

TEXAS WATER DEVELOPMENT BOARD

1. *From your agency's point of view, what regulations can be reduced to improve communications between federal, state and local governments within the Texas-Mexico border region?*

ANSWER: TWDB is not a regulatory agency and as such does not have regulations that would address issues raised in your question.

2. *What are the main trade issues between the United States and Mexico that you have identified as having an impact (both positive and negative) on your agency or your area of work?*

ANSWER: Because TWDB contracts with political subdivisions of the state to finance water and wastewater infrastructure projects, the escalating price of materials and labor is a concern.

3. *Having studied the flow of commerce at ports of entry between this state and Mexico, including the movement of commercial vehicles across the border, what actions would you establish to aid that commerce and improve the movement of those vehicles.*

ANSWER: Not applicable.

4. *How do you work with federal officials to resolve transportation issues involving infrastructure, including roads and bridges, to allow for efficient movement of goods and people across the border between Texas and Mexico?*

ANSWER: Not applicable.

5. *How does your agency work with federal officials to create a unified federal agency process to streamline border crossing needs?*

ANSWER: Not applicable.

6. *Has your agency identified problems involved with border truck inspections and related trade and transportation infrastructure? What are those? What solutions/recommendations does your agency propose?*

ANSWER: Not applicable.

7. *How do you work to increase funding for the North American Development Bank to assist in the financing of water and wastewater facilities?*

ANSWER: The Texas Water Development Board does not advocate for increased funding for the North American Development Bank.

8. *Has your agency explored the sale of excess electric power from Texas to Mexico? What are your findings?*

ANSWER: Not applicable.

9. *Has your agency identified any areas of environmental protection that need to be addressed cooperatively between Texas and the Mexican states? If so, which are those areas and what type of protective measures need to be taken?*

ANSWER: Not applicable.

10. *Has your agency identified common challenges to health care on which all border states can collaborate? If so, what are those challenges and how can all border states collaborate to overcome them?*

ANSWER: Not applicable.

11. *Has your agency developed any recommendations to address border challenges in general? If so, what are they?*

ANSWER: TWDB has several Exceptional Items in its Legislative Appropriations Request for FY 08-09 to fund operations, administration and implementation of economically distressed or disadvantaged communities, which exist not just on the Texas-Mexico border, but in every county in Texas. Approximately six of the 17 Exceptional Items are targeted to those economically distressed communities statewide and along the Texas-Mexico border (\$65M out of \$100.7M requested). These Exceptional Item requests are detailed below.

Economically Distressed Areas Program (EDAP) – Administration

Appropriation of these funds enables the completion of water and wastewater projects currently in progress funded through the Economically Distressed Area Program (EDAP) as well as implement the statewide EDAP. The Texas Water Development Board's top exceptional item priority provides a total of \$975,852 for the 2008-2009 biennium, which would fund 16.0 FTEs and associated expenses to administer EDAP projects.

Economically Distressed Areas Program (EDAP) – Debt Service

Appropriation of these funds allows the TWDB to make the first debt service payment on the final \$12 million in General Obligation bonds for the statewide Economically Distressed Areas Program (EDAP). The debt service on EDAP bonds is approximately 30 years. This exceptional item provides \$1,085,856 in FY 2009.

Disadvantaged Rural Community

Water and Wastewater Financial Assistance Fund

Appropriation of these funds enables the TWDB to capitalize a grant and loan fund for infrastructure, transmission, and delivery to improve water and wastewater services to disadvantaged rural communities on a statewide basis. This exceptional item provides a

total of \$10,522,134 for the 2008-2009 biennium, which would fund \$10 million in grants and \$522,134 to staff 8 FTEs to administer this program.

The Disadvantaged Rural Community Water and Wastewater Financial Assistance Fund created by the 79th Legislature (House Bill 3029 by Representative Patrick Rose/Senator Gonzalo Barrientos) to improve water and wastewater services to communities of 5,000 or less outside of city limits and extraterritorial jurisdictions and whose median household income is not greater than 75 percent of the state's median household income. However, limited resources for the program prevented it from being implemented by the TWDB.

Economically Distressed Areas Program II (EDAP II)

Appropriation of these funds enables the TWDB to capitalize a grant fund for water/wastewater projects for economically distressed areas on a statewide basis. This exceptional item provides a total of \$55,433,103 for the 2008-2009 biennium, which would fund \$54 million in grants and \$1,433,003 to staff 19 FTEs and associated expenses to administer this program.

