

**Section 9**  
**Report to the Legislature on**  
**Water Infrastructure Funding Recommendations**  
**[31 TAC §357.7(a)(14)]**

**9.1 Introduction**

Senate Bill 2 (77<sup>th</sup> Texas Legislature) requires that an Infrastructure Financing Report (IFR) be incorporated into the regional water planning process. In order to meet this requirement, each regional water planning group (RWPG) is required to examine the funding needed to implement the water management strategies and projects identified and recommended in the region's January 2006 regional water plan.

**9.2 Objectives of the Infrastructure Financing Report**

The primary objectives of the Infrastructure Financing Report are as follows:

- To determine the financing options proposed by political subdivisions to meet future water infrastructure needs (including the identification of any State funding sources considered); and
- To determine what role(s) the RWPGs propose for the State in financing the recommended water supply projects.

**9.3 Methods and Procedures**

For the Llano Estacado Water Planning Area, all municipal water user groups having water needs and recommended water management strategies in the regional plan with an associated capital cost were surveyed using the questionnaire provided by the TWDB (Appendix H). For individual cities the survey was mailed to either the mayor or the city manager.

The surveys were mailed via first class U.S. Mail, along with supporting documentation that summarized the water management strategies included in the regional plan for that entity. One follow-up telephone contact was made with each political subdivision surveyed that did not respond by the due date.

**9.4 Survey Responses**

The Llano Estacado RWPG mailed survey packages to 34 municipal water user groups and received 18 responses, a 53 percent response rate. Copies of the completed surveys and related documentation are included in Appendix I. As shown in Table 9-1, the 18 responses

represent about 91 percent of the estimated capital costs of water management strategies included in the Regional Water Plan. Of those responding, for which total capital costs are \$471,981,397, the survey shows that \$624,442 (0.1 percent of the total capital costs) would be paid from local cash reserves. Approximately \$456.3 million (88 percent of the total capital costs) would be financed through bonds, \$8.1 million (1.6 percent of the total capital costs) would be paid with Federal Government programs, \$6.4 million (1.2 percent of the total capital costs) would be financed through State Government programs, and \$484,775 (0.1 percent of the total capital costs) would be financed through other means. Some entities did not provide quantifiable responses to the survey due to concerns about data accuracy and the potential for the amounts given to be taken out of context. It is also important to note that it is unclear how the remaining nine percent of the capital costs (\$46,157,153) (for those entities not responding) would be financed. Table 9-2 provides a brief summary of responses from all utilities that provided written comments.

With respect to the role of the State in financing the recommended water supply projects, the Llano Estacado Regional Water Planning Group recommends that the Legislature provide adequate funding for the implementation of water management strategies in the plan, including loans for public water supplies (see Section 8, Number 17).

