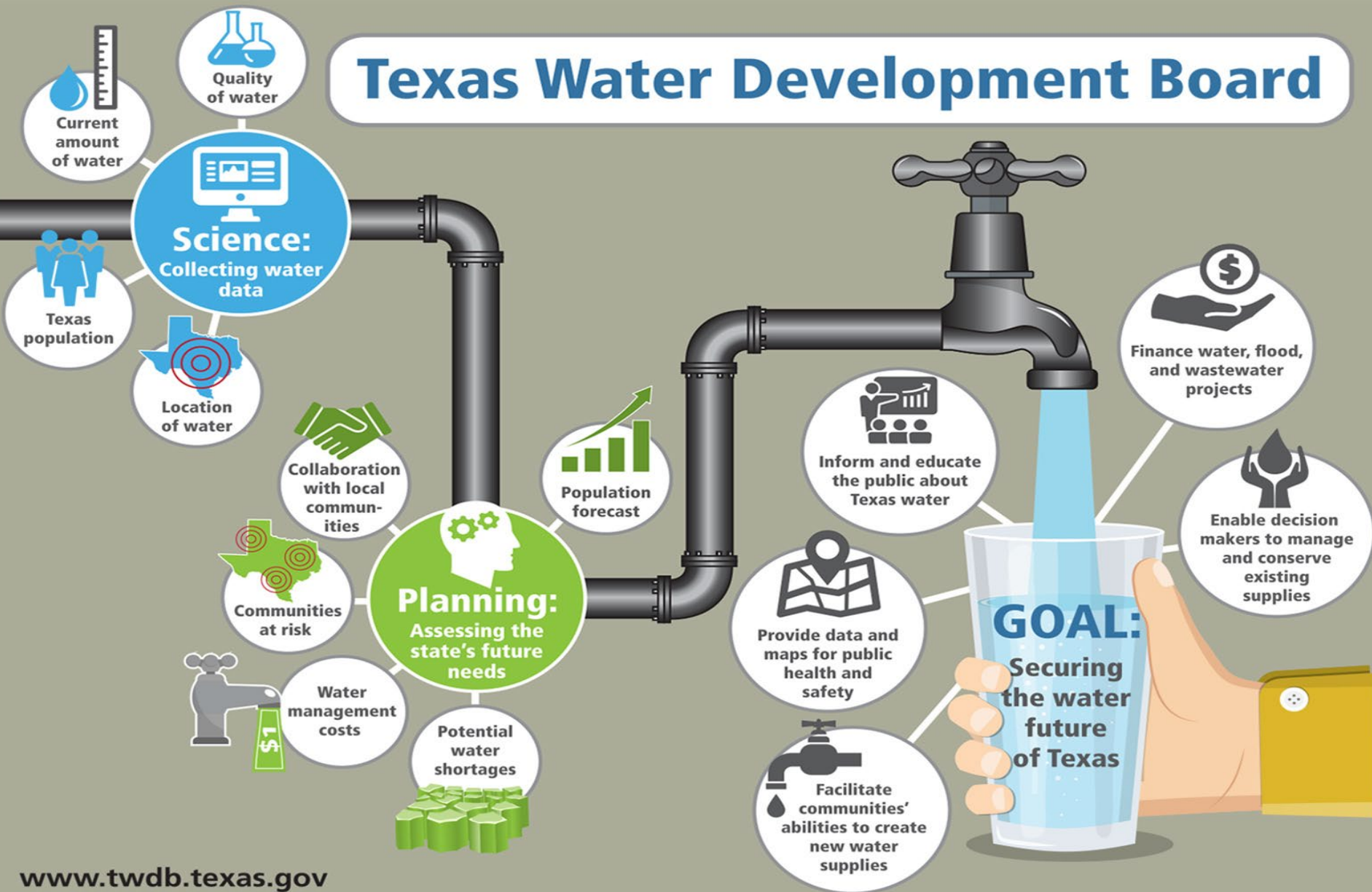


Don't Mess with Texas: Water Edition

Chairwoman Brooke Paup
Texas Water Development Board

Texas Municipal Utilities Association
February 29, 2024

Texas Water Development Board



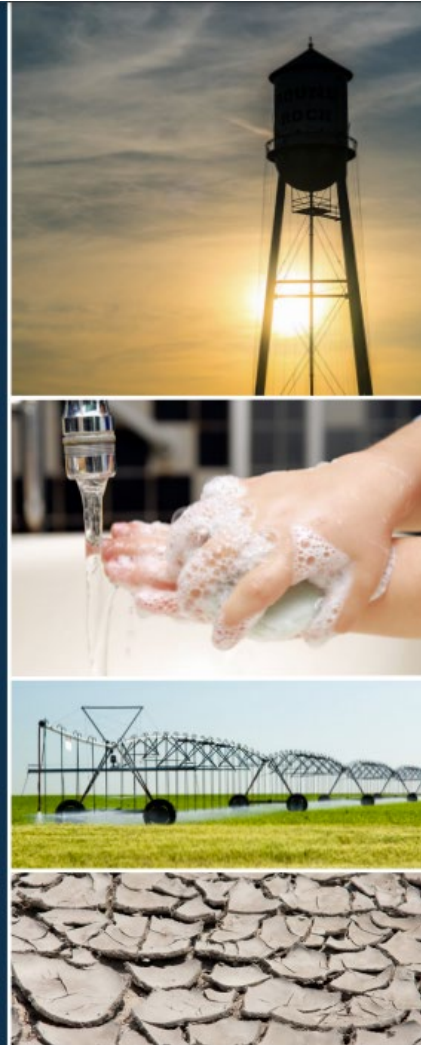
www.twdb.texas.gov

Why Do We Plan?

