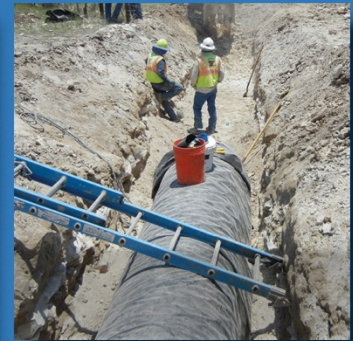


Texas Water Development Board *and the* State Water Implementation Fund for Texas (SWIFT)

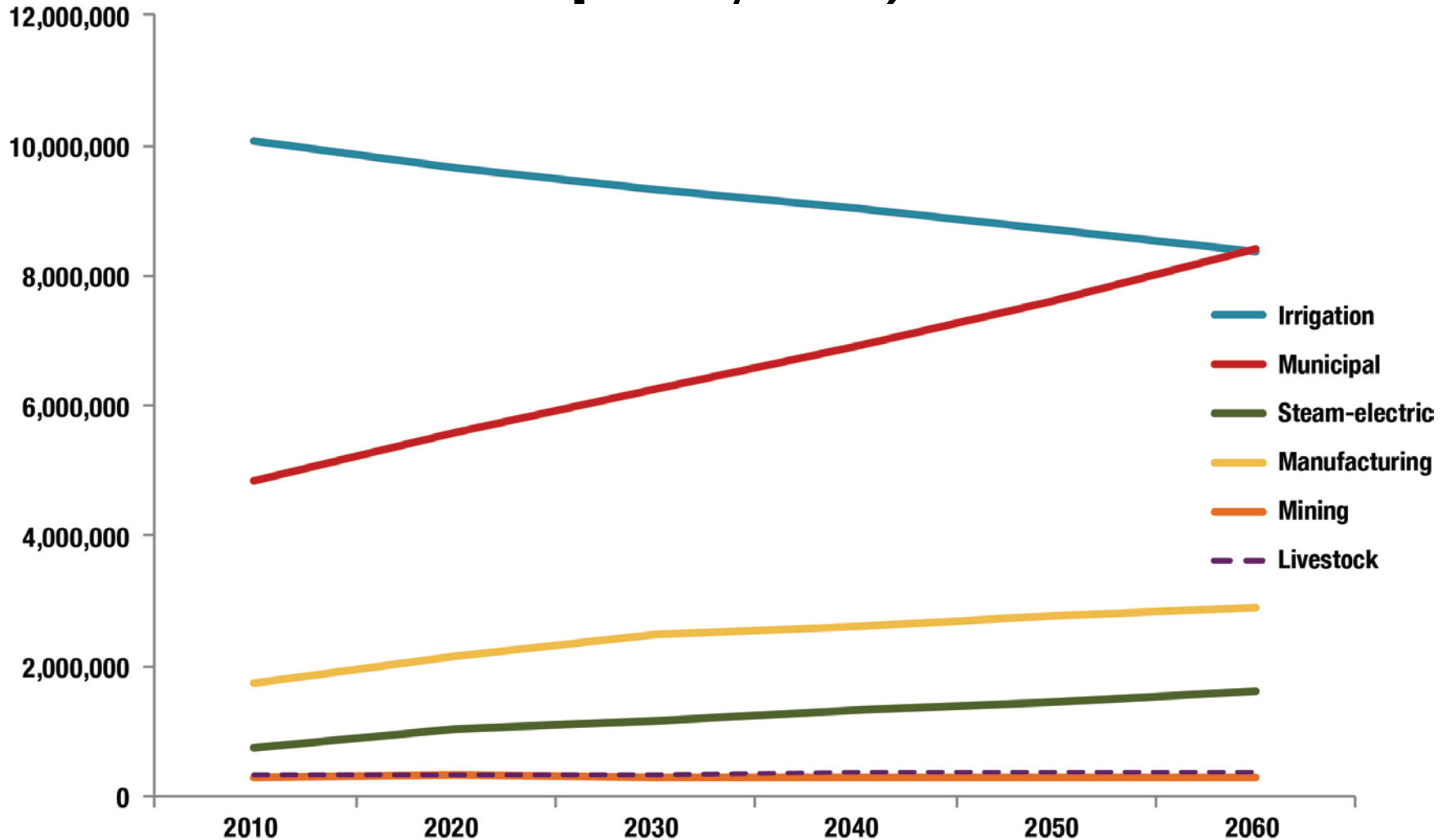


Carlos Rubinstein, Chairman
Bech Bruun, Director
Kathleen Jackson, Director

TWDB Mission

To provide leadership, planning,
financial assistance, information, and
education
for the **conservation**
and **responsible development** of
water for Texas.

