

Task 9

**Report to Legislature on
Water Infrastructure
Funding Recommendations**

9.1 Introduction

Senate Bill 2 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 water plan.

9.2 Objectives of the Infrastructure Financing Report

The objectives of the IFR 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 Panhandle Water Planning Area, all municipal water user groups having water needs and recommended water management strategies in the regional plan with an associated cost were surveyed using the questionnaire provided by the TWDB. These surveys are included in this chapter. For individual cities, the survey was mailed to either mayor, city manager, or the utility manager. Surveys were mailed or faxed, along with supporting documentation that summarized the water management strategies included in the regional plan for that entity. Follow up phone contact was made with each political subdivision that did not respond by the due date.

9.4 Survey Responses

The Panhandle WPG mailed survey packages to multiple municipal water user groups and wholesale providers and received a nearly 90 percent response rate. Copies of the completed surveys and related documentation are included in this chapter. As shown in Table 9-1, the responses represent nearly all of the capital costs associated with water management strategies included in the plan. Since almost all other strategies are targeted at individual owners or operators, no capital costs were calculated for these mostly agricultural entities. Of the responses, the surveys show that \$60,125,175 out of a total of \$203,153,200 (30% of the total capital costs) would be paid from local cash reserves while \$122,934,420 (61% of the total capital costs) would be paid through bonds. Approximately \$3,661,635 (1.8% of the total capital costs) would be financed through State Government programs or through Federal Government programs, and \$543,070 (0.3% of the total capital costs) would be financed through other means, such as bank loans.

With respect to the role of the State in financing recommended water supply projects, the Panhandle Water Planning Group recommends that the Legislature provide adequate funding for the implementation of water management strategies in the plan.

Table 9-1: Municipal Water User Groups with Shortages

County	User Group	Basin	COST
Dallam, Hartley	Dalhart	Canadian	\$3,029,500
Dallam	County-Other	Canadian	\$870,100
Hartley	County-Other	Canadian	\$870,100
Moore	Cactus	Canadian	\$5,430,700
Moore	Dumas	Canadian	\$6,887,900
Moore	Sunray	Canadian	\$1,348,200
Moore	County-Other	Canadian	\$3,396,800
Potter, Randall	Amarillo	Canadian, Red	\$110,856,900
Potter	County-Other	Canadian, Red	\$3,396,800
Randall	Canyon	Red	Amarillo Supply
Randall	County-Other	Canadian, Red	\$5,136,800
Sherman	Stratford	Canadian	\$984,300
Sherman	County-Other	Canadian	\$870,100
Multiple	CRMWA	Canadian, Red	\$60,075,000
Total			\$203,153,200

Sample Survey to Obtain Infrastructure Financing Information from Political Subdivisions with Needs

<i>Regional Water Planning Group</i> _____			
<i>Political Subdivision (WUG or WWP)</i> _____			
<i>Recommended Project/Strategy</i>	<i>Implementation Date</i>	<i>Capital Cost to be paid by Political Subdivision</i>	<i>ID# from DBO7</i>
<i>TOTAL COST OF CAPITAL IMPROVEMENTS</i>		\$	

Are you planning to implement the recommended projects/strategies?

YES NO

If 'no,' describe how you will meet your future water needs.

If 'yes,' how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
- 2) Percent share of the total cost to be met by each funding source.

ف % _____ Cash Reserves

ف % _____ Bonds

ف % _____ Bank Loans

ف % _____ Federal Government Programs

ف % _____ State Government Programs

ف % _____ Other _____

% _____ *TOTAL – (Sum should equal 100%)*

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:		
Name _____	Title _____	Phone _____

**Completed IFR Surveys for the Panhandle Water
Planning Group**

**SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM
POLITICAL SUBDIVISIONS WITH NEEDS**

Regional Water Planning Group : Panhandle Water Planning Group (Region A) Political Subdivision (WUG or WWP): City of Amarillo			
Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DBO7
Develop Potter County Well Field (Ogallala)	2030	\$28,678,200	
Develop Roberts County Well Field (Ogallala)	2030 2050	\$82,178,700	
TOTAL COST OF CAPITAL IMPROVEMENTS		\$110,856,900	

Are you planning to implement the recommended projects/strategies?

YES NO

If 'no,' describe how you will meet your future water needs.

If 'yes', how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
- 2) Percent share of the total cost to be met by each funding source.

- % _____ Cash Reserves
- % 100 Bonds
- % _____ Bank Loans
- % _____ Federal Government Programs
- % _____ State Government Programs
- % _____ Other _____
- % _____ TOTAL – (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:

Name:  Title: DIRECTOR OF UTILITIES Phone: 806-378-9266

SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM POLITICAL SUBDIVISIONS WITH NEEDS

**Regional Water Planning Group : Panhandle Water Planning Group (Region A)
Political Subdivision (WUG or WWP): City of Cactus**

Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DB07
Additional wells	2010	\$1,127,550	
Palo Duro	2010	\$1,028 per acre foot	
Conservation	2010	\$0	
TOTAL COST OF CAPITAL IMPROVEMENTS		\$ 1,127,550	

Are you planning to implement the recommended projects/strategies?
 YES NO *W/ wells.*
 If 'no,' describe how you will meet your future water needs.

If 'yes', how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
- 2) Percent share of the total cost to be met by each funding source.

