Texas Water Development Board P.O. Box 13231 Austin, TX 78711

Via email: DWSRF@TWDB.Texas.gov

RE: State Fiscal Year 2025 DWSRF IUP Comments

To whom it may concern at the Texas Water Development Board,

This letter provides formal comments on behalf of the undersigned organizations on the Draft SFY 2025 Intended Use Plan for the Drinking Water State Revolving Fund (DWSRF) - General Activities (SFY25 Draft DWSRF IUP). The Texas Water Development Board (TWDB) has grown and developed immensely over the past decade to meet new challenges and undertake new responsibilities. This trend is illustrated by the \$2.9 Billion in new federal funds for the Clean Water and Drinking Water State Revolving Funds (CWSRF and DWSRF, or SRFs) available to the TWDB via the Bipartisan Infrastructure Law (BIL) over the remaining two years of BIL appropriations. While the DWSRF has been a popular and powerful financing tool in Texas for many years, added BIL investment presents a momentous opportunity to advance the TWDB's stated program goals including assistance with SDWA compliance, support for effective management practices, and encouragement of green infrastructure.

With these comments we seek to acknowledge positive changes incorporated into the SFY 2025 Draft DWSRF IUP, provide recommendations for additional changes that we believe could be incorporated in support of program goals, and outline recommendations that should be considered for incorporation into future IUP's.

We find the following changes encouraging and hope to see them retained or expanded upon in the future:

- The addition of a "very disadvantaged communities" and First-Time Service projects principal forgiveness category without decreasing other Principal Forgiveness categories;
- **Increase in CFO to Go Initiative** investments from \$500,000 (in SFY24) to \$1,000,000 (Draft SFY 2025), although in the future we hope the TWDB will consider making this program available to systems not already receiving SRF assistance;
- \$1,000,000 investment in the Water Utilities Technical Assistance Program (WUTAP) to enhance the accessibility of SRF funds by providing contracted financial, managerial, and technical assistance.
- Establishment of the Technical Assistance in Water Loss Control Enhanced Technical Assistance and Outreach Program (TAWLC-Enhanced) initiative to provide direct technical assistance to public water systems required to submit water loss audits to TWDB, but have not; and
- **Increase in total principal forgiveness** currently allocated under SFY 2025 Draft IUP base appropriations/re-allotment from 31.9% in SFY24 to 39% in SFY 2025.

These significant changes, if kept, will result in additional technical assistance and additional funding directed towards communities that need it most. We appreciate the agency's attention to these critical aspects of the DWSRF program and its dedication to continue making sensible improvements over time.

We believe the following recommendations should be considered for implementation in the SFY 2025 IUP:

I. Edits for Clarity Regarding Disadvantaged Community Eligibility

a. <u>Clarify How Much Principal Forgiveness Disadvantaged Communities May Receive</u>

Under the SFY 2025 Draft CWSRF IUP, it is unclear how much principal forgiveness may be offered to disadvantaged communities based on their Household Cost Factor (HCF). The Draft IUP states that "[t]he percent of principal forgiveness is based on the difference between the calculated and minimum required household cost factors." with the maximum being 70%. However, in Appendix D the IUP also states "[t]he eligible level of principal forgiveness for a project is based on the difference between the calculated total HCF under Step 2 and the minimum HCF of 1 percent (if only water or sewer service is provided) and 2 percent (if both water and sewer services are provided)...". We believe this language is left over from prior IUP's, since other information in this year's draft IUP (such as the "Allocations and Terms Available Under Each Funding Option" table in Section V) indicates a flat principal forgiveness rate of 70% for all disadvantaged communities. The terms of Disadvantaged assistance are an important deciding factor for many eligible applicants as they decide whether to pursue SRF financing, but the language in the draft IUP sends mixed messages about the amount of principal forgiveness they may be eligible to receive. We therefore recommend clarifying how much principal forgiveness is available to disadvantaged communities: whether all will receive 70%, or if there is a variable amount of principal forgiveness available based on the difference between the calculated total HCF and minimum HCF.