Water demand projections (acre-ft per year)

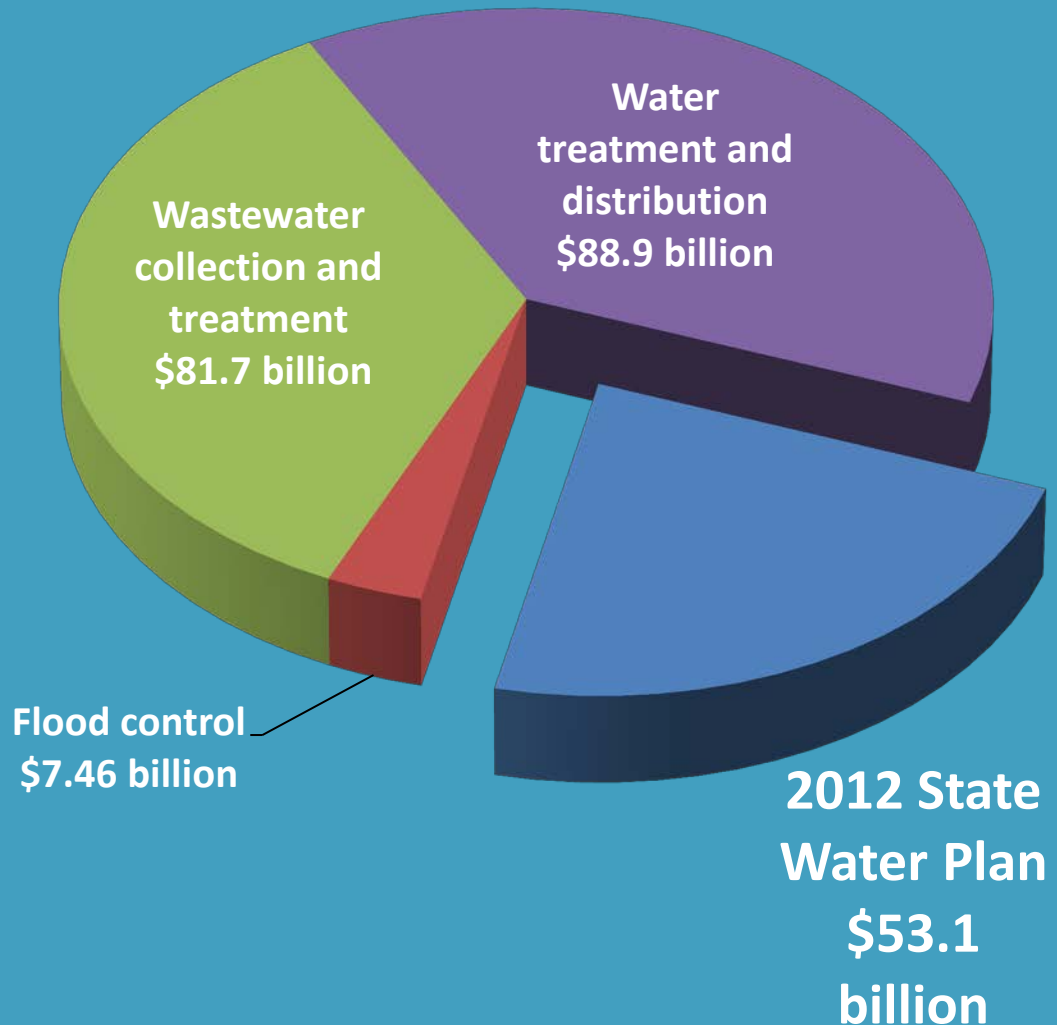


Texas' Water Needs



*Total capital costs
for water supplies,
water treatment
and distribution,
wastewater
collection and
treatment, and
flood control:*

\$231 billion



What's in the **LEGISLATION?**



○ PRIORITIZATION



○ TRANSPARENCY



○ FINANCIAL ASSISTANCE



The SWIFT was created
and funded by
House Bill 4
Senate Joint Resolution 1
House Bill 1025



House Bill 4

- Provided TWDB governance changes
- Created Advisory Committee
- Created SWIFT and SWIRFT
- Defined how funds can be used
- Defined prioritization processes
- Outlined technical aspects of legislation



The objective of the **SWIFT** is to provide financial assistance to ensure adequate future water supplies for Texas.

