



# Region K Update

## Prop 6 Passed; What Next?

LCRA Water Quality Advisory Committee Meeting

January 21, 2014

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# Passage of Prop 6, Nov 5, 2013 – Dec 1

- **\$2 billion** transferred from rainy day fund to newly-created fund (SWIFT)
- SWIFT Advisory Committee members being appointed by Lt. Governor and Speaker
- Stakeholder committee (planning group chairs or designees) established uniform standards for regional project prioritization; submitted prioritization standards to TWDB <12/1/13

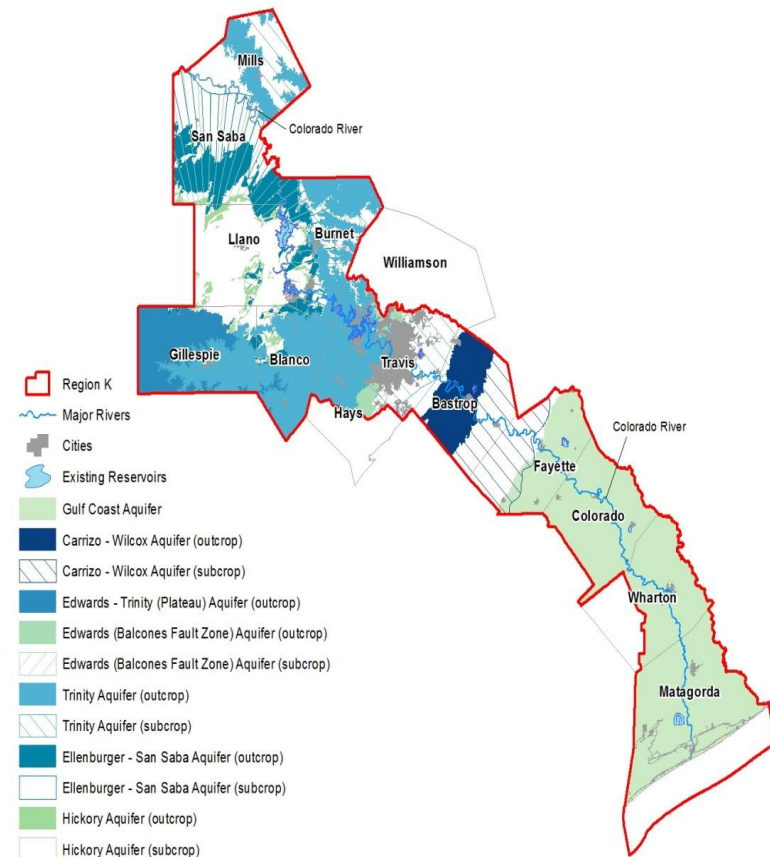


# Actions in 2014

- **Jan – Mar:** Board holds work sessions around the state to get input on SWIFT funding
- **Mar 1:** TWDB posts instructions for using SWIFT on its website
- **June 1:** Regional water planning groups (RWPG) submit draft project prioritization for **2011 plan** for TWDB review & comment
  
- **Sept 1:** Final prioritization lists submitted
- **Dec 1:** TWDB provides report to Governor and legislature regarding use of SWIFT (Dec 1 of every even-numbered year)

# Implications for Region K

- New low interest loan money by **mid-2015** for water plan projects
  - Interest subsidy is limited to 50% of TWDB cost of funds; possibly a 1% interest rate reduction at first
  - Interest rate subsidies are an incentive but these are still loans that will be repaid with interest
- Draft regional plans due **5-1-15**
- To be eligible, projects must be **recommended in the plan**





# Categories of Funds

- Conservation and Wastewater Reuse Projects
  - **20% of funds available annually**
  - Not limited to 20%; these projects can compete with other types of projects for funds
- Rural Water Management Strategies
  - **10% of annual funds for these projects**
  - Rural definition being determined
- Other recommended water strategies/projects in approved water plans
  - Up to remaining **70%** of funds annually



# RWPG Project Prioritization

- Minimum considerations for uniform standards
  - **Decade of project need**
  - **Project feasibility**, including availability of water rights
  - **Project viability**, including is it a comprehensive solution with a measurable outcome
  - **Project sustainability**, considering life of the project
  - **Project cost-effectiveness**, considering the expected unit cost of water supplied by the project

**Planning groups rank projects in their regions; TWDB ranks projects for all 16 regions**

# TWDB Project Prioritization

- TWDB to prioritize projects in the State Water Plan through a point system that includes a standard for determining if a project qualifies for financial assistance
- Highest consideration in awarding points to projects that will:
  - **Serve a large population**
  - **Provide assistance to urban & rural areas**
  - **Provide regionalization; or**
  - **Meet a high percentage of water supply needs for the users served by the projects**





# TWDB Project Prioritization

- TWDB must also consider:
  - Amount of **local financial contribution**, including up-front capital provided by the applicant
  - **Capacity** of the applicant **to repay** TWDB
  - Ability of TWDB and applicant to timely **leverage state financing with local and federal funding**
  - If there is an **emergency of need** considering:
    - If the applicant is included on the TCEQ PWS list of systems with **less than 180 days of water supply**
    - Any **federal funding** that the applicant is eligible for has been used or sought





# TWDB Project Prioritization

- If applicants are applying for certain types of assistance, whether the project is ready to proceed, including:
  - All preliminary planning/design work completed
  - Any necessary water rights have been acquired
  - Funding has been secured from other sources
  - Applicant is able to begin implementing or constructing the project



# TWDB Project Prioritization

- TWDB considers demonstrated or projected effects of the project on **water conservation, including water loss prevention**
  - Includes whether the applicant has filed a water loss audit with the board, if applicable
- Priority given to the project by the regional water planning group is **an important consideration**



# Region K Planning Status

- Lower Colorado Region (K) working on its 4<sup>th</sup> regional water plan
- Draft plan due **5/1/15**; final must be approved by TWDB **11/15**; to Gov. and Legis. **1/5/2016**
- Population/water demand projections **approved**; currently working on **supply availability**
- Needs analysis: projected demand vs available water supplies. Shortages equal “**needs**”; needs require recommended **strategies** to conserve existing supplies or produce additional



# Strategy Evaluations

- Recommended strategies must be evaluated for their effects on:
  - Agriculture and natural resources
  - Other water resources and environment
  - **Water Quality**
- Analyses must try to quantify effects and describe them in the plan
- Many regions will not recommend strategies with significant negative effects. Cost is another big factor



# Regional Planning Group Meetings

- All meetings are open to the public and participation is welcome
- LCRA, City of Austin, Ag. interests, business, industry, power production, environmental, water utilities & districts, counties and public are all represented on the group – even a special designation for recreation on Reg. K
- Next meeting is **10:00, April 9** at the LCRA Dalchau Service Center on Montopolis Dr. in Austin – come on out!



# Questions?

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(includes new org. chart)