II. Allocated Principal Forgiveness and Favorable Financing for Disadvantaged Communities

a. Increase the Principal Forgiveness Allocated for Very Disadvantaged Communities

Under the SFY 2025 Draft DWSRF IUP, TWDB is allocating \$1,000,000 in principal forgiveness to systems determined to be Very Disadvantaged. Systems are determined to be Very Disadvantaged under this funding option if their service area Annual Median Household Income (AMHI) is below 50 percent of the state-wide average AMHI.

According to the 2022 American Community Survey 1-Year Estimates, the statewide AMHI in Texas is \$72,284–50% of which is \$36,142. The new <u>Texas Community Water System Prioritization Tool</u> created by the Environmental Policy Innovation Center (EPIC) indicates this would make 141 utilities in Texas eligible, 99 of which have fewer than 1,000 connections. Further, of these 141 systems, only 16 have received DWSRF funding from 2009 - 2020. This demonstrates that these communities have struggled to either apply for or receive funding in the past. We therefore recommend that additional

principal forgiveness be allocated for these communities, which could result in additional support for Very Disadvantaged communities. Moreover, while we have annual water and sewer bill data for only nine of these communities, the average bill is \$905.48. This figure is close to the statewide average of \$975.65 for communities with available data. Communities with lower AMHI are disproportionately affected by these water and sewer bills. Increased rates due to additional loan financing from the utility will further exacerbate the financial strain on these communities, if 100% funding is not available.

\$1,000,000 amounts to $\sim 7\%$ of principal forgiveness provided from the state's base DWSRF grant under this year's draft IUP. However, in the "Allocation of Additional Subsidization" table in Section V, an additional 10% of the state's base DWSRF capitalization grant amount is available for allocation as principal forgiveness. As Texas has significantly leveraged its SRF funding, and has a net position of \$1,709,896,186.26, providing additional funding as principal forgiveness for Very Disadvantaged communities would not significantly impact the long-term financial stability of the program. We recommend Texas utilize the remaining available principal forgiveness capacity to support Disadvantaged Communities.

b. <u>Increase the Principal Forgiveness Allocation and Provide Favorable Financing for Very Small and Small/Rural Systems</u>

In addition to increasing principal forgiveness for Very Small Systems, we also encourage the TWDB to increase the principal forgiveness and provide favorable financing (0% interest loans) for Very Small and Small/Rural Systems. A quantitative analysis of the DWSRF program performed by EPIC has shown that over a period of 6 years (2015-2020), Very Small systems were largely underrepresented in funding. In fact, while very small systems comprise 42% of all systems, they only comprised 21% of projects funded during the period analyzed (see **Image 1**, below).

Size Category (# connections)	Total Systems	% of Total Systems	Funded Systems	% of Total Funded Systems	% of Size Category Funded
Very Small (25 - 500)	1,880	42%	41	21%	2%
Small (501-3.3k)	1,519	34%	76	40%	2%
Medium (3.3k-10k)	714	16%	38	20%	5%
Large (10k-100k)	329	7%	23	12%	7%
Very Large (100k+)	41	1%	13	7%	32%

Image 1: System Funding by Size Category Under the DWSRF from 2015-2020

While this analysis does not tell us whether these systems apply for funding at the same rates as other systems, it demonstrates the amount of overall infrastructure needs represented by small communities. On average, smaller systems also tend to have lower AMHI than larger systems (see **Image 2**, below).

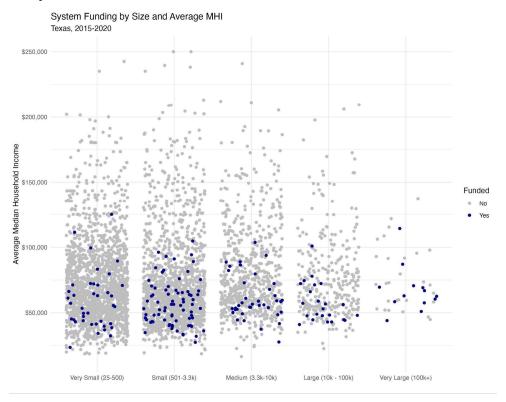


Image 2: System Funding by Size Category and AMHI Under the DWSRF from 2015-2020

The Additional Subsidization funds allocated for Very Small Systems and loan funds available at 0% interest for small/rural disadvantaged communities indicate that the TWDB recognizes the difficulties facing these communities, and the agency has the capacity to provide additional principal forgiveness without significantly impacting the long-term financial stability of the DWSRF program. Therefore, we urge the TWDB to utilize the additional 10% of the capitalization grant available for principal forgiveness and increase the amount dedicated to Very Disadvantaged, Very Small, and Small/Rural systems.

