

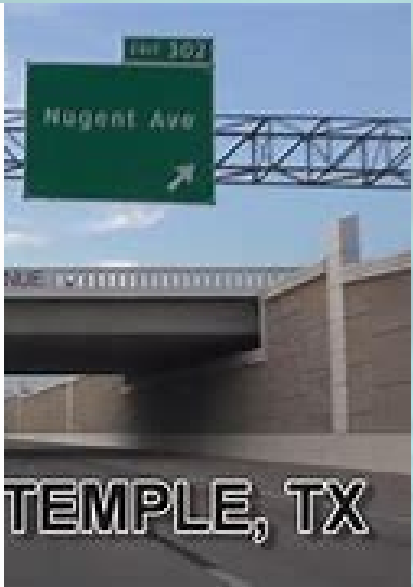


CENTRAL TEXAS
WATER ALLIANCE

D. Blackburn

County Judge

February 3, 2025



“Working with Sen. Perry and Rep. Harris, we will put Texas on a path to have plenty of water for the next 50 years. We will make the largest investment in water in the history of Texas. We will tap into new water supplies and repair pipes to save billions of gallons of water a year.”

Governor Abbott
State of the State Address
February 2, 2025



- Water trumps all other issues
- Growth and development continues, urban & rural, and no forecast for our region shows less demand for water over the next century
- Growth and development is also now occurring at a much greater rate, and much greater density, in the rural areas of the region ... who are not equipped to meet the water demands over the next century
- No single entity in the region has management nor financing capacity to meet the individual and/or collective water needs (rights and/or infrastructure) over the next century