% 80 Cash Reserves
 % 10 Bonds
 % 10 Bank Loans
 % 0 Federal Government Programs
 % 0 State Government Programs
 % 0 Other
 % 100 TOTAL - (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.
NA

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:

Name: Jeff Anderson Title: City Manager Phone: (806) 966-5458

**SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM
POLITICAL SUBDIVISIONS WITH NEEDS**

**Regional Water Planning Group : Panhandle Water Planning Group (Region A)
Political Subdivision (WUG or WWP):**

Canadian River Municipal Water Authority (CRMWA)

Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DBO7
Expand Roberts County Well Field (Ogallala)	2010	\$43,000,000	
Replace Capacity of Roberts County Well Field (Ogallala)	2020	\$17,075,000	
TOTAL COST OF CAPITAL IMPROVEMENTS			\$60,075,000

Are you planning to implement the recommended projects/strategies?

YES NO

If 'no,' describe how you will meet your future water needs.

Yes

If 'yes,' how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
2) Percent share of the total cost to be met by each funding source.

- % _____ Cash Reserves
 % 100 Bonds
 % _____ Bank Loans
 % _____ Federal Government Programs
 % _____ State Government Programs
 % _____ Other _____
 % _____ TOTAL – (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:

Kent Datto
Name

Gen Mgr.
Title

806/365-3325
Phone

**SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM
POLITICAL SUBDIVISIONS WITH NEEDS**

**Regional Water Planning Group : Panhandle Water Planning Group (Region A)
Political Subdivision (WUG or WWP): City of Amarillo**

Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DBO7
Additional wells	2050	\$11,044,100	
Conservation	2010	\$0	
TOTAL COST OF CAPITAL IMPROVEMENTS		\$ 11,044,100	

Are you planning to implement the recommended projects/strategies?

YES **NO**

If 'no,' describe how you will meet your future water needs.

If 'yes', how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
- 2) Percent share of the total cost to be met by each funding source.

% 50 Cash Reserves
 % 50 Bonds
 % _____ Bank Loans
 % _____ Federal Government Programs
 % _____ State Government Programs
 % _____ Other _____
 % _____ TOTAL - (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:

DAN CUFFEY
Name

UTILITIES DIRECTOR 806-378-4266
Title Phone

**SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM
POLITICAL SUBDIVISIONS WITH NEEDS**

**Regional Water Planning Group : Panhandle Water Planning Group (Region A)
Political Subdivision (WUG or WWP): City of Dalhart**

Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DBO7
Additional wells	2010	\$2,398,950	
Conservation	2010	\$0	
TOTAL COST OF CAPITAL IMPROVEMENTS		\$ \$2,398,950	

Are you planning to implement the recommended projects/strategies?

YES **NO**

If 'no,' describe how you will meet your future water needs.

If 'yes,' how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
- 2) Percent share of the total cost to be met by each funding source.

% 10 Cash Reserves
 % _____ Bonds
 % _____ Bank Loans
 % _____ Federal Government Programs
 % 90 State Government Programs
 % _____ Other _____
 % _____ TOTAL – (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.

Low interest loans

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:

Bryce Duggan City Manager 806-248-5511
 Name Title Phone

**SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM
POLITICAL SUBDIVISIONS WITH NEEDS**

**Regional Water Planning Group : Panhandle Water Planning Group (Region A)
Political Subdivision (WUG or WWP): City of Dumas**

Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DB07
Additional wells	2010	\$7,363,900	
Palo Duro	2010	\$1,028 per acre foot	
Conservation	2010	\$0	
TOTAL COST OF CAPITAL IMPROVEMENTS		\$ 7,363,900	

Are you planning to implement the recommended projects/strategies?

YES NO * See below

If 'no,' describe how you will meet your future water needs.

We plan to meet our future water needs through acquisition of additional water rights and additional well developments. We have no plans to participate in any PDRA project and seriously question its viability.

If 'yes', how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

Please indicate:

- 1) Funding source(s)¹ by checking the corresponding box(es) and
- 2) Percent share of the total cost to be met by each funding source.

- % _____ Cash Reserves
- % 100 Bonds
- % _____ Bank Loans
- % _____ Federal Government Programs
- % _____ State Government Programs
- % _____ Other _____
- % _____ TOTAL - (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.

¹Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:

Vince P. Pizzo
Name

City Manager
Title

806-935-4101
Phone

**SURVEY TO OBTAIN INFRASTRUCTURE FINANCING INFORMATION FROM
 POLITICAL SUBDIVISIONS WITH NEEDS**

Regional Water Planning Group : Panhandle Water Planning Group (Region A) Political Subdivision (WUG or WWP): City of Stratford			
Recommended Project/Strategy	Implementation Date	Capital Cost to be paid by Political Subdivision	ID# from DBOT
Additional wells	2010	\$1,028,825	
Conservation	2010	\$0	
TOTAL COST OF CAPITAL IMPROVEMENTS		\$ 1,028,825	

Are you planning to implement the recommended projects/strategies?
 x YES NO
 If 'no,' describe how you will meet your future water needs.

If 'yes', how do you plan to finance the proposed total cost of capital improvements identified by your Regional Water Planning Group?

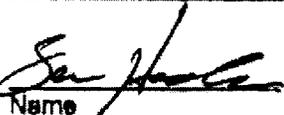
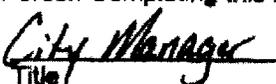
Please indicate:
 1) Funding source(s) by checking the corresponding box(es) and
 2) Percent share of the total cost to be met by each funding source.

% 5% Cash Reserves
 % Bonds
 % Bank Loans
 % Federal Government Programs
 % 95% State Government Programs
 % Other _____
 % 100% TOTAL - (Sum should equal 100%)

If state government programs are to be utilized for funding, indicate the programs and the provisions of those programs.
Stratford will seek Texas Water Development Board financing through the sale of Bonds.

*Funding source refers to the initial capital funds needed to construct or implement a project, not the means of paying off loans or bonds used for the construction or implementation.

Person Completing this Form:


 Name _____

 Title _____
 Phone 806-366-5581