Need for Active Management

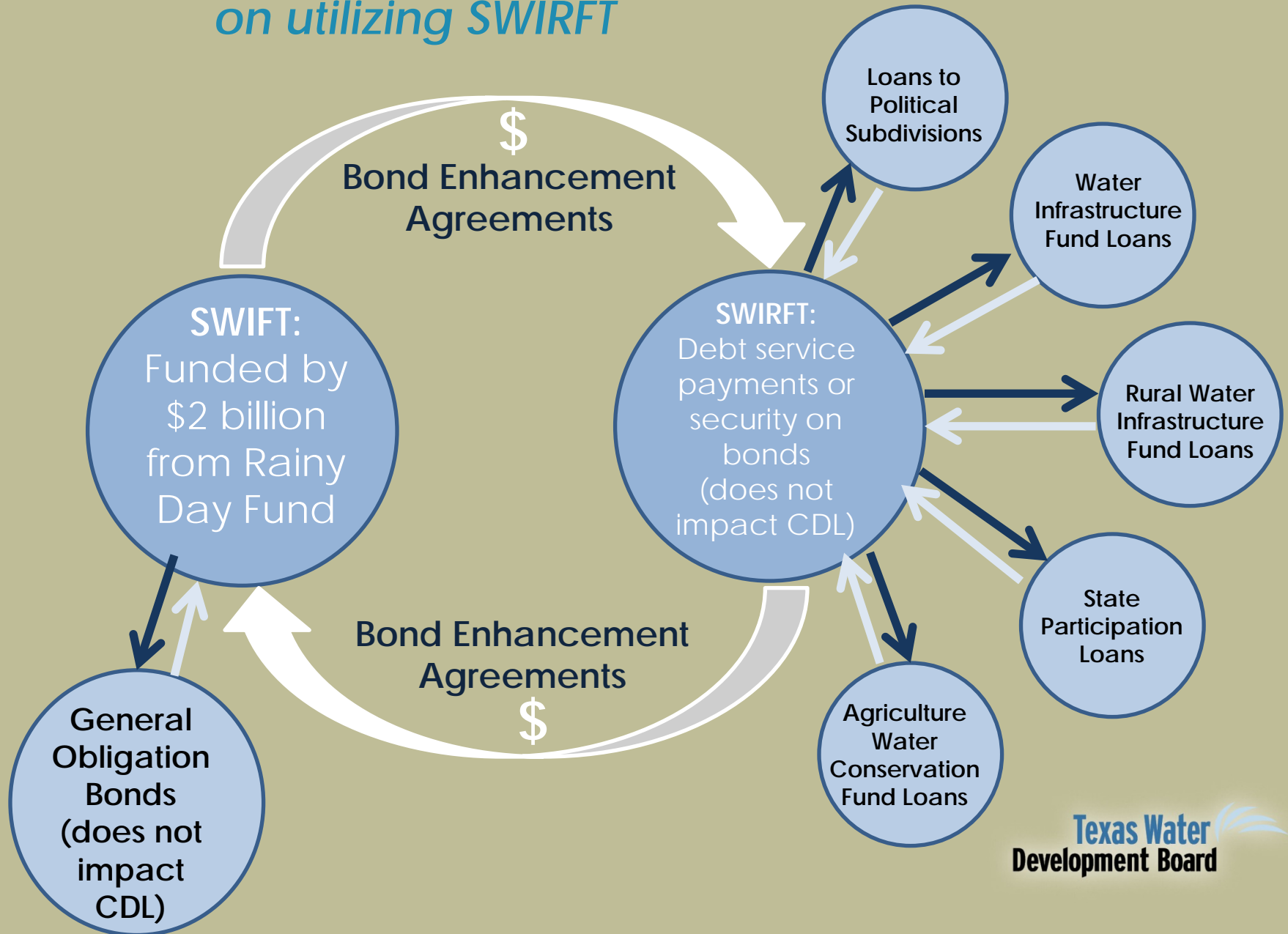


Given the magnitude of funding the State Water Plan, there is need for active management of the SWIFT:

- Rationale for the full-time Board members
- Evolution of the Decade of Needs assessment
- Demand for different Program structures
 - Dynamic interest rate markets

These factors will have an impact on the capacity of the SWIRFT and how it is structured.

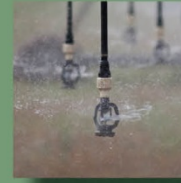
HB4 capacity analysis was based on utilizing SWIRFT



What will the **SWIFT** *fund?*



What will the SWIFT fund?