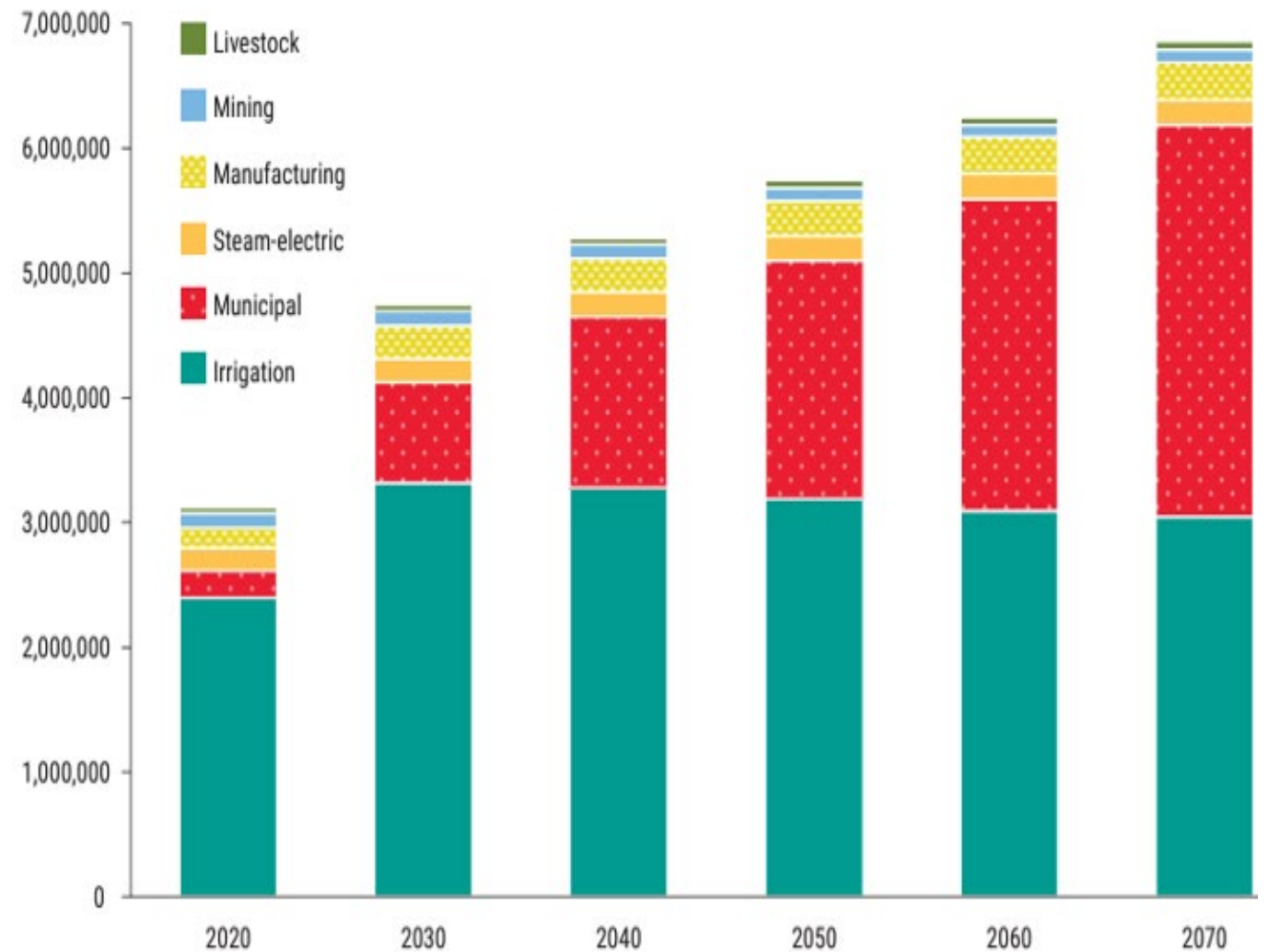


- Water is likely to be the single most limiting resource for economic growth in Texas
- Texas' unmet water demands during a severe drought are projected to exceed 4.7 million acre-feet by 2030 (27% of total water usage)
- The American Society of Civil Engineers assigns a C- to Texas' Water Infrastructure and a D to Wastewater Infrastructure
- American Waterworks Association says 70% of Texas' Water Infrastructure is PAST ITS USEFUL LIFE
- Tens of billions will be required to simply update Texas' aged water infrastructure



Texas Water Usage & Challenges

- Total water usage in the state is currently 17.7 million acre-feet (5.7 TRILLION gallons)
- Surface water, groundwater, and reuse water—is projected to **decrease approximately 18 percent**, from 16.8 million acre-feet per year in 2020 to about 13.8 million in 2070.
- At the end of 2023, Texas was experiencing severe drought, with approximately 79% of the state under some form of drought conditions (D1-D4).



- According to the State Water Plan for 2022, Texas' population is anticipated to increase **73 percent** between 2020 and 2070, from **29.7 million** to **51.5 million**, with approximately half of this growth occurring in DFW area (Region C) and Austin area (Region H)
- But, the Texas State Water Plan anticipates increased water demand to **ONLY grow 9%** over the same period when the population grows **73% ???**
- And, conservation strategies represent approximately 30 percent, or 2.2 million acre-feet per year, of all recommended water management strategy volumes in 2070

