Region K Update
Prop 6 Passed; What Next?

LCRA Water Quality Advisory Committee Meeting

January 21, 2014

W. David Meesey, A.W.P.
$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
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 4th 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
• 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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TWDB Website:
http://www.twdb.texas.gov/
(includes new org. chart)