Acknowledging the short two-week public comment period for the draft IUP and quick turnaround time required for TWDB staff to begin planning for next year, we hope to find opportunities to discuss and develop the following recommendations for consideration in future IUP's:

III. Revise Disadvantaged Community Policies

The following recommendations all relate to Texas' definition of Disadvantaged Communities.

a. <u>Determine Disadvantaged Community Status Based on a Score that Includes</u> Additional Factors

For less resourced communities, a significant factor in applying for assistance through the SRF program is their qualification as a disadvantaged community. Disadvantaged status determines eligibility for principal forgiveness, 0% interest loans, and higher project ratings. However, Texas' current disadvantaged community policies are simultaneously too narrow and too broad, failing to capture all disadvantaged communities adequately and offering the same prioritization benefits to all regardless of their level of disadvantage.

To better target the allocation of limited principal forgiveness and prioritize projects in high-need areas, we recommend the implementation of a Disadvantaged Community (DAC) Score. The DAC score would evaluate multiple factors leading to a community being recognized as disadvantaged in terms of their infrastructure needs. Factors could include population, Annual Median Household Income (AMHI), household affordability, social vulnerability, and environmental justice concerns. Points would be allocated for each factor on a scaled basis, and principal forgiveness would be granted to projects meeting a minimum point threshold. This approach allows for differentiated project ratings and principal forgiveness amounts based on the community's specific needs.

An example of a state that utilizes this approach is Wisconsin. Wisconsin uses factors like population, AMHI, poverty level, population trend, unemployment, and Low-Income Household Percentage (LQI) in their DAC score, with projects scoring over 59 points qualifying for principal forgiveness (see **Image 3**, below).

Table 1			
Points	Population		
0	≥10,000		
10	8,500-9,999		
20	5,000-8,499		
30	3,000-4,999		
40	2,000-2,999		
50	1,500-1,999		
60	1,000-1,499		
70	500-999		
80	250-499		
100	0-249		

Table 2			
Points	MHI Percent		
0	126%+		
5	116% to <126%		
10	106% to <116%		
15	101% to <106%		
20	96% to <101%		
25	91% to <96%		
30	86% to <91%		
40	81% to <86%		
50	76% to <81%		
60	71% to <76%		
70	66% to <71%		
85	61% to <66%		
100	<61%		

Table 3		
Points	Family Poverty Percentage	
0	<8%	
5	8% to <12%	
10	12% to <16%	
20	16% to <20%	
30	20% to <24%	
40	24% to <28%	
50	28% to <32%	
65	32% to <36%	
80	36% to <40%	
100	40%+	

	Table 4
Points	Population Trend
5	Projected to lose 5% to less than 10% of population over 20 years
10	Projected to lose 10% to less than 15% of population over 20 years
15	Projected to lose 15% or greater of population over 20 years

Points	County Unemployment Rate
10	County unemployment rate is greater than the state's rate by less than one percentage point
20	County unemployment rate is greater than the state's rate by one to less than two percentage points
25	County unemployment rate is greater than the state's rate by two percentage points or greater

Points	Lowest Quintile Household Income Upper Limit (LQI)
10	Municipal LQI 70% to less than 80% of Wisconsin LQI
15	Municipal LQI 60% to less than 70% of Wisconsin LQI
20	Municipal LQI less than 60% of Wisconsin LQI

Points Received in Tables 1-6	Qualified PF Percentage	
0-59	No PF	
60-69	10%	
70-79	15%	
80-94	20%	
95-109	25%	
110-124	30%	
125-139	35%	
140-154	40%	
155-169	45%	
170-184	50%	
185-199	55%	
200-249	60%	
250-360	65%	

Image 1: Wisconsin DAC Score¹

This scaled approach targets financial assistance and prioritizes projects based on varying levels of disadvantage, as opposed to Texas' current methodology which utilizes a strict in/out definition based on median household income.