The Statewide EDAP created by the 79th Legislature (House Bill 467 by Representative Kevin Bailey/Senator Mario Gallegos) is intended to provide water/wastewater services to economically distressed areas in any Texas county which has a median household income that is not greater than 75 percent of the median state household income. The TWDB will adopt rule changes creating a Statewide EDAP effective January 2007.

Colonial Self-Help Program

Appropriation of these funds enables the TWDB to provide grant funding, program implementation and administration for the Colonia Self-Help Program. This exceptional item provided a total of \$774,891 for the 2008-2009 biennium, which would fund \$300,000 per year in grants and \$174,891 for 1.5 FTES and associated administrative expenses in order to provide program technical assistance, training, and coordination activities for administering this program. While \$300,000 in annual grant funding can not address the entire identified water and wastewater needs in border colonias, this exceptional item request reflects the anticipated number of projects based on prior demand.

The Colonia Self-Help Program provides grant assistance to grass roots initiatives in economically distressed areas through non-profit organizations. In exchange for grant assistance, resident volunteers provide labor (sweat equity) and/or donate equipment, materials/supplies, to construct the water and/or sewer facilities at residences in colonias.

Borderlands Information Center

Appropriation of these funds enables the TWDB to secure the staff and resources necessary to create and maintain a centralized database of resources and current project activities in order to support the multi-agency coordination envisioned by House Bill 925 (Representative Norma Chavez /Senator Eddie Lucio) and Senate Bill 827 (Senator Judith Zaffirini/Representative Ryan Guillen) which were passed during the 79th

Legislative session. This exceptional item provides a total of \$693,518 for the 2008-2009 biennium, which would fund 4.0 FTEs and associated expenses.

Establishing a central geographic data catalog and information center will support health, environmental, infrastructure, economic development, agriculture, education, emergency response, and homeland security issues.

12. What programs and services does your agency offer to border communities?

ANSWER: See details below.

Office of Planning

Water is a precious and finite resource that must be managed efficiently and effectively in order to meet the future needs of Texas – a state whose population is projected to nearly double by 2050. Water planning must be a continuous process in order to respond to changing climate, environmental, and socioeconomic and demographic conditions, in one of the most diverse areas in the United States. To respond to these changes, Texas water law requires that new Regional and State Water Plans be prepared every five years. The 16 Regional Water Planning Groups, review, revise, and refine their plans to respond to changed conditions that may impact estimated demands for water, water supplies, or recommended water management strategies.

Three groups cover counties located on the Texas-Mexico border. Region E (Far West Texas) covers El Paso, Hudspeth, Culberson, Jeff Davis, Presidio, Brewster and Terrell counties. Region J (Plateau) covers Val Verde, Kinney, Edwards, Real, Kerr and Bandera counties. Region M (Rio Grande) covers Maverick, Webb, Zapata, Jim Hogg, Starr, Hidalgo, Willacy and Cameron counties.

The Lower Rio Grande Valley Agriculture Water Demonstration Initiative project, located in Cameron, Hidalgo and Willacy counties, will integrate state-of-the-art irrigation water distribution network control and management and on-farm irrigation technology and management systems in a large-scale demonstration of cost effective technologies that maximize water use efficiency. The Harlingen Irrigation District, partnering with Delta Lake Irrigation District, Texas Cooperative Extension, Texas A&M-Kingsville, Texas Cooperative Extension Service in Weslaco, and Lower Rio Grande Valley agricultural producers, is conducting this project. The project will demonstrate, document, and incorporate the Districts' ongoing conservation projects, and provide coordination between the Districts' staff, agricultural water users, and state and federal technical agencies.

The Lower Rio Grande Valley Agriculture Water Demonstration project includes construction of a meter calibration facility, maximizing the efficiency of flood irrigation, demonstration of the effectiveness of major irrigation technologies and showcasing how to implement the beneficial findings from the field demonstrations to irrigation districts and farmers. For more information on this project, visit the Harlingen Irrigation District's website at <http://www.hidcc1.org/Projects/adi.htm>

The TWDB has funded a number of studies on various aspects of desalination, including pilot plant studies for projects in Brownsville and South Padre Island as precursors to constructing full-scale facilities in the near future. Other efforts involve on-going demonstration studies on brackish groundwater desalination. One such study currently underway is being conducted by the North Cameron Regional Water Supply Cooperation.

