

Texas Water Development Board Webinar

House Bill 500 - Water Supply and Infrastructure Grants

May 13, 2026

Webpage HB 500 – WSIG:

<https://www.twdb.texas.gov/financial/programs/WSIG/index.asp>

Housekeeping



The webinar is being recorded and will be posted to TWDB's WSIG website.



The presentation slides will be posted to TWDB's WSIG website.



The audience microphones and cameras are turned off. Questions may be typed into the Q&A box.

TWDB Water Supply and Infrastructure Grants website:

<https://www.twdb.texas.gov/financial/programs/WSIG/index.asp>

House Bill 500 - Water Supply and Infrastructure Grants

- \$1.038 billion from General Revenue to TWDB
- 100% Grant for water infrastructure and supply projects. Funding will be awarded as grants only.
- **One-time opportunity** for a limited number of Texas communities to receive grant funding to implement water supply and water infrastructure projects.
- Once this initial appropriation is provided to communities by **August 31, 2027**, the TWDB will no longer have these grant funds available to provide financial assistance.
- Water Supply and Infrastructure Grants Frequently Asked Questions:
<https://www.twdb.texas.gov/financial/programs/WSIG/doc/WSIG-FAQ.pdf>

WSIG Eligible Applicants

Eligible:

- Cities
- Districts
- Counties
- River authorities
- Other political subdivisions

Ineligible:

- Water Supply Corporations*
- Investor-owned utilities
- Private entities

Eligible Projects. The grant must address at least one:

- **Water Loss,**
- **TCEQ violation,**
- **Provide additional water supply.**

Water Supply Corporations*

We are aware of the questions surrounding WSC's inability to access the Water Supply and Infrastructure Grants (WSIG) and want to emphasize that this is an active area of focus for us. Our team is currently analyzing a future funding opportunity that would allow WSCs to apply directly for a grant. While we don't have any more specifics to share at this time, we're committed to addressing this gap fairly and thoughtfully. We expect to share more information in the future and would like to note that this opportunity will follow a different timeline than WSIG.

Project Categories – Must address at least one

Water Loss:

- Improving efficiency of water delivery
- Correcting water system deficiencies including water loss
- Water loss mitigation projects may include leak repair, leak detection, pressure management, small meter replacement, large meter replacement, and selective pipe replacement

Regulatory Violations:

- TCEQ Notice of Violation (NOV) letter
- TCEQ Notice of Enforcement (NOE) letter
- Agreed Order
- Boil Water Notice and/or Public Notice
- Monitoring and Reporting Violations do not apply

Additional Water Supply:

- Correcting water system deficiencies including water quality, capacity, pressure, and water loss
- Upgrading or replacing water systems
- Providing new or existing service to other water systems through consolidation projects
- Purchasing capacity in water systems
- Purchasing water systems
- Producing additional water supply, including reuse
- Purchasing water rights
- Improving efficiency of water delivery through existing irrigation systems

WSIG Project Requirements

- Must be consistent with 2027 State Water Plan.
- Must have a current financial audit.
- Must be ready-to-proceed with construction if applicant's population served is >150,000.
- Only one application is allowed per the entity applicant.
- Previously TWDB-funded projects not eligible.

Final WSIG Funding Allocation, 3/31/2026

Service area population size	Less than 1,000	1,001-10,000	10,001-150,000	150,001-1 million	Greater than 1 million	Total
Funding Cap per project	\$6 Million	\$10 Million	\$21 Million	\$35 Million	\$55 Million	
Total funding target	\$42 Million	\$71 Million	\$142 Million	\$220 Million	\$400 Million	\$875 Million
Canal lining or conversion projects	Up to \$100 Million for match funding for North American Development Bank projects					\$975 Million

- *Systems with populations of 150,000 or less may request funding for P-planning, A-land acquisition, D-design, and C-construction.*
- *150,001 or more in population may request C-construction funding only.*

WSIG Canal Projects & the NADBank

Designated funding is available to support canal lining and pipeline conversion projects.

\$100M are reserved for joint funding efforts with the North American Development Bank's Water Resiliency Program.

NADBank Link:

<https://nadbank.org/solutions-and-services/water-resiliency-fund>



WSIG Project Prioritization

Criteria	Points Calculation	Points
<p>Retail Water Providers: Service Area’s Annual Median Household Income (AMHI) (if using a TWDB-approved socioeconomic survey; the AMHI will be inflation adjusted)</p> <p>AMHI data source and worksheet: U.S. Census Bureau 2024 American Community Survey (ACS) 5-Year Estimates</p>	$(78,476 \div \text{AMHI}) \times 10$ <p>State of Texas AMHI = \$78,476</p>	Result
<p>Wholesale Water Providers: Total population (POP) served by Retail Water Providers that purchase wholesale from applicant as listed in TCEQ’s Drinking Water Viewer</p>	$(100,000 \div \text{POP}) \times 10$	Result
<p>For projects with populations under 150,000: Projects that are deemed ready to proceed.</p>		10 points
<p>Tiebreaker: Preference given to the community that has never or has the greater amount of time since it last received financial assistance from the TWDB.</p>		

WSIG Implementation Timeline

Dec. 17, 2025:	Work session
Jan. 5, 2026:	Public comment opens
Jan. 20, 2026:	Public webinar
Feb. 4, 2026:	Comment period closes
Apr. 1, 2026:	Application solicitation opens
Jul. 30, 2026:	Application due date
Starting Fall 2026:	Commitments
Winter '26-Spring '27:	Closings, <i>prior to May 31, 2027.</i>
Final Construction Closeout Docs submitted to TWDB:	February 28, 2031

WSIG Compliance Requirements

Applicant responsibilities & restrictions:

- US Iron & Steel provisions apply
- Affidavit for environmental compliance
- Land/easements acquisition funding restrictions (based on pop. size)
- Submit all required materials by stated deadlines
 - Missing information will result in application termination.
 - Inaccurate information will result in application termination.
 - No exceptions will be made.