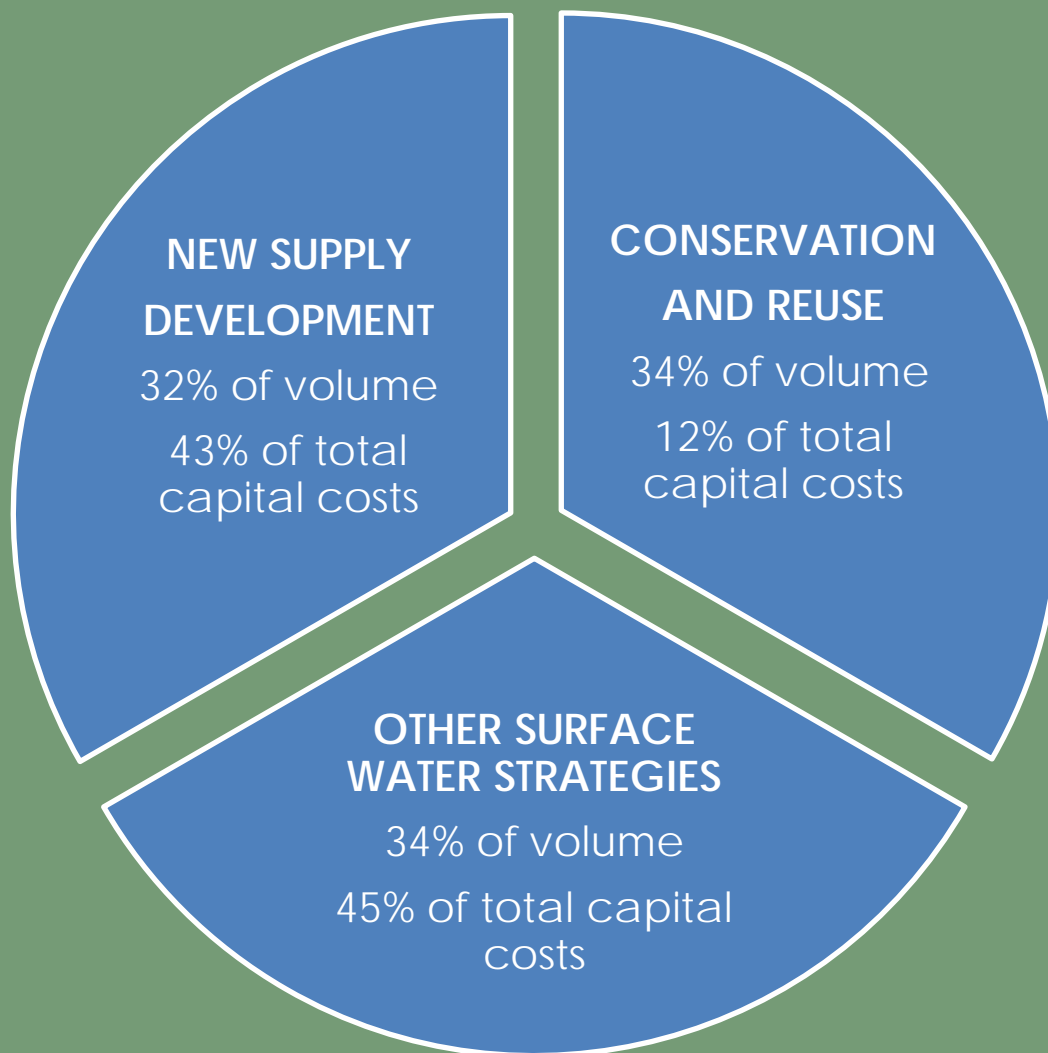


The **SWIFT** was
exclusively created
to support projects in
the **state water plan**.

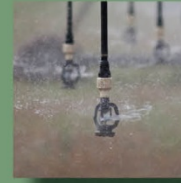
What will the SWIFT fund?



SWIFT and
SWIRFT will
fund
projects in
the 2012
State Water
Plan.



What will the SWIFT fund?



Only political subdivisions and nonprofit water supply corporations will be eligible for funds.

How will the \$2 billion and the \$6 billion work together?



*How do the \$6Billion authorization
and the \$2Billion Capitalization work
together to fund future State Water
Plan Projects?*

