



PROJECT FUNDING REQUEST

BOARD DATE: March 31, 2026

Presented by: Melissa Hislop

ACTION REQUESTED

Consider approving the Nueces River Authority's application to conduct a flood management evaluation study and authorizing the Executive Administrator to negotiate and execute a contract for grant funding from the 2024-2025 Flood Infrastructure Fund cycle in an amount not to exceed \$750,000 for this watershed flood protection planning project.

STAFF RECOMMENDATION

Approve No Action

BACKGROUND

Passed by the 86th Texas Legislature and approved by voters through a constitutional amendment, the Flood Infrastructure Fund (FIF) was created to provide funding for flood mitigation projects. The purpose of the FIF, as outlined in Senate Bill 7, is to assist in financing drainage, flood mitigation, and flood control projects. FIF projects presented for consideration have been scored and ranked using prioritization criteria outlined in 31 Texas Administrative Code Section 363.404 and further specified in the Flood Intended Use Plan. The prioritized list of projects was approved by the Board on 4/10/2025.

KEY ISSUES

This project is eligible under the FME Category of the 2024-2025 Flood Intended Use Plan. This category of funding was designed to conduct studies to identify, assess, and quantify flood risk or identify, evaluate, and recommend flood risk reduction solutions. These studies involve planning of entire watersheds or sub-watersheds, as required by the TWDB regional flood planning program, to better inform the development of strategies using structural and nonstructural measures before a flood event. This may include determining and describing problems from or related to flooding, identifying, and planning solutions to flooding problems, and estimating the benefits and costs of these solutions. FMEs are eligible to receive a maximum of 100 percent grant funds based on criteria outlined in the Flood Intended Use Plan. Recipients of financial assistance may either use their own funds or borrow FIF funds at zero percent interest for any portion of the remaining project cost.

The Nueces River Authority has submitted a complete financial assistance application for project number 40222, Scaling Up Nature Based Solutions Study, and is eligible to receive grant funding through the FIF for a portion of their total project cost. The Nueces River Authority has pledged to contribute local funds to provide the remaining project costs, and no federal funds have been identified as a source by the applicant. Table 1 provides a summary of funding sources for this study, and an application summary is attached.

<p>COMMITMENT PERIOD: THREE (3) MONTHS TO EXPIRE June 30, 2026; however, the Executive Administrator may, at his discretion, grant up to one extension for a maximum of three months.</p>

Table 1 - Summary of FME grant application project funding request

	Applicant name	Project name	Project #	Eligible grant (%)	Local share (\$)	In-kind services (\$)	FIF grant (\$)	FIF loan (\$)	Total project cost (\$)
1	Nueces River Authority	Scaling Up Nature Based Solutions Study	40222	75%	\$0	\$250,000	\$750,000	\$0	\$1,000,000

The project recommended for approval meets all minimum requirements found in the 2024-2025 Flood Intended Use Plan:

1. must be recommended in a Regional Flood Plan as a Flood Management Evaluation (FME).
2. all activities are considered “flood control planning” as defined in Texas Water Code Section 15.405;
3. the application does not include the actual preparation of a Federal Emergency Management Agency Flood Insurance Rate Maps;
4. the funding request does not include redundant funding;
5. that the application demonstrates a sufficient level of cooperation among eligible political subdivisions and includes all of the eligible political subdivisions substantially affected by the Project;
6. the area to be served by the Project meets the requirements of the Flood Intended Use Plan related to the National Flood Insurance Program;
7. the project was developed using the best/most recent available data;

The selected project recommended for approval meets the statutory and rule requirements found in Texas Water Code Chapter 15 Subchapter F and 31 Texas Administrative Code Chapter 355, including:

1. that financial assistance is necessary for the applicants to carry out adequate flood control planning; and
2. that the applicant has notified all required entities of the application.