Source: Texas Water Development Board, Water Plan for 2022

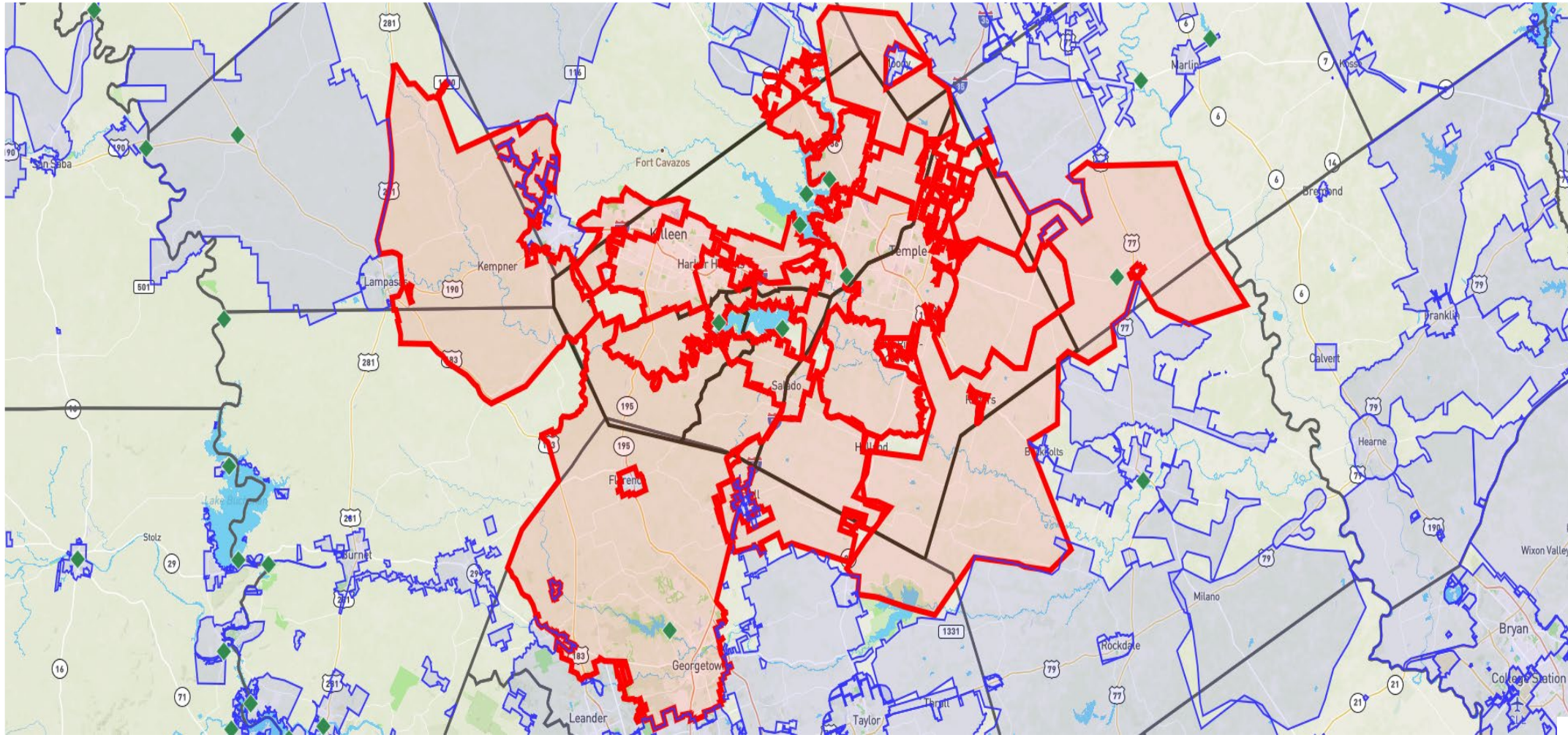


- With existing surface water over-allocated and projected water supply forecasted to be less, where is the new water going to come from?
- “Agricultural irrigation demand is projected to decrease, from 9.4 million acre-feet per year in 2020 to about 7.6 million in 2070, due to more efficient irrigation systems, reduced groundwater availability, **and the transfer of surface water rights from agricultural to municipal users.**” (2022 State Water Plan)
- Conservation strategies represent 30% (2.2 million acre ft pr yr) of all recommended water management strategy volumes by 2070
- In other words, the plan is that **more people are going to use less water**



- Discussions have been occurring for years (some would say decades) about the need to address this issue ... more people, not enough water
- Recently those discussions have focused on a pathway that would create a regional water authority
 - There are 30+ water authorities in the State
 - Regional in nature...by footprint, by governance model
- Survey went out to area water purveyors to see who might be interested in creating a regional water authority ... survey identified water purveyors by their CCN's ... CCN that serviced all or a portion of Bell County