\$6 Billion
General Obligation
(GO) Authorization

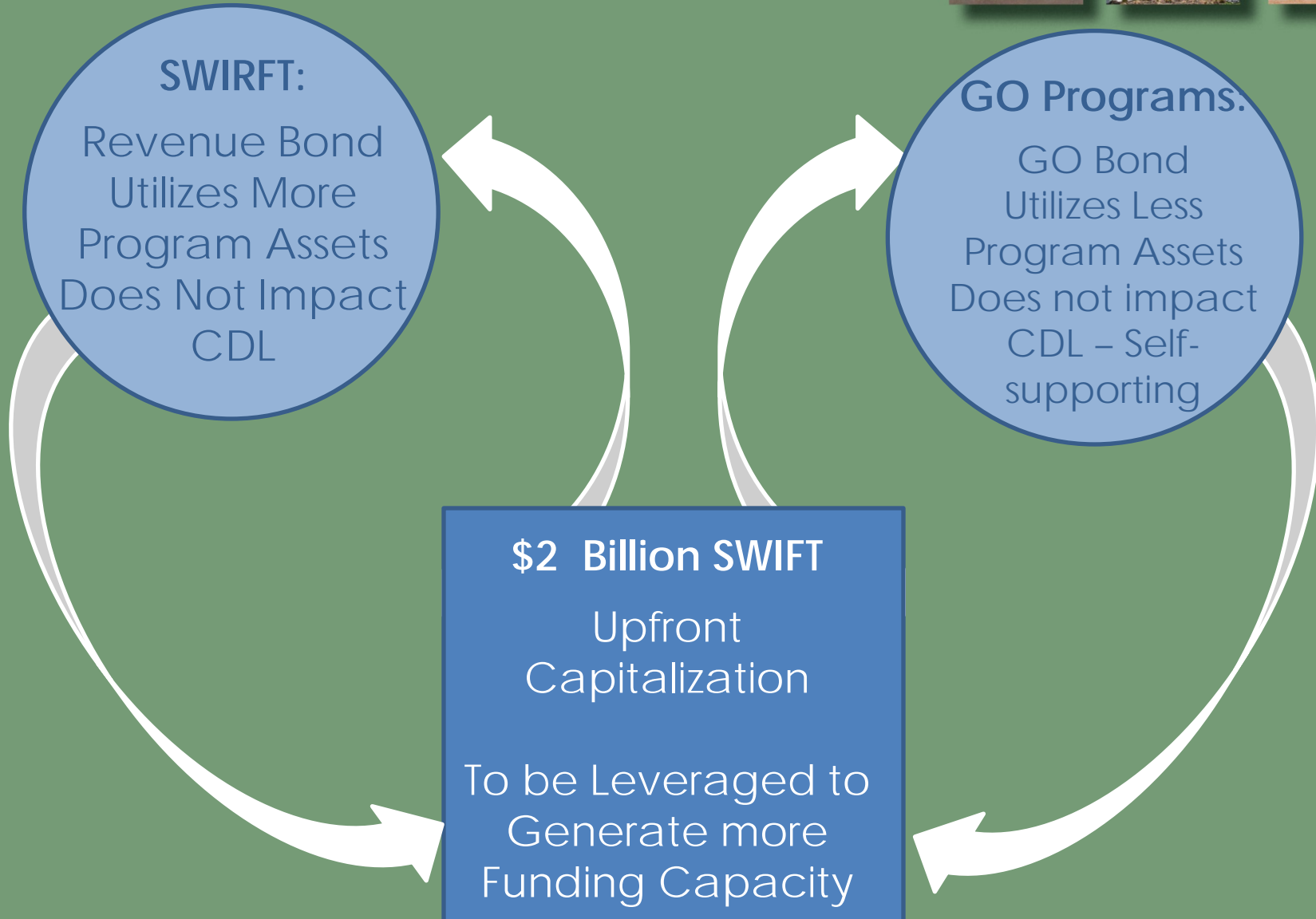
No State
Appropriated
Funding for Debt
Service

\$2 Billion

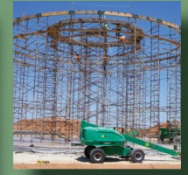
Upfront
Capitalization

To be Leveraged to
Generate more
Funding Capacity

How will the \$2 billion and the \$6 billion work together?



How will the \$2 billion and the \$6 billion work together?



SWIRFT

GO
Programs

Stronger Rated
Borrowers
Strengthen the
Analysis Utilized for
Rating Agencies

Lower Rated Borrowers
Achieve Interest Rate
Savings by loans
based on State's AAA
Ratings

How will **PROJECTS** *be* **PRIORITIZED?**



How will projects be prioritized?



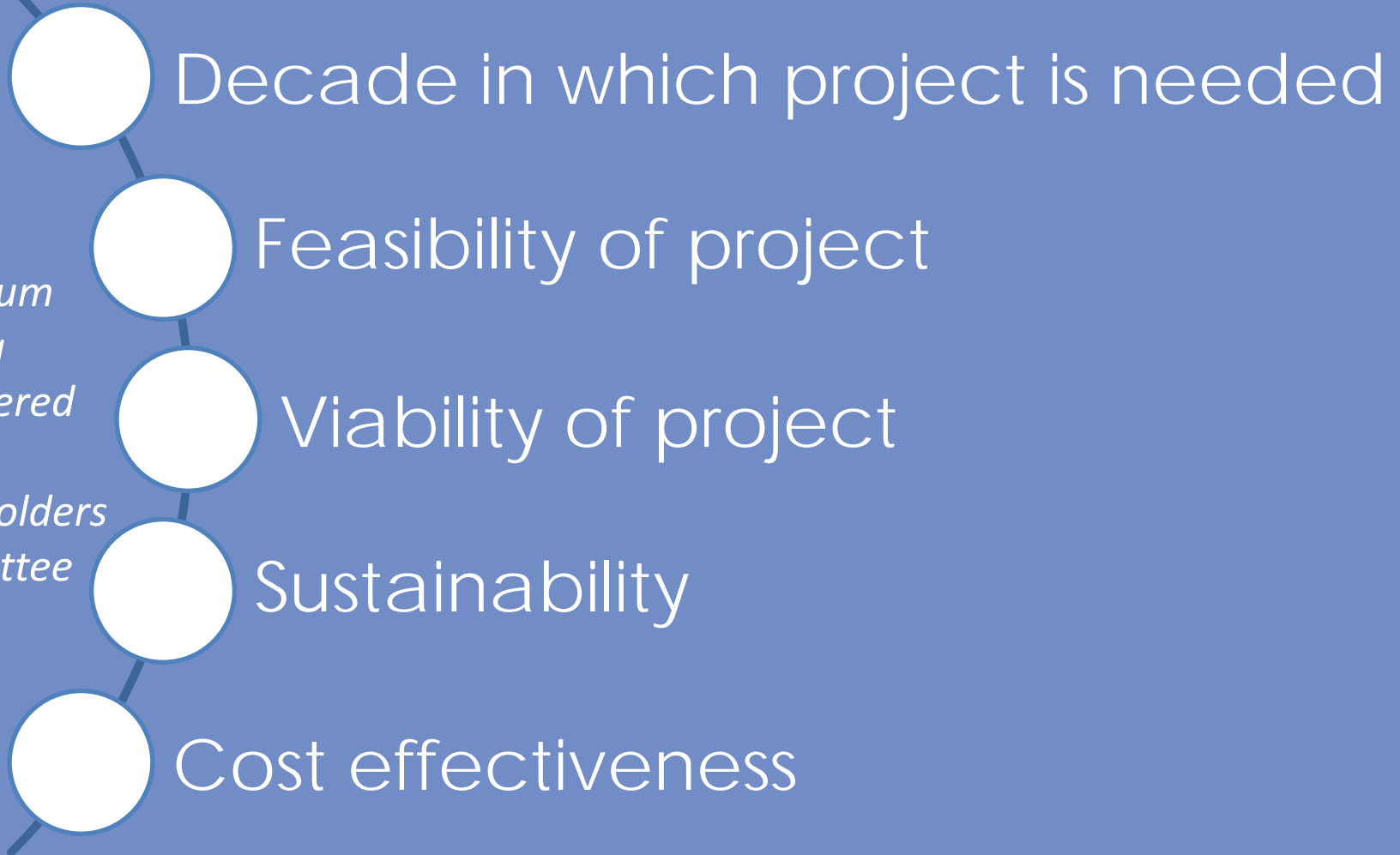
A stakeholders group developed **uniform standards** that all 16 regional water planning groups will use to prioritize projects.