2022
State Water Plan

WATER
FOR
TEXAS

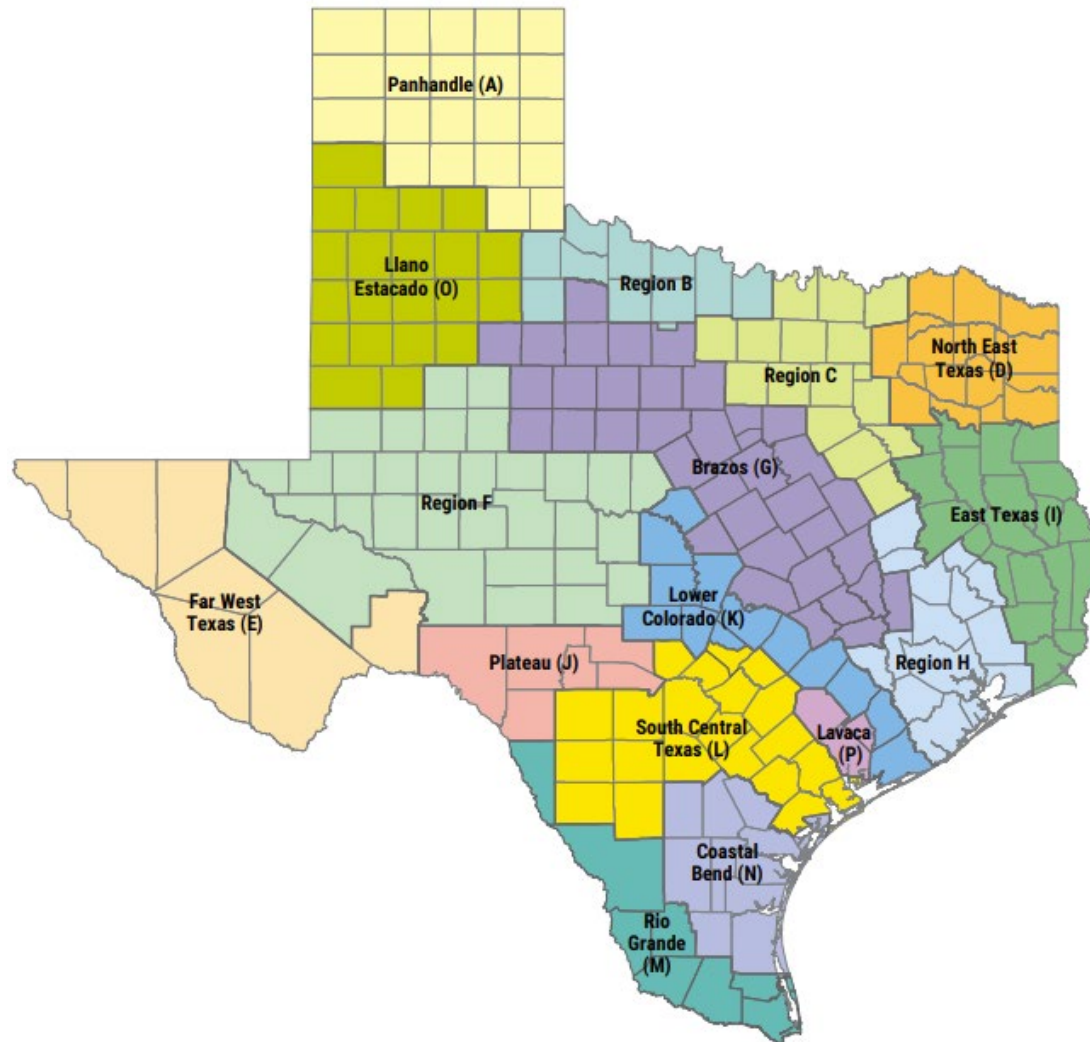
Texas Water
Development Board



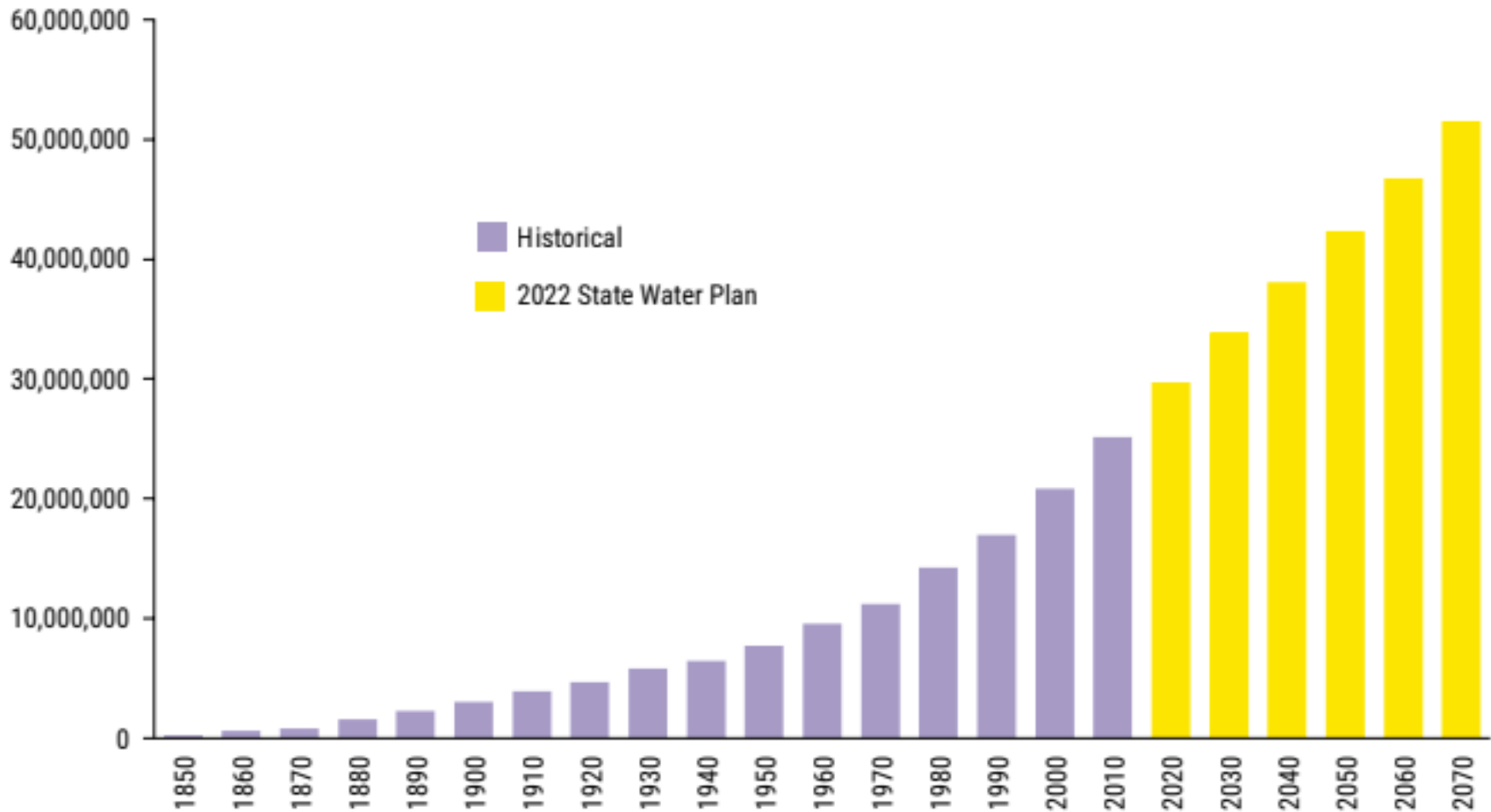
How Do We Plan?