**Table 9-1.  
Summary of Survey Responses**

Name of Political Subdivision	Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	Planning on Implementing the recommended Strategy? (Y/N)	% Cash Reserves	% Bonds	% Bank Loans	% Government Programs - Federal	% Government Programs - State	% Other
Canadian River MWA	CRMWA Expand Groundwater Supply	2007	\$ 59,052,000	Y	\$0	\$59,052,000	\$0	\$0	\$0	\$0
City of Dimmitt	Local Groundwater Development	2015	\$ 3,405,336	Y	\$0	\$0	\$0	\$3,405,336	\$0	\$0
City of Farwell	Local Groundwater Development	2015	\$ 619,608	Y	\$61,961	\$185,882	\$0	\$117,726	\$0	\$254,039
City of Friona	Local Groundwater Development	2007	\$ 1,615,812	Y	\$0	\$1,373,440	\$0	\$242,372	\$0	\$0
City of Idalou	Local Groundwater Development	2035	\$ 596,508	Y	\$0	\$149,127	\$0	\$0	\$447,381	\$0
City of Kress	Local Groundwater Development	2007	\$ 578,424	Y	\$0	\$491,660	\$0	\$86,764	\$0	\$0
City of Lorenzo	Local Groundwater Development	2025	\$ 276,408	Y	\$0	\$0	\$0	\$138,204	\$138,204	\$0
City of Lubbock	Lake Alan Henry Pipeline	2045	\$174,909,000	Y	\$0	\$174,909,000	\$0	\$0	\$0	\$0
City of Lubbock	City of Lubbock Wellfield	2007	\$ 7,718,000	Y	\$0	\$7,718,000	\$0	\$0	\$0	\$0
City of Lubbock	Lubbock Expand Capacity of Baily County Well Field	2007	\$ 2,541,000	Y	\$0	\$2,541,000	\$0	\$0	\$0	\$0
City of Lubbock	Brackish Groundwater Desalination Jim Bertram Lake System	2010	\$ 6,894,600	Y	\$0	\$6,894,600	\$0	\$0	\$0	\$0
City of Lubbock	Expansion	2020	\$150,759,000	Y	\$0	\$150,759,000	\$0	\$0	\$0	\$0
City of Lubbock	North Fork Scalping Operation	2020	\$ 50,055,000	Y	\$0	\$50,055,000	\$0	\$0	\$0	\$0
City of Morton	Local Groundwater Development	2015	\$ 922,944	Y	\$230,736	\$0	\$0	\$230,736	\$230,736	\$230,736
City of Olton	Local Groundwater Development	2025	\$ 922,944	Y	\$184,589	\$0	\$0	\$369,178	\$369,178	\$0
City of Petersburg	Local Groundwater Development	2045	\$ 265,452	Y	\$26,545	\$0	\$0	\$26,545	\$212,362	\$0
City of Ropesville	Local Groundwater Development	2025	\$ 276,408	Y	\$27,641	\$0	\$0	\$248,767	\$0	\$0
City of Shallowater	Local Groundwater Development	2007	\$ 375,804	N	\$0	\$0	\$0	\$0	\$0	\$0
City of Sudan	Local Groundwater Development	2015	\$ 596,508	N	\$0	\$0	\$0	\$0	\$0	\$0
City of Sundown	Local Groundwater Development	2015	\$ 753,720	Y	\$0	\$256,265	\$0	\$248,728	\$248,728	\$0
City of Wilson	Local Groundwater Development	2015	\$ 276,408	Y	\$13,820	\$0	\$0	\$262,588	\$0	\$0
City of Wolfforth	Local Groundwater Development	2007	\$ 3,957,513	Y	\$79,150	\$1,978,757	\$0	\$0	\$1,899,606	\$0
Lake Alan Henry WSD	Supply from Lake Alan Henry	2007	\$ 5,613,000	Y	\$0	\$0	\$0	\$2,806,500	\$2,806,500	\$0
	<b>Totals</b>		<b>\$472,981,397</b>		<b>\$624,442</b>	<b>\$456,363,731</b>	<b>\$0</b>	<b>\$8,183,442</b>	<b>\$6,352,694</b>	<b>\$484,775</b>
<b>DID NOT RESPOND</b>										
City of Abernathy	Local Groundwater Development	2015	\$ 2,974,092							
City of Amherst	Local Groundwater Development	2015	\$ 840,213							
City of Anton	Local Groundwater Development	2007	\$ 1,055,736							
City of Bovina	Local Groundwater Development	2015	\$ 904,728							
City of Denver City	Local Groundwater Development	2025	\$ 3,764,772							
City of Earth	Local Groundwater Development	2035	\$ 619,608							
City of Hale Center	Local Groundwater Development	2025	\$ 1,224,828							
City of Hart	Local Groundwater Development	2045	\$ 509,256							
City of Lockney	Local Groundwater Development	2025	\$ 276,408							
City of New Deal	Local Groundwater Development	2015	\$ 427,416							
City of Plains	Local Groundwater Development	2015	\$ 771,276							
City of Plainview	Local Groundwater Development	2015	\$ 528,000							
City of Ralls	Local Groundwater Development	2025	\$ 275,408							
City of Seagraves	Local Groundwater Development	2007	\$ 1,224,828							
City of Smyer	Local Groundwater Development	2055	\$ 200,904							
White River MWD	Reclaimed Water	2015	\$ 29,746,680							
White River MWD	Local Groundwater Development	2015	\$ 813,000							
	<b>Total</b>		<b>\$ 46,157,153</b>							

**Table 9-2.  
Survey Responses — Comments and Proposed Options  
Llano Estacado Regional Water Planning Area**

FRIONA	The TWDB will be consulted for possible funding for water supply development.
IDALOU	Possibly use the State Revolving Fund to fund 100% of the projects. The City could also use general obligation bonds if the interest rate was lower.
KRESS	The City of Kress is currently working on two water well projects. If completed, this will add two wells for a total of 5 wells. Additional wells on one well site may be possible.
OLTON	A TCDP grant will require a 10% minimum match.
PETERSBURG	Possibly use the Office of Rural Community Affairs to

	provide financing.
ROPESVILLE	Will use a government grant with match.
SHALLOWATER	The City of Shallowater is pursuing an agreement with the City of Lubbock to purchase water.