How will projects be prioritized?



Prioritization by regional water planning groups

*Minimum
criteria
considered
by the
stakeholders
committee*

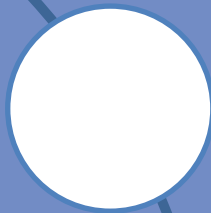


How will projects be prioritized?

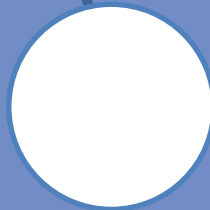


Prioritization by TWDB

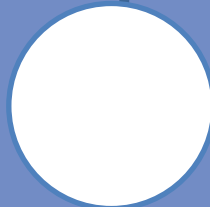
*Highest
consideration*



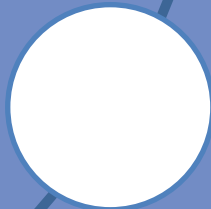
Serve a large population



Assist a diverse urban and
rural population



Provide regionalization



Meet high percentage of
water users' needs

How will projects be prioritized?



Prioritization by TWDB

*Additional
Criteria*

- Local financial contribution
- Financial capacity of applicant to repay
- Ability to leverage with local and federal funding
- Emergency need for project
- Readiness to proceed with project
- Effect on water conservation
- Priority given by regional water planning group

How is **TWDB** *supporting* **SWIFT?**



How is TWDB supporting SWIFT?



Nov. 5, 2013

- Voters passed Proposition 6

Dec. 1, 2013

- Stakeholders group submitted prioritization standards to TWDB

Summer 2014

- Publish draft SWIFT rule

June 1, 2014

- Regional water planning groups submit ***draft*** prioritized list of regional projects