In addition to implementing a DAC score, the TWDB should replace its Household Cost Factor (HCF) with a metric combining the Household Burden Indicator (HBI) and Poverty Prevalence Indicator (PPI). These two indicators were proposed by the American Water Works Association (AWWA) as a more favorable alternative to the EPA's Residential Indicator, which (like the HCF) assessed service

¹ State of Wisconsin, SAFE DRINKING WATER LOAN PROGRAM INTENDED USE PLAN, SFY 2024. Available at: https://dnr.wisconsin.gov/sites/default/files/topic/Aid/loans/intendedUsePlan/SDWLP_SFY2024_IUP.pdf.

cost per household as a percentage of AMHI for the service area.² The HBI evaluates total basic water service costs as a percentage of the 20th percentile of community household income (LQI), while the PPI considers the percentage of community households at or below 200% of the federal poverty level (FPL). These indicators offer a more precise evaluation of water affordability burdens and poverty prevalence than the outdated methodology currently used for the HCF.

We also recommend incorporating new factors as avenues to qualify for disadvantaged status, including the Social Vulnerability Index (SVI) and the EPA's EJScreen tool. The SVI, developed by the US Centers for Disease Control, assesses the potential adverse impacts on communities from external stresses, identifying areas strongly correlated with historically marginalized and overburdened communities. The EJScreen tool, which combines environmental and demographic socioeconomic indicators, identifies areas with potential environmental quality issues. Adopting a DAC score that utilizes multiple factors such as these will help ensure that resources are directed to communities most in need, thereby improving water infrastructure in disadvantaged areas and fostering greater equity in funding distribution. We recommend implementing DAC scores to prioritize projects for each disadvantaged allocation in the IUP (e.g. Very Disadvantaged or Small/Rural), though DAC factors may be weighted in a manner that eliminates the need for multiple Disadvantaged categories altogether.

b. <u>Use Project Benefit Areas as the Geographic Scope for Disadvantaged Community</u> Identification

As noted above, we believe that the TWDB should interpret "disadvantaged communities" reasonably broadly and make higher amounts of principal forgiveness available for the most disadvantaged areas. One common concern that has been raised regarding Texas' administration of the SRF program is that urban disadvantaged communities are often not able to qualify as disadvantaged. This happens because when determining disadvantaged status, the total service area of the applicant is used when calculating demographic and HCF data. Often in large urban disadvantaged communities, the service area of the applicant contains other communities or neighborhoods with higher AMHI than the disadvantaged sub-community benefiting from the project, resulting in the project not qualifying for disadvantaged funding. We believe the aim for the SRF programs should be to improve water infrastructure in areas most in need, and this goal would be best served by a change in this methodology.

One way to ensure that subsets of disadvantaged communities within communities can receive funding is to change the geographic scope of the indicators used to define DACs to look at the *project service area* instead of *applicant service area*. Changing the geographic scope to consider project service area will be a better indicator if the area to be served will be over-burdened by additional costs associated with projects and will allow projects in urban disadvantaged areas the opportunity to receive additional grant or forgivable loan opportunities. Moreover, offering principal forgiveness and other more favorable award terms for projects serving disadvantaged communities will incentivize larger systems to invest in areas that may have been historically dis- and under-invested in

Since EPA's rules allow for eligibility to be calculated based on the area serviced by the project rather than the entire service area of the applicant, the policy expressed in the draft IUP presents an

² American Water Works Association, R. RAucher, PhD., J. Clements, E. Rothstein, J. Mastracchio, and Z. Green, Developing a New Framework for Household Affordability and Financial Capability Assessment in the Water Sector (April 17, 2019) available at:

https://www.awwa.org/Portals/0/AWWA/ETS/Resources/DevelopingNewFrameworkForAffordability.pdf? ver=2020-02-03-090519-813.

unnecessary barrier for some applicants that qualify as DACs. We therefore recommend changing the geographic scope of indicators used to identify disadvantaged communities from applicant service area to project service area to ensure disadvantaged communities within larger metropolitan water systems can be eligible for principal forgiveness and zero-interest loans.