Certificates of Convenience & Necessity

31 Water Purveyors in our Region serving over 600,000 people

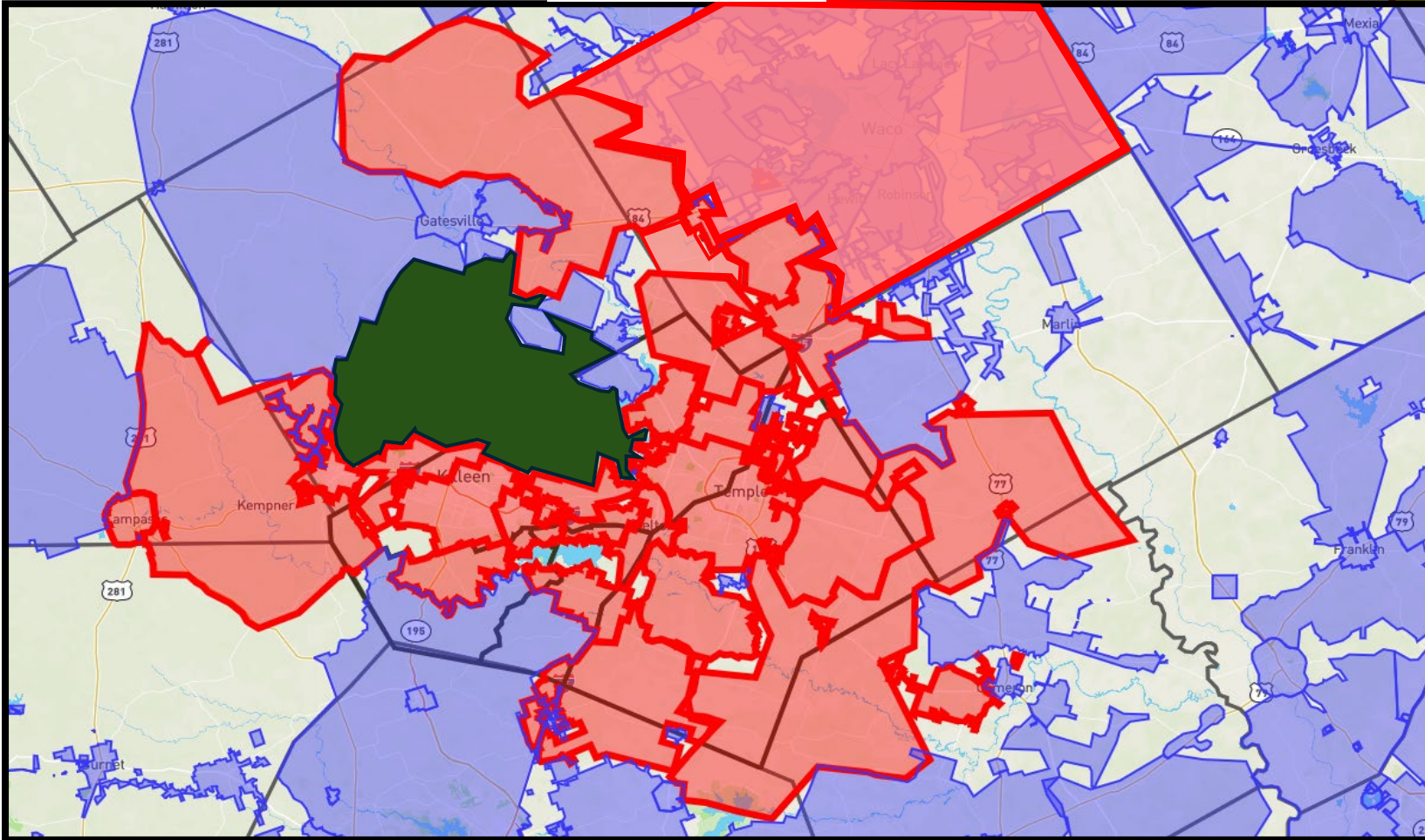


- What is a ‘water authority’ ?
- A ‘cooperative’ of multiple entities, authorized by state law, to acquire and develop water supply and water transport (to include wastewater)
- This entity is created and authorized only by act of the Legislature
- So, a vision has been cast...form a water authority here in Central Texas to use as a vehicle to help acquire and develop water supply and water infrastructure across the region





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Supporters CCNs

- ✓ Ft Cavazos (US Department of Army)
- ✓ Brazos River Authority
- ✓ Bell County
- ✓ Bell County WCID #1 (8 entities)
- ✓ Clearwater UWCD
- ✓ City of Killeen
- ✓ City of Harker Heights
- ✓ City of Copperas Cove
- ✓ City of Belton
- ✓ Bell County WCID #3 (Nolanville)
- ✓ 439 Water Supply Corporation
- ✓ City of Temple
- ✓ City of Morgan's Point
- ✓ Village of Salado
- ✓ Bluebonnet WSC (7 entities)
- ✓ Kempner WSC
- ✓ Central Tx WSC (18 entities)
- ✓ Moffat Water Supply Corporation
- ✓ Coryell City Water Supply District
- ✓ Lampasas County
- ✓ City of Troy
- ✓ City of Gatesville
- ✓ Pendleton WSC
- ✓ Solana Ranch MUD (DMB)
- ✓ Mustang Springs Utility LLC
- ✓ McLennan County
- ✓ City of Waco

- How would governance and funding work with a water authority?
- Governance....
 - Board of Directors ...appointed by the membership
 - Initial Board will be those listed as ‘sponsors’ in the legislation
 - Members can be added by resolutions from requesting entities governing bodies and acceptance by the Board
- Funding ...
 - The water authority will not have taxing authority
 - Each member would contribute funds (assessment) based upon their individual entity’s water needs and proportional water supply/infrastructural allocations would be made accordingly
 - Capital project funding for infrastructure would be provided by way of bond issuances, with help from TWDB and other state and federal sources



- Bill is about to be filed in the Legislature
- Sen Flores will file bill on the Senate side, Rep. Buckley will file the bill on the House side
- Seems to be good support from across the region and at the Capitol
- But, a long way to go between now and June 2nd