- 16 regional water planning areas
- 12 required interest groups:
 - Public
 - Counties
 - Cities
 - Industry
 - Agriculture
 - Environment
 - Small Business
 - Electric Utilities
 - River Authorities
 - Water Districts
 - Water Utilities
 - Groundwater Mgmt. Areas

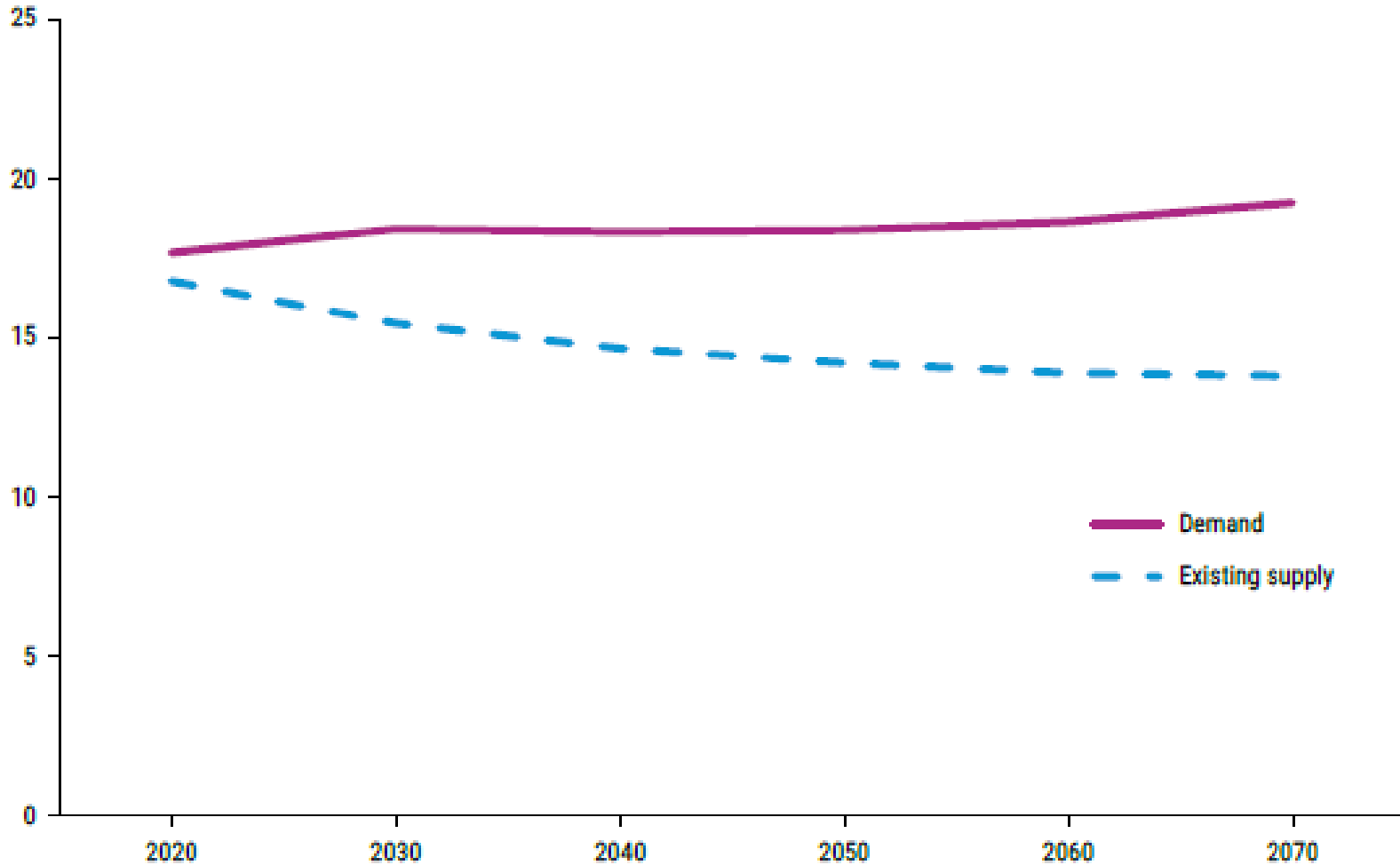
Bottom-Up Regional Approach



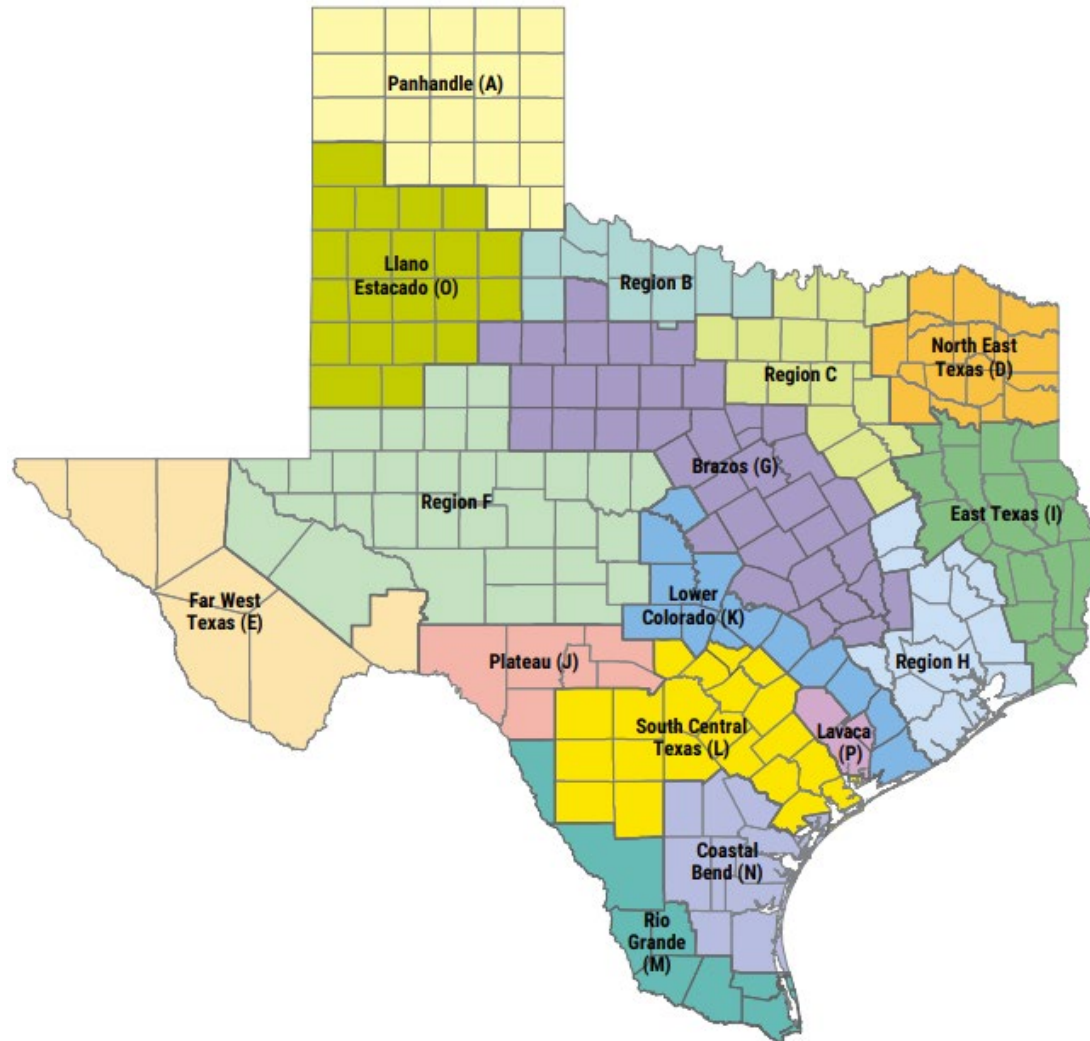
Population Growth



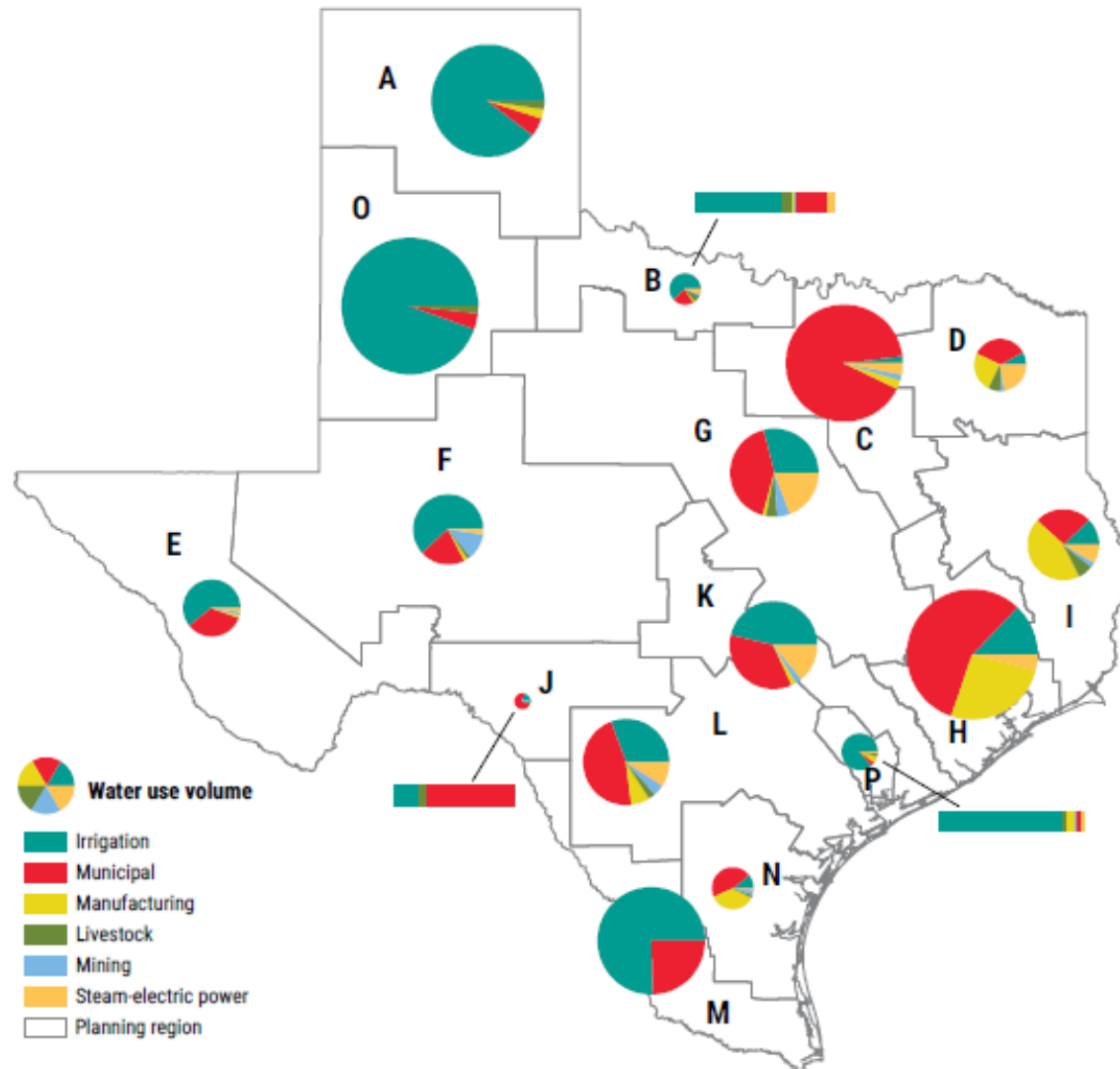
Supply and Demand



