

# Chapter 9

## Infrastructure Financing Report

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The purpose of the Infrastructure Financing Report is to identify State funding needed to implement the water management strategies recommended in the 2021 East Texas Regional Water Plan (2021 Plan). The primary objectives of the report are:

- To assess how project sponsors (local governments, regional authorities, and other political subdivisions) in the region would finance the implementation of Water Management Strategies (WMSs) and associated Water Management Strategy Projects (WSPs); and,
- To propose what role the State should have in financing projects identified in the 2021 Plan.

The Texas Water Development Board (TWDB) developed an Infrastructure Financing Report Survey for each Water Management Strategy project sponsor with a project in the 2021 Plan. The East Texas Regional Water Planning Group and consulting team administered the survey and reported responses to the TWDB. A response to the survey is required for any entity seeking SWIFT funding for state water plan projects. More information on financial assistance programs offered by the State of Texas administered by the TWDB can be found on the TWDB website at:

<http://www.twdb.texas.gov/financial/index.asp>

Data collected included the following:

- Contact Information (summarized in Appendix 9-A)
  - Name
  - Phone Number
  - Email
  - Comments
- Funding Information (summarized in Appendix 9-B)
  - Planning, Design, Permitting, and Acquisition Funding: Portion of total costs, and earliest year funding would be needed, for which the project sponsor anticipates applying for state funding through a low interest loan from the TWDB for development efforts leading up to construction including all pre-construction stages of the project.
  - Construction Funding: Portion of total costs, and earliest year funding would be needed, for which project sponsor anticipates applying for state funding through a low interest loan from the TWDB during the construction stage of the project.
  - Percent State Participation in Excess Capacity of the Project: The percent share of the total projected project capacity that will not be needed within the first 10 years of the project life. For some larger projects that qualify, the state may acquire a temporary ownership interest in some percentage portion of the project which allows entities to optimally size a regional project with excess capacity that will not be needed for at least 10 years. The entity would then buy back the state's portion of the facility over time with principal and interest deferred on the state-owned portion of the project.



It is the recommendation of the East Texas Regional Water Planning Group for the State to provide financial assistance through programs administered by the TWDB to the project sponsors with projects identified in the 2021 Plan. Increased levels of state participation are needed for regional projects to meet needs beyond the reasonable financing capacity of project sponsors building water infrastructure in the East Texas Regional Water Planning Area.