IV. Revise Project Rating Criteria

The following recommendations relate to DWSRF project rating criteria:

a. Award Points Based on DAC Score

In addition to determining disadvantaged eligibility and the amount of principal forgiveness offered, a DAC score may be used to award priority rating points on a sliding scale. Under the current rating system, all disadvantaged communities receive 20 project priority rating points regardless of the community's level of disadvantage. While the additional consideration given to Very Disadvantaged Communities this year is welcomed and important to the program, the prioritization structure can be further improved to promote a more equitable distribution of funds.

For example, in Texas we've seen that under the DWSRF for years analyzed (2016, 2017, 2019 and 2020) the average and median AMHI of cities that received commitments is larger than the median AMHI of cities that did not receive financial commitments (*see* Table 2, below).

This indicates that higher resourced areas have a greater chance of receiving financial assistance under the SRF programs. This could be due, for example, to greater capacity and resources in higher AMHI communities enabling these communities to proceed to finalized agreements while lower resourced areas are more likely to struggle to proceed with projects within the required timeframe and dropping out of participation in the DWSRF program.

	Average	Median
AMHI of cities that submitted PIFs	44,265	41,563
AMHI of cities that received commitments	48,704	43,681

 Table 2: DWSRF and AMHI Successful and Unsuccessful Cities: 2016, 2017, 2019 and 2020

In addition to increased TA to lower resourced areas and planning loans (see section V(c), below), to address the latter scenario, we believe that the program should strive to prioritize projects from communities that would likely be unable to access funding for drinking water infrastructure without public assistance. Therefore, to better target commitments, we encourage the TWDB to provide a sliding scale for points to distinguish among disadvantaged communities. This can be done by multiplying the DAC Score created in Recommendation 3(b) above to obtain a point value for this criterion.

By utilizing a sliding scale that distinguishes between communities that qualify as a DAC rather than treating them as a single entity, the TWDB will be able to better ensure that limited disadvantaged funding is made available to communities that would be unable to complete their projects without it.

b. Add a Project Rating Criterion for Green Infrastructure

"Green infrastructure" encompasses natural features and solutions that mimic, use or restore natural ecological processes. These methods are aimed at lessening the effects of flooding and diminishing the amount of pollutants and debris entering water bodies. Green infrastructure enables stormwater to be absorbed by soil and plants rather than allowing it to enter water supplies, overwhelming sewer

systems and causing overflows. Whether used independently or in conjunction with traditional gray infrastructure, green infrastructure offers economical and sustainable measures to address various natural threats, such as drought, fire mitigation, and flooding.

While Texas routinely meets its goals for allocating funds in the green project reserve, more can be done to prioritize green and nature-based projects. The TWDB can provide further incentives for eligible entities to apply for green projects through awarding points during project prioritization. Points available for green projects could be provided in proportion to the nature-based components as compared to total project costs.

c. Add a Project Rating Criterion for Investments in Workforce Development

According to the EPA, there are multiple workforce challenges facing the water sector³, including:

- Aging workforce many workers eligible to retire in the next decade;
- Training to keep workforce up to date as technology rapidly advances across the sector;
- Industry lacking gender and racial diversity, especially in skilled trade positions; and
- Difficulties recruiting, training, and retaining trained operators in rural and tribal areas.

To incentivize applications to address these issues and protect long-term SDWA compliance for DWSRF borrowers, the TWDB should provide prioritization points for projects that promote workforce development in the water sector. Examples of workforce development may include hiring a certain percentage of local employees or providing on the job training and skill development, among others.