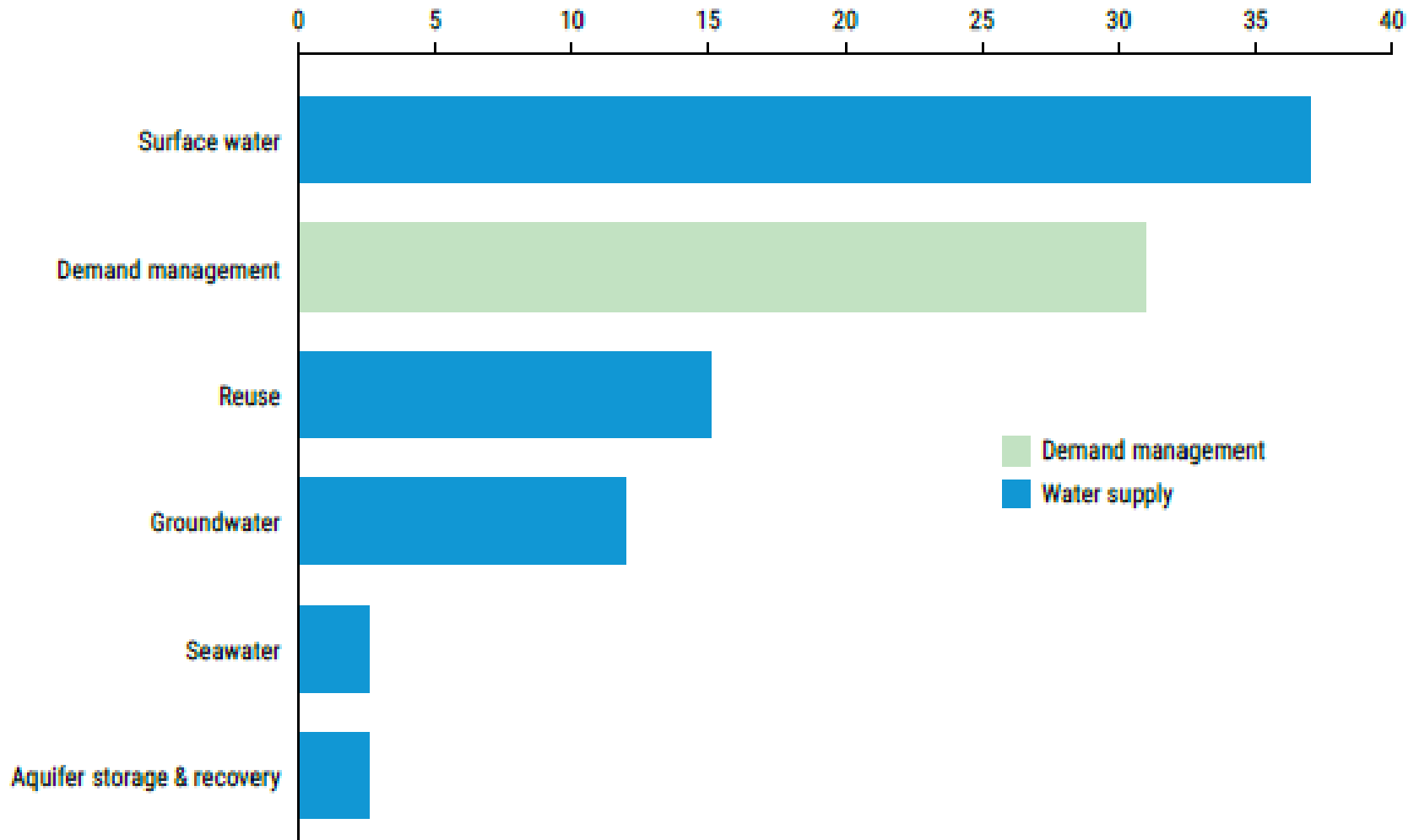
Bottom-Up Regional Approach



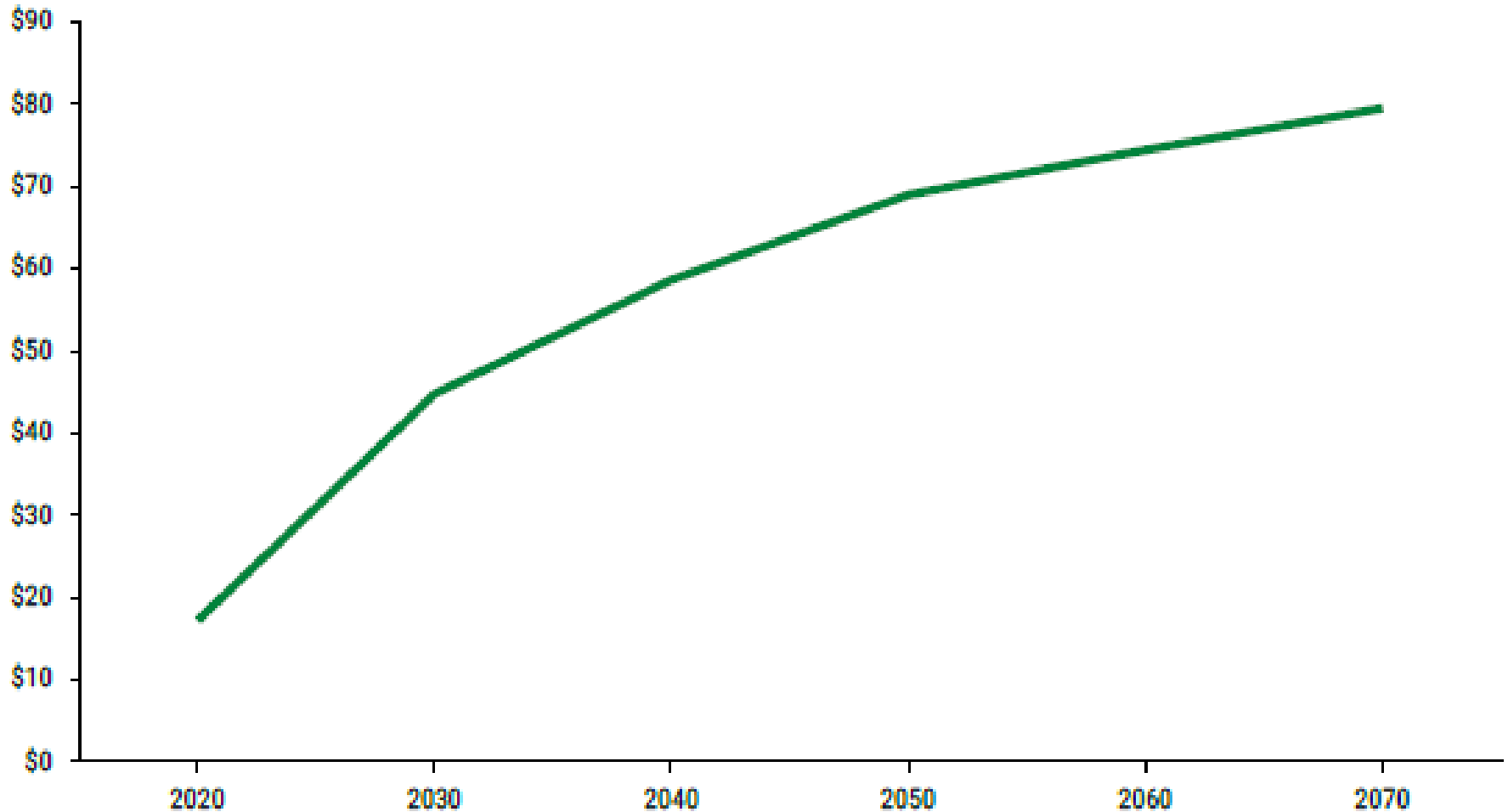
Demand by Region and Category



Recommended Strategies



Total Capital Costs



TWDB Financial Assistance Programs

State Water Implementation Fund for Texas (SWIFT)

- We link planning to financing
 - Project included in State Water Plan
 - Eligible for SWIFT financing
- Success story
 - About **\$11 billion** in commitments since 2015
 - 1.5 million acre-feet new water supply created
 - **\$1.2 billion** in savings vs. open market

SWIFT Program Timeline

- December: Abridged application period begins
- February: Abridged applications due
- Spring:
 - Abridged applications scored
 - Invitations extended to submit full application
- Summer:
 - Complete applications due
 - TWDB board makes financial commitments
- Fall/Winter:
 - TWDB bond sale / Borrowers close on funds

