



April 27, 2022

Sunset Advisory Commission
P.O. Box 13066
Austin, TX 78711

Re: Texas Water Development Board 2022-23 Sunset Review

On behalf of the Texas Water Supply Partners (TWSP), I want to thank the Sunset Advisory Commission (SAC) for the opportunity to provide comments regarding the 2022-23 review of the Texas Water Development Board (TWDB). The comments provided herein will address the TWSP's general working relationship with the TWDB and will specifically address Issue #1 in SAC's Staff Report.

The TWSP are a group of like-minded entities who share a commitment to advancing and influencing state policy related to the development of water supplies throughout Texas, including implementation of the State Water Plan. Our partners recognize that clean, affordable, and reliable supplies of water are essential to public health, quality of life, and the economic prosperity of our great state. Members of the TWSP include: North Texas Municipal Water District, San Jacinto River Authority, Texas Business Leadership Council, and Upper Trinity Regional Water District.

Our partners work closely with the TWDB on a daily basis, funding and implementing the projects that ensure Texas has the water supplies it needs to support its economic growth. The success of the TWDB is inextricably related to the success of the TWSP and our shared commitment to providing water for the Texans of today and tomorrow. We applaud the work of the TWDB and we cannot emphasize enough how critical the agency's programs are in making sure Texas successfully meets the spectrum of water challenges it faces, ranging from droughts to floods.

In 2013, members of the TWSP worked in partnership with the Legislature to ensure passage of legislation creating the State Water Implementation Fund for Texas (SWIFT) and the State Water Implementation Revolving Fund for Texas (SWIRFT). The SWIFT program, administered by the TWDB, has been a resounding success and has helped members of the TWSP implement historic water projects, such as Bois d'Arc Lake and Lake Ralph Hall. Without projects like these, Texas would not have adequate water supplies to support future population growth.



The TWSP support Issue #1 identified in the SAC Staff Report related to TWDB's review processes. The TWSP agree completely with the SAC's description of the issue, including the risks related to project delays and subsequent increased costs.

The TWDB is statutorily required to review and approve the detailed engineering plans and specifications for every project that is financed through their funding programs. These reviews often involve thousands of pages of design drawings and can take hundreds of hours that can result in significant delays to project sponsors who are often on tight schedules. In some cases, the delays can cause project sponsors to choose the private bond market to fund their project instead of using TWDB programs even though the TWDB financing may be less costly.

The TWSP also support SAC's recommendation within Issue #1 relating to authorizing TWDB to develop a risk-based analysis to determine appropriate levels of review necessary to ensure project success. Further, TWSP agrees with SAC's recommendations to require TWDB to develop performance metrics and goals for evaluating its processes. These combined recommendations would allow TWDB to be more efficient and responsive to the needs of borrowers and the state and ultimately save money for Texas residents.

Finally, we must acknowledge the considerable strain that has been placed on the fiscal and human resources of the TWDB as a result of the Legislature's assignment of new SWIFT and flood programs to the agency. The nationally acclaimed success of the TWDB's current programs has not come without tremendous time, dedication, and sacrifice. The new programs assigned to the TWDB have significantly increased its responsibilities, and the TWSP unequivocally support additional investment of state fiscal resources to support the ongoing functions of the TWDB.

Once again, thank you for the opportunity to provide comment to the SAC regarding your important review of the TWDB. The TWSP stand ready to assist in any way we are able.

Sincerely,

A handwritten signature in black ink that reads "Heather L. Harward". The signature is written in a cursive style with a large initial 'H'.

Heather L. Harward
Texas Water Supply Partners