V. Program Accessibility and Transparency

We propose the following improvements to support the TWDB's continued success in administering the DWSRF program:

a. Use Set-aside Allowances to Provide Technical Assistance for Workforce Development

As noted in **Recommendation 4(c)** above, there are many workforce challenges facing the water and sewer system providers. Many water utility workers are expected to retire, creating the need to attract and retain new workers. The Bureau of Labor Statistics estimated that 8.2% of existing water operators will need to be replaced annually between 2016 and 2026.⁴ To support pro-active communities working to mitigate this issue, the TWDB should consider creating a technical assistance program with the goal of developing and implementing new strategies and initiatives to address local workforce concerns. Among others, set-aside funds could be used to support the following:

• **Community Benefit Agreements** – A Community Benefit Agreement (CBA) commits the developer to work with local CBOs and workforce development agencies to create

³ EPA, America's Water Sector Workforce Initiative: A Call to Action (2020), available at: https://www.epa.gov/sites/default/files/2020-

^{11/}documents/americas_water_sector_workforce_initative_final.pdf

⁴ Texas Water Resources Institute, https://twri.tamu.edu/publications/txh2o/2019/summer-2019/water-but-no-workers/.

opportunities for local workers, mitigate environmental and public health harm, and otherwise positively contribute to the local community⁵;

- **Community-Based Public-Private Partnerships** A Community-Based Public-Private Partnership (CBP3) involves a partnership between the public and private sectors to deliver infrastructure while prioritizing community-based benefits, aimed at generating superior results in terms of speed, efficiency, cost-effectiveness, and equity⁶;
- **Establishing an Equitable Workforce Development Advisory Groups** community based organizations (CBOs) and other nonprofits play a crucial role in advocating for stronger workforce development policies and programs and by creating an advisory group to serve as a framework for regular dialogue between water utilities and local CBOs and nonprofits concerned with workforce development can help build shared understanding about workforce development issues, challenges, goals, and opportunities, and lead to collaboration on workforce development initiatives in the sector⁷;
- Facilitating Regional Collaboration States could use set-aside funds to support regional roundtables convening relevant drinking water utility staff, community stakeholders, and elected officials, together with local water infrastructure contractors and workforce development agencies to ascertain the readiness and capacity needs of area contractors.⁸

More information on use of set-asides for these activities can be found in the Environmental Policy and Innovation Center's Report, <u>How State Revolving Fund Policies Can Support Equitable Water Workforce Development</u>.

b. <u>Include Tracking of Project Withdrawals and Bypassed Projects in Publicly Posted Data</u>

In accordance with the Bypass Procedures outlined in Appendix F, higher-ranked projects are frequently "skipped" in favor of lower-ranked projects. Ultimately, the IUP documentation (including the Initial Invited Projects List) and program annual reports do not provide sufficient data to fully understand the outcome of each SRF funding cycle because they do not track withdrawn or bypassed projects.

It therefore remains unclear why communities with higher AMHI are more likely to secure funding over others that applied but were not awarded. One critical factor affecting this outcome may involve 'readiness to proceed' requirements, which disproportionately impact communities with less administrative capacity. Communities without strong administrative and financial advisory resources will often struggle to complete the application process and satisfy the 'ready to proceed' requirements for inclusion on the IUP funding list. Lastly, even if these communities are listed in the IUP, they may still fail to finalize an award due to readiness issues later in the application process.

We recommend documenting a community's decision to withdraw project applications or the TWDB's decision to bypass a higher-ranking project and providing this information in the annual report to make the management of each year's funds more transparent and facilitate a better understanding of how technical assistance and local advocacy resources can be targeted. This

 $\frac{https://static1.squarespace.com/static/611cc20b78b5f677dad664ab/t/65524fa3f801814ab0a7811f/16998}{93156241/StateSRFOptions\ v4.pdf}.$

⁵ EPIC, . Available at:

⁶ *Id*.

⁷ *Id.*

⁸ *Id.*

concept can be observed in use by other states; for example, the Arkansas IUP states that "if a situation develops which causes the state to bypass a project that is ready to proceed for another project, ADA-NRD will include an explanation in the annual report." This small change would result in newly available data that is important to tell the full story of TWDB's success with the SRF programs and extend their benefits to communities in need.

c. Provide Planning Loans to High-Ranking Projects that are Not Ready to Proceed

Following on the recommendation above, it is important to ensure that all high-ranking projects are able to secure the funds for which they qualify. In other words, worthy projects for underserved communities should not risk losing an opportunity to get funding due a lack of capacity to meet arduous ready-to-proceed criteria such as engineering, environmental impact, or financial reports. Offering short-term, forgivable, low-interest or zero-interest planning loans is a strategy employed by SRF programs in several other states to help communities procure the expertise and other resources needed to meet these requirements.