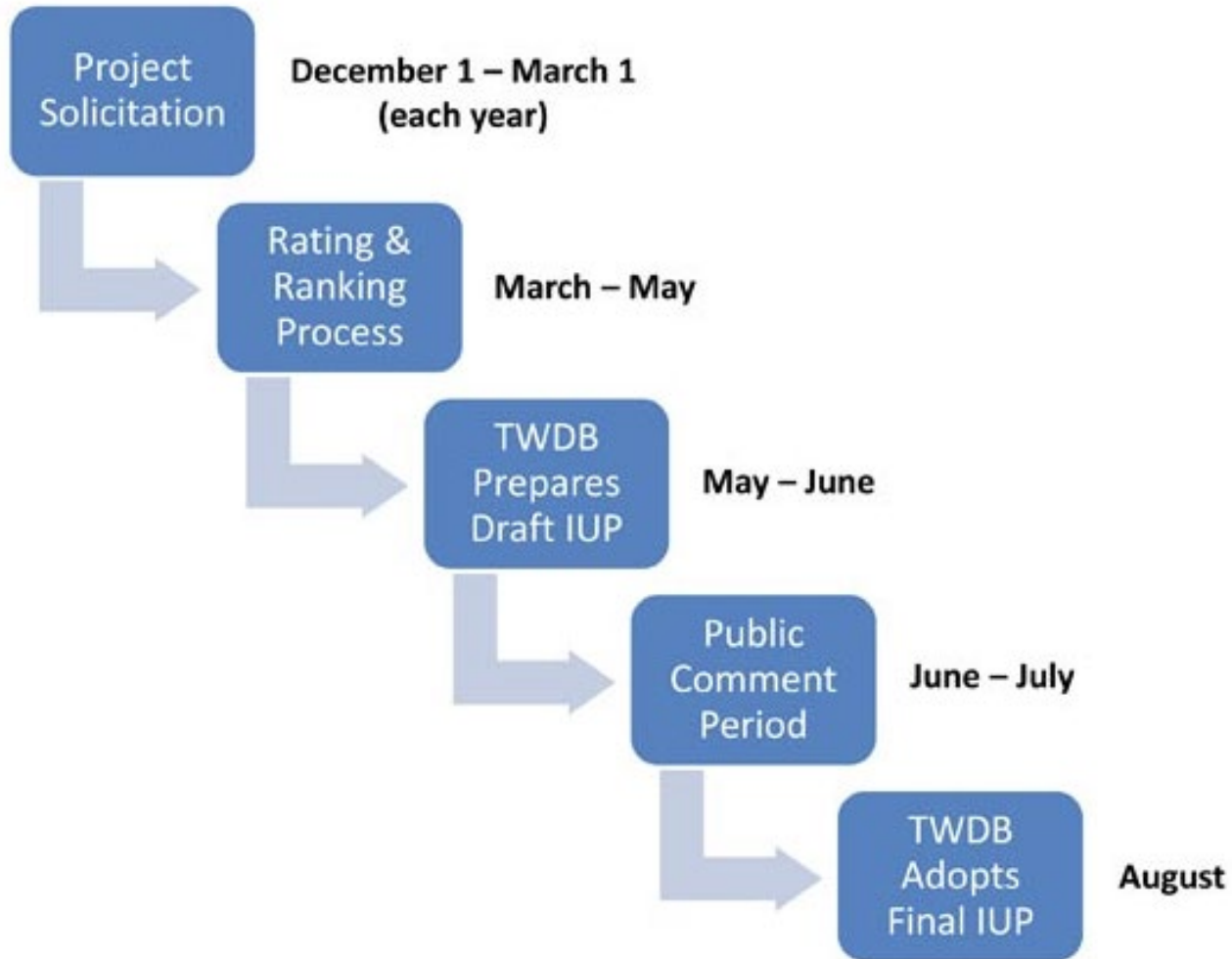
Drinking Water SRF

- Low-cost financing for a wide range of water projects that **facilitate compliance** with drinking water standards
- Through FY22:
 - About **\$3.6 billion** has been committed
 - Over **750 projects** in Texas

Clean Water SRF

- Low-cost financing for a wide range of wastewater, stormwater, reuse, and other pollution control projects
- **Facilitate compliance** with the federal Clean Water Act
- Through FY22:
 - Over **\$11 billion** has been committed
 - About **1,200 projects** in Texas

SRF Program Timeline



Economically Distressed Areas Program

- Who the program serves:
 - Median household income **below 75%** of the state median income
 - **First-time** water or wastewater service