Groundwater availability modeling is important in determining the available water resources from Texas aquifers. TWDB conducts these reviews and a new report will soon be issued on the Gulf Coast aquifer in the Lower Rio Grande Valley.

The TWDB also measures groundwater levels and conducts groundwater quality sampling throughout the state to include the Border area.

The TWDB also conducts studies relating to the freshwater inflow needs of estuaries in Texas and at this time we are conducting a study on the Rio Grande Estuary. This work is part of the TWDB Bays and Estuaries program and the goal is to determine freshwater inflows needed to maintain a sound ecological environment. In this regard, the TWDB has contracted with UT-Pan American to collect and analyze water quality data for our agency and will soon coordinate with the other natural resource agencies to collect other pertinent data related to this study.

Resource Information Office

The Texas/Mexico Borderlands Data and Information Center (BIC) is a clearinghouse and referral center for information about both sides of the Texas/Mexico border (100 Km. either side of the border). The BIC was created in 1993 by the Texas Natural Resource Information System task force. The BIC has the following objectives:

- To make data and information related to the natural resources and demographics of the border available in a timely and efficient manner to researchers, planners, and others with responsibilities for protecting the environment, public health and well being of the borderlands region.
- To promote closer ties, communication, and data sharing among entities with borderlands responsibilities and thereby reduce redundancy in data collection and project activities.

Office of Project Finance and Construction Assistance

The Office of Project Finance and Construction Assistance administer several financial assistance programs (such as Drinking Water State Revolving Fund, Clean Water State Revolving Fund, Rural Water Assistance Program, Water and Wastewater Loan Program (D-Fund), and the State Participation Program) statewide which include areas along the Texas-Mexico border. This Office also has field offices in Harlingen and El Paso which are responsible for conducting inspections of ongoing water and/or wastewater construction projects. Below is information on specific financial programs targeted at economically distressed areas, which are commonly found in the counties located along the Texas-Mexico border.

- The Economically Distressed Areas Program (EDAP) provides financial assistance in the form of a grant, a loan or a combination grant/loan to provide water and wastewater services to economically distressed areas that meet the minimal needs of residents. The program includes measures to prevent future substandard development.
- The Colonia Wastewater Treatment Assistance Program (CWTAP) provided financial assistance in the form of grants for the design and construction of adequate wastewater treatment systems to serve unincorporated colonias within 100 kilometers of the Texas/Mexico border.
- The Colonia Plumbing Loan Program (CPLP) is a low-interest loan program available to assist low-to-moderate income colonia residents with financing plumbing connections to water and wastewater (sewer) systems and with installation of necessary plumbing improvements within their homes.
- The Colonia Self-Help Program provides financial assistance to grass roots initiatives in economically distressed areas. The TWDB provides grant assistance for the actual cost to get water and wastewater systems to provide adequate service to colonias where the local residents provide volunteer labor (sweat equity) to construct the facilities, and/or donate equipment, materials, and supplies.

Below is a summary of the Nuevo Laredo International Project which the TWDB participated in back in 1988.

In 1988, the Texas Water Commission (now the Texas Commission on Environmental Quality), funded an intensive survey of the Rio Grande in the vicinity of Laredo to assess water pollution. This study, along with enabling state legislation, led to joint funding of the Nuevo Laredo International Project between the U.S. International Boundary and Water Commission (IBWC) and Mexico. Under a Memorandum of Understanding (MOU) between the Texas Water Development Board (TWDB) and the IBWC, the TWDB's participation was \$2 million in the International Project which was based on anticipation of the State of Texas participating in 10% of the U.S. share of the costs.

There were six components of the International Project: (1) sewer rehabilitation throughout the older sections of the City; (2) new sewer collection systems in three unsewered subdivisions; (3) a wastewater interceptor along Coyotes Creek; (4) a wastewater interceptor (Riverside Interceptor) along the Rio Grande; (5) a new pump station; and (6) a wastewater treatment plant. The TWDB was to contribute \$2 million toward the wastewater treatment plant and pump station.

Construction on the wastewater treatment plant started in November 1993 and was considered substantially complete since it was placed into operation and then dedicated on April 17, 1996. The wastewater treatment plant has a rated capacity of 31 Million gallons per day (MGD), or 1360 liters/second (l/s). Completion of the final components of the project occurred in 2000.