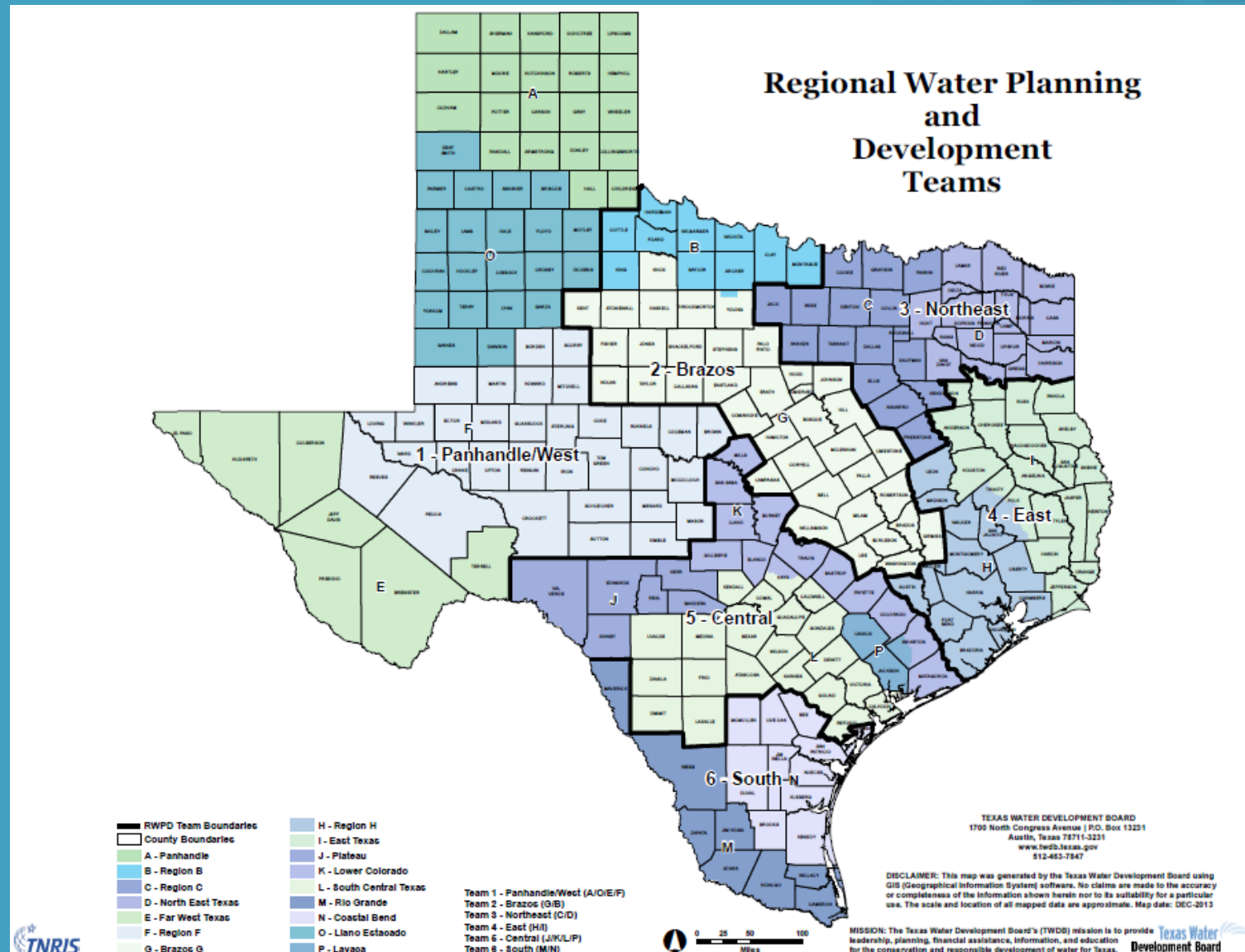
Sept. 1, 2014

- Planning groups submit ***final*** prioritized list of regional projects

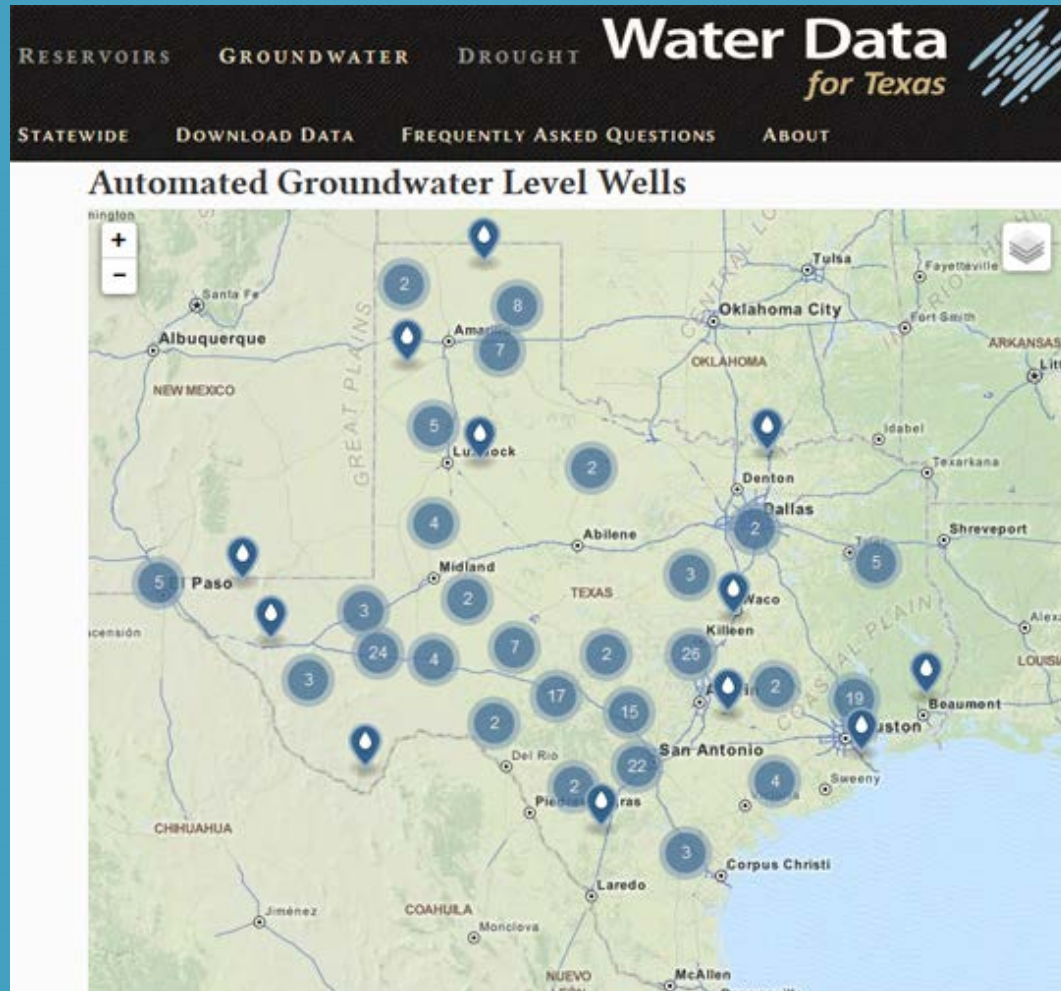
March 1, 2015

- Deadline to adopt SWIFT rules

How is TWDB supporting SWIFT?



How is TWDB supporting SWIFT?

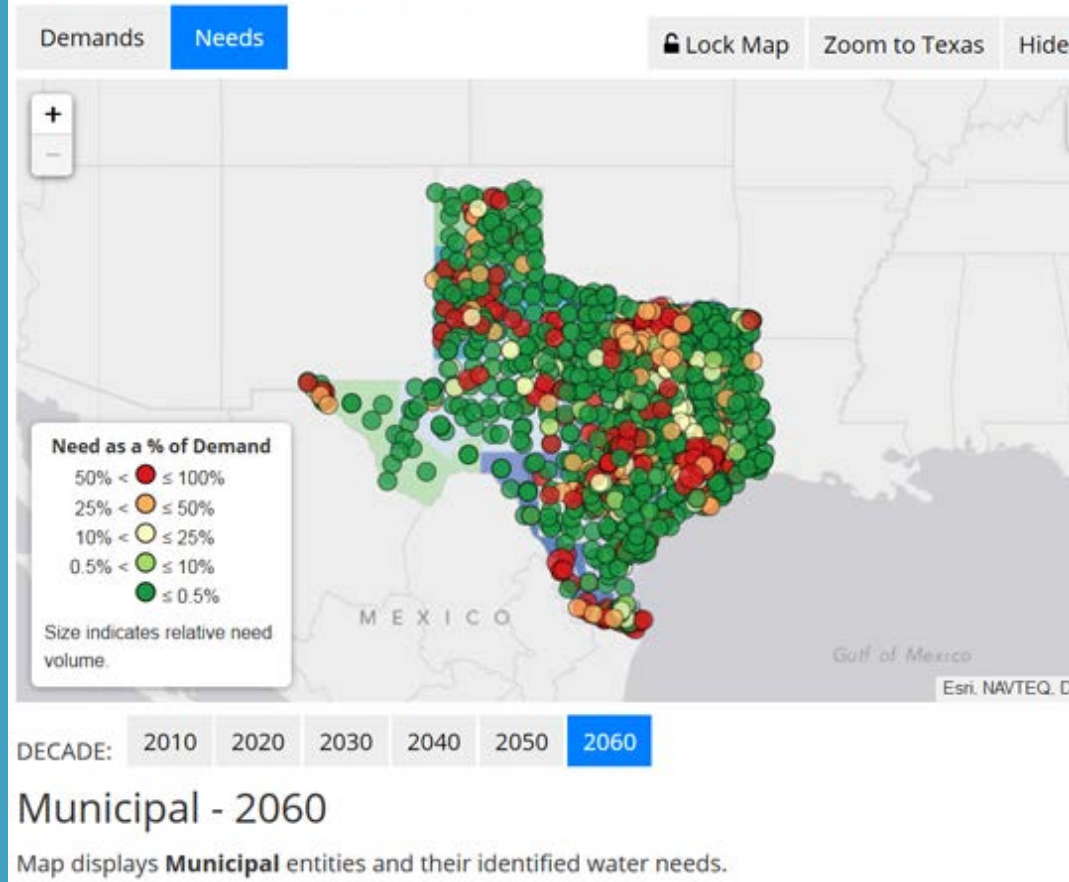


www.waterdatafortexas.org

How is TWDB supporting SWIFT?



Identified water **needs** are projected water demands in excess of existing water supplies during drought of record conditions (i.e., **potential shortage** if no water management strategy is implemented).



<http://texasstatewaterplan.org>

How is TWDB supporting SWIFT?



Public meetings and Board work sessions
around the state

How is TWDB supporting SWIFT?



***Reaching out
to rural Texas water***



Agricultural and Rural Ombudsman
Doug Shaw
Doug.Shaw@twdb.texas.gov

Texas Water Development Board *and the* State Water Implementation Fund for Texas (SWIFT)