Attachment:

1. Project Summary of Nueces River Authority – Scaling Up Nature Based Solutions Study



NUECES RIVER AUTHORITY

PROJECT NAME Scaling Up Nature Based Solutions Study, Project # 40222

PROJECT NEED AND DESCRIPTION

Project Need

During early development of the first-ever basin-wide flood plan for the Nueces Basin, the 2023 Nueces (Region 13) Regional Flood Plan, it was found that one in five people in the Nueces River Basin are at risk from the 1% annual chance flood event. Critical infrastructure and resources including over 61,000 structures, 3,200 miles of roadways, 5,400 roadway crossings, and 400 square miles of agricultural land is exposed to this level of flood risk. Nature Based Solutions are particularly well-suited for under-resourced communities, such as the rural communities in the Nueces Basin due to their lower upfront costs, simpler maintenance, and adaptability to local conditions.

Project Description

The entity is requesting financial assistance to conduct a project that will generate basin-wide GIS datasets integrating flood risk, land cover, soils, ownership, and ecological value for approximately 24,000 square miles; establish three stakeholder-working groups aligned with Texas Parks and Wildlife designated ecoregions; and develop ecoregion-specific nature based solution project portfolios that include needs assessments, alternatives analyses, prioritization frameworks, and preliminary design concepts for select high-priority sites. The effort will also produce a replicable evaluation methodology, integrate results into the TNC Nature Based Solutions GIS toolbox, and deliver findings to regional and state planning bodies to support future funding, implementation, and incorporation into the Region 13 Flood Plan.

Key project elements:

1. Project Management and Meetings
2. Data Collection and Review
3. Survey/Field Work
4. Coordination with Applicable Regional Flood Planning Groups and Overlapping Projects
5. Identification of Flood Problem Areas (Identification of NBS Opportunities Associated with Flood Problem Areas and Needs Assessment): Generate a centralized geodatabase and gap analysis report across the 31 counties represented in the 24,000 square miles of project area
6. Alternative Analysis: Create a framework for evaluating, ranking, and advancing NBS projects based on flood risk reduction potential, ecological benefits, feasibility, and community buy-in
7. Community Outreach: Establish stakeholder working groups to ensure locally supported pathways to integration.
8. Reporting

9. Workplan Development: Hold a minimum of 16 technical workshops (4 per Region 13 ecoregion) as part of Public and Project Partner Engagement Plan

Key project deliverables:

1. Identification of, at a minimum, 50 candidate projects
2. Prioritization matrix with scores and rankings for the candidate projects
3. Project implementation feasibility reports for the top 10 prioritized concept-level solution alternatives with planning-level BCA summaries for use in future FMP applications
4. GIS-based maps and web-ready visualizations of full Nature based solutions project portfolio
5. Develop a final project report package including integration-ready information for the Region 13 Flood Plan

PROPOSED PROJECT FUNDING

TOTAL STUDY COST	\$1,000,000
Amount requested from FIF	\$750,000
Local Contribution	\$0
Local in-kind	\$250,000
Federal funding	\$0

PROJECT SCHEDULE

Task	Schedule Date
Closing	June 30, 2026
FME Completion	September 30, 2028

FINANCIAL

The funding being provided by the TWDB is in the form of 100 percent grant and therefore is not subject to our internal risk score analysis that is applied to loan. For this request, staff reviewed the entity’s annual audit and funding application information to assess the entity’s ability to manage existing obligations and business practices. Based on this analysis, staff believe the entity has adequate capabilities to manage its obligations.

SPECIAL CONDITIONS

- Prior to closing, the entity shall execute a Grant Agreement in a form and substance acceptable to the Executive Administrator;
- Prior to closing, the entity must demonstrate its required local share of \$250,000, which may be provided through in-kind services with prior approval by the Executive Administrator;
- Prior to closing on any portion of financial assistance, the entity shall execute an escrow agreement or trust agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed agreement to the TWDB; and

- Prior to closing, the entity must submit documentation evidencing that the area to be served by the Project has floodplain ordinances or orders, as applicable, in place, in accordance with the Flood Infrastructure Fund Intended Use Plan or must include in the scope of work that the applicant will work with any community within the project area, that does not meet minimum standard, towards adoption and enforcement of floodplain management ordinances or orders, as applicable, in accordance with the Flood Intended Use Plan.



Nueces River Authority