 - Or failing wells or failing on-site sewer
- 70% grant / 30% loan
- Local county must adopt and enforce **model subdivision rules**

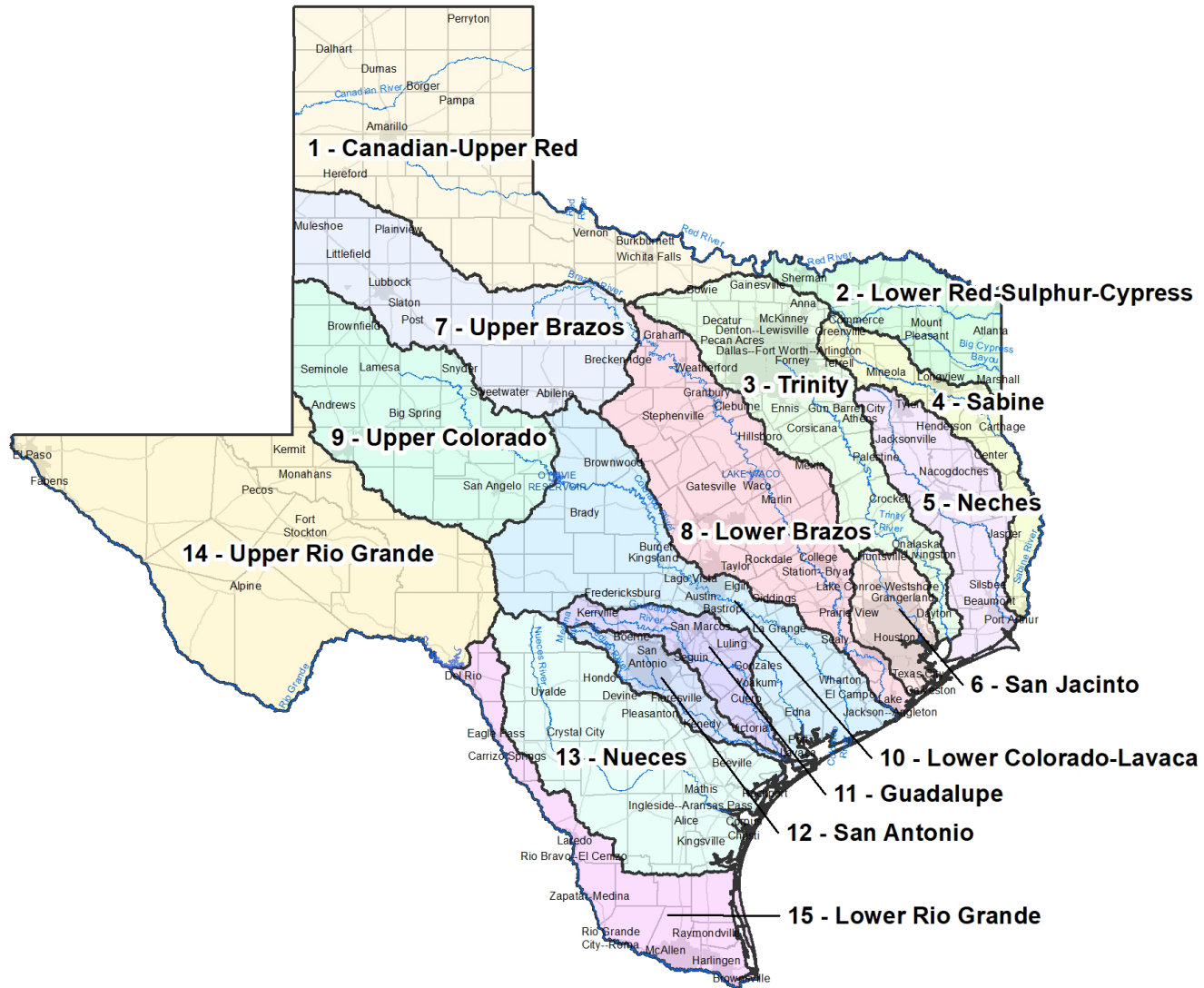
Agricultural Water Conservation

- Grants and loans for conservation projects
- Examples
 - Irrigation system improvements
 - Demonstrations
 - Equipment cost share
- Annual program cycle
 - Request for applications late fall
 - Applications due in February
 - Grants awarded in May

Flood Planning

Flood Infrastructure Fund

State Flood Plan



as of 4/9/20



State Flood Plan

- 15 regional flood planning groups
 - Held 525 meetings over three years
 - Over 360 total members
- Regional flood plans adopted at the July TWDB board meeting
 - Over **\$48 billion** total capital cost
- First State Flood Plan: September 2024