Compliance Requirements Continued

TWDB review components:

- For ready-to-proceed projects, TWDB will not review planning documents.
- TWDB will rely on TCEQ design approval for ready-to-proceed projects.
- TWDB will issue a Certificate of Approval at project closeout.

WSIG Data Reports Compliance Requirements

To be eligible for the Water Supply and Infrastructure Grants, all TWDB required reports must be submitted by the required deadlines or prior to submitting their grant application. Otherwise, the submitting entities are ineligible to receive funding.

Water Use Survey

Water Loss Audit

Water Conservation Annual Report

Utility Profile

Water Conservation Plan

WSIG Data Reports Compliance Requirements

Water Use Survey

Applicants that provide retail water services (i.e. a retail public utility that provides potable water) must have submitted to the TWDB the annual Water Use Survey (WUS) of groundwater and surface water for the last THREE years. Submittal of the WUS begins the first working day of January and the survey is due **March 1** annually via the online.

Website: <https://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>

WSIG Data Reports Compliance Requirements

Water Loss Audit

The five-year required submittal for retail water suppliers is due by **May 1 of 2026** for the 2025 audit year.

Any audits submitted outside of the five-year cycle do not satisfy the submittal requirement.

The Water Loss Audit must be completed online. The online worksheet should be completed by the staff member that has taken a TWDB certified water loss audit training and received a training acknowledgement to upload to the worksheet.

Hover your smartphone camera over one of the QR codes and you will be directed to the water loss audit web link.



<https://www.twdb.texas.gov/conservation/municipal/waterloss/index.asp>

WSIG Data Reports Compliance Requirements

Water Loss Audit Validation

Applicants must acknowledge that their water loss audit will be validated before consideration of a request for financial assistance from the Board, and that they will receive a request from a TWDB validator to complete the process.

A Water Loss Audit Validation evaluates the water system records and system control measures, such as meters accuracy and accurate data tracking to ensure a valid result.

In addition, it ensures there are policy and procedures in place to guide water system employees with data tracking and mitigating apparent and real water loss.



Hover your smartphone camera over one of the QR codes and you will be directed to the water loss audit web link.

<https://www.twdb.texas.gov/conservation/municipal/waterloss/validation.asp>

WSIG Data Reports Compliance Requirements

Water Loss Thresholds

Water loss thresholds apply to WSIG.

If the utility meets or exceeds real and/or apparent water loss thresholds, they will need to mitigate for loss.

No waivers will be granted. The project must mitigate water loss if the system exceeds thresholds.



Hover your smartphone camera over one of the QR codes and you will be directed to the Water Conservation Plan web link.

<https://www.twdb.texas.gov/conservation/municipal/waterloss/validation.asp>

WSIG Data Reports Compliance Requirements

Water Conservation Plan Checklist

- Utility Profile
- Baseline GPCD
 - Total GPCD
 - Residential GPCD
 - Water Loss GPCD
- Schedule for implementation of Plan to achieve goals
- Method for tracking effectiveness of Plan
- Master Meter
- Universal metering program
- Measures to determine water loss
- Leak detection program
- Education/information program
- Non-promotional water rate structure
- Means of implementation of enforcement of Plan
- Documentation of notification to Regional Water Planning group
- Copy of Drought Contingency Plan
- Official adoption of Plan



Hover your smartphone camera over one of the QR codes and you will be directed to the water conservation plan web link.

<https://www.twdb.texas.gov/conservation/municipal/plans/index.asp>

WSIG Data Reports Compliance Requirements

Existing Water Conservation Plans

If the request for funding exceeds \$500,000, a Water Conservation Plan (WCP) is required. Entities with existing WCP requirements must be current with Annual Conservation Reports and Water Conservation Plans by **May 1, 2026**.

- Adopted between 2022-2026.
- Must have met **ALL** minimum requirements.



Hover your smartphone camera over one of the QR codes and you will be directed to the water conservation plan web link.

<https://www.twdb.texas.gov/conservation/municipal/plans/index.asp>

WSIG Data Reports Compliance Requirements

New Water Conservation Plan

Entities new to water conservation reporting must submit a plan that meets minimum requirements **prior to the application deadline.**

- 2026 Utility Profile with 5 years of data. WCP to be updated for 2029 cycle.
- Must be deemed approvable by TWDB.
- Official adoption not required to go to the board to commitment but required for closing. (Proof of adoption = resolution, ordinance, or tariff.)
- WCP costs reimbursable.

Send new water conservation plans via pdf for approval to wcpteam@twdb.texas.gov.

WSIG Requirements for **NEW** Water Conservation Plans

WSIG Application Form TWDB-0174 Section G:

If the Applicant's current WCP was adopted earlier than July 20, 2021, or the