The IBWC continues monthly reporting to the TWDB on the construction, operation and maintenance of the Nuevo Laredo Wastewater Treatment Plant, pump station, and other phases of the International Project. Operation of the treatment plant has been turned over from the contract operator to COMAPA (Comisión Municipal de Agua Potable y Alcantarillado - Nuevo Laredo's Utilities Department). The IBWC's *Operation and Maintenance Report for July 2003* shows that the wastewater treatment plant treated an average flow of approximately 23.8 MGD (1,041 l/s) to a very high level of treatment (BOD₅ < 13 mg/l and TSS < 12 mg/l.) The effluent quality is currently meeting expectations for the project and environmental quality standards.

As outlined in the MOU between TWDB and IBWC, the grant payments were provided as each of 5 milestone events was reached. The IBWC submitted all required documentation for the fifth and final payment of \$500,000, which was provided to the IBWC on June 28, 2000.

Note: The Texas Legislature provided funding for this project via an appropriations rider to the TWDB during the 71st Legislative session.

13. *What are some regulatory and/or legislative recommendations to eliminate duplication and combine programs and services?*

ANSWER: TWDB participates in several coordination groups with the Secretary of State. TWDB is also currently working with several agencies (Office of Rural Community Affairs, Texas Commission on Environmental Quality, Secretary of State, U.S. Department of Agriculture—Rural Development, and Community Resource Group (non-profit organization) to create an Interagency Working Group in an effort to accomplish the following:

Regular and timely exchange of project information for the projects of each agency including but not limited to the following information:

- 1) Name of applicant;
- 2) Project descriptions;
- 3) Project application cycle and funding schedule; and
- 4) Other agreed information.

Sharing program information and develop common template to identify:

- 1) Eligibility criteria;
- 2) Application requirements;
- 3) Funding Capacity and Cycles;
- 4) Financial Assistance Capability; and
- 5) Other agreed information.

Exploring the potential to integrate program resources and eliminate duplication of effort through:

- 1) Common project priority lists;

- 2) Common application information;
- 3) Common project funding cycles: and
- 4) Joint funding cycles.

14. *Please share any considerations from your agency regarding the effect of policies instituted by the federal government impacting the border region.*

ANSWER: Because the TWDB partners with several federal agencies, such as the Environmental Protection Agency, the North American Development Bank, the U.S. Department of Agriculture-Rural Development, the U.S. Geological Survey, the U.S. Army Corps of Engineers, the Bureau of Reclamation, the Federal Division of Emergency Management, and others on various projects and programs, the continuation of funding is always a concern.

15. *Please give a brief summary of all your agency's activities related to the Border and/or Mexico.*

ANSWER: In addition to the information provided in our response to question #12, the Texas Water Development Board is also involved in the following:

- Supports the development of regional water plans and incorporates them into a statewide water plan for the orderly and responsible development, management, and conservation of the state's water resources.
- Provides loans to local governments for water supply projects; water quality projects including wastewater treatment, municipal solid waste management, and nonpoint source pollution control; flood control projects; agricultural water conservation projects; rural and small community water and wastewater projects; and groundwater conservation district creation expenses.
- Provides grants and loans for the water and wastewater needs of the state's economically distressed areas.
- Provides agricultural water conservation and water-related research and planning grants.
- Conducts studies of the occurrence, quantity, quality, and availability of the state's surface water and groundwater, including development of groundwater availability models for the state's major and minor aquifers.
- Collects data and conducts studies concerning the freshwater needs of the state's bays and estuaries. In conjunction with other natural resources agencies, maintains an instream flow data collection and evaluation program. This includes conducting studies and analyses to determine appropriate methodologies for determining flow conditions in the state rivers and streams necessary to support a sound ecological environment.
- Facilitates the state's efforts to determine the feasibility and to identify the requirements for implementation of large-scale seawater desalination projects, and supports their implementation as appropriate. Supports ongoing desalination research and the sharing of technological information to enhance brackish groundwater and seawater desalination activities throughout the state.

- Maintains a centralized data repository of information on the state's natural resources called the Texas Natural Resources Information System (TNRIS) and manages the Strategic Mapping (StratMap) Initiative, a Texas-based, public and private sector cost-sharing program to develop consistent, large-scale digital base maps describing surface water, elevation, transportation, aerial photography, and other information.