While we acknowledge that the TWDB does state that "A project that was not deemed ready to proceed to construction may receive an invitation to fund only the Planning, Acquisition, and/or Design portion of the project," we are unsure of how common place these practices are, since many projects seem to be bypassed. We therefore encourage the TWDB to offer a planning loan to any project at risk of being bypassed by a lower ranking project,, which would allow them to become ready to proceed in time for a subsequent funding cycle. The planning loan can then be rolled into the construction loan when it is finalized.

d. Extend Public Comment Period

Lastly, we strongly recommend increasing the public comment period. For the 2025 IUP, the public comment period was 18 days for both the DWSRF and CWSRF general program activities and LSLR Program. Compounding this, all three comment periods overlapped – meaning that hundreds of pages of IUP policy had to be read and understood before writing comments. This provides advocates and stakeholders little time to engage with the draft IUP's, let alone contact the TWDB with questions. We recommend increasing the comment period to a minimum of 30 days to ensure reasonable accessibility and ensure SRF stakeholders have time to provide thoughtful and informed public comments.

e. Provide a Webinar on Draft IUP's During the Public Comment Period

In addition to extending the public comment period, we also recommend providing a public-facing webinar on the Draft IUP during the 30-day comment period. Although the TWDB periodically hosts webinars on the SRFs, offering a specialized webinar during the comment period would significantly broaden awareness about the program and any potential adjustments to the IUP. We recommend that this webinar should be interactive, allowing participants to pose questions and receive immediate responses from TWDB representatives. This approach would not only facilitate a deeper understanding among various stakeholders but also stimulate greater involvement in the IUP process. Several states, including Wisconsin¹⁰, have successfully adopted this strategy, providing valuable opportunities for public participation and feedback.

⁹ Arkansas, Draft 2024 CWSRF IUP, at 9. Available at: https://www.agriculture.arkansas.gov/wpcontent/uploads/00-AR-CWSRF-IUP-SFY-2024-Final-Draft-10-02-2023.pdf

¹⁰State of Wisconsin, SAFE DRINKING WATER LOAN PROGRAM INTENDED USE PLAN, SFY 2024. Available at: https://dnr.wisconsin.gov/sites/default/files/topic/Aid/loans/intendedUsePlan/SDWLP SFY2024 IUP.pdf.

The undersigned groups appreciate and are encouraged by the TWDB's progress made under this draft IUP. We hope these recommendations provided above are taken into consideration and look forward to any future discussions with the board to help operationalize these recommendations.

Jennifer Walker and Tom Entsminger Texas Coast and Water Program National Wildlife Federation

walkerj@nwf.org; entsmingert@nwf.org

Marisa Bruno Water Program Manager Hill Country Alliance

marisa@hillcountryalliance.org

Suzanne Scott State Director The Nature Conserv

The Nature Conservancy in Texas

Suzanne.scott@tnc.org

Bob Stokes President Galveston Bay Foundation bstokes@galvbay.org

Evgenia Spears Water Program Coordinator Sierra Club Lone Star Chapter evgenia.spears@sierraclub.org

Annalisa Peace Executive Director Greater Edwards Aquifer Alliance annalisa@aquiferalliance.org

Hank Habicht Co-Founder Water Finance Exchange hhabicht@waterfx.org

Usman Mahmood Policy Analyst Bayou City Waterkeeper usman@bayoucitywaterkeeper.org Danielle Goshen
Senior Policy Analyst, Water Infrastructure
Environmental Policy and Innovation Center

dgoshen@policyinnovation.org

Stefania Tomaskovic Coalition Director Coalition for the Environment, Equity and Resilience Stefania@ceerhouston.org

Stefania Tomaskovic
Coalition Director
Coalition for the Environment, Equity and
Resilience
Stefania@ceerhouston.org

Stephany A. Valdez
Water Justice Organizer
Coalition for the Environment, Equity, and
Resilience
Stephany@ceerhouston.org

Harold Hunter Environmental Services Director - Texas Communities Unlimited harold.hunter@communitiesu.org

Becky Smith
Texas Director
Clean Water Action/Clean Water Fund
bsmith@cleanwater.org