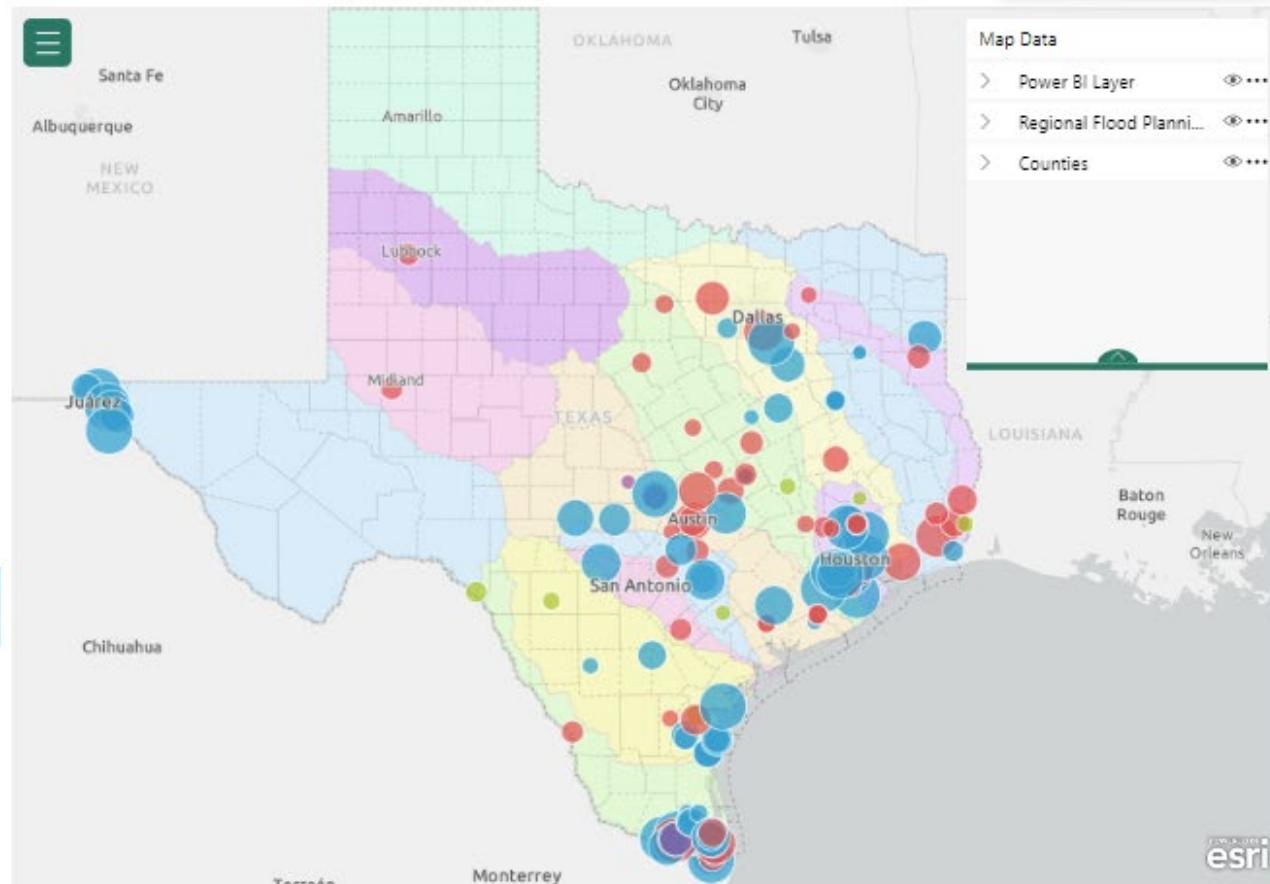
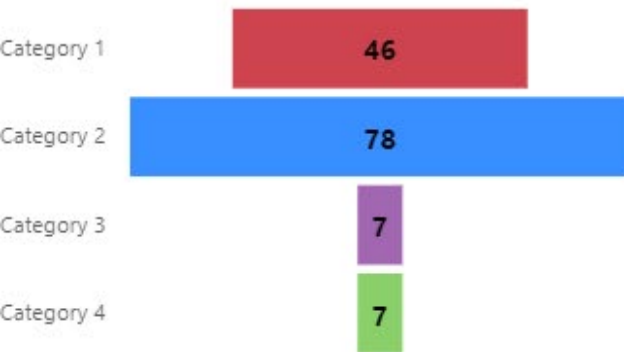
Flood Infrastructure Fund

Active and Completed Project Commitments

138

Committed Amount

\$513,982,627



88th Legislative Session

TWDB Budget

Project Funding

- \$1 billion – Texas Water Fund
- \$625 million – Flood Infrastructure Fund
- \$125 million – Federal match for SRF programs

Employees

- 5% pay raise across the board
- \$3 million: Targeted salary increases for key positions
- Funding for about 80 new positions

SB 28 / Proposition 6

- Created the **Texas Water Fund**
- **\$1 billion** deposit
- Resounding approval from **voters**
 - 78% voted for Prop 6
 - 1.97 million votes
- **\$750 million** to supplement TWDB programs that already exist
- **\$250 million**: New Water Supply for Texas Fund

Texas Water Fund: Uses

- May only be used to transfer money to the following funds or accounts:
 - New Water Supply for Texas Fund (brand new fund)
 - State Water Implementation Fund for Texas (SWIFT)
 - Drinking Water and Clean Water State Revolving Funds (SRF)
 - Rural Water Assistance Fund
 - Texas Water Development Fund II
 - Statewide water public awareness account

Texas Water Fund: Priorities

- Specifically mentioned in **SB 28**:
 - Rural communities
 - Cities under 150,000 population
 - Projects where all permitting is complete
 - Statewide public awareness campaign
 - Water conservation strategies
 - Water loss mitigation projects

New Water Supply for Texas Fund

- Goal: create new water supply sources for TX
- \$250 million deposit
- Examples:
 - Desalination (both seawater and brackish groundwater)
 - Produced water treatment
 - Aquifer storage and recovery
- Public-private partnerships allowed

Stakeholder Engagement Opportunities

- March 5: Board meeting in Austin
- March 20: Informal Stakeholder Meeting
 - Austin: in person
 - Virtual option
- April 10: Work session in Lubbock
- Stakeholder surveys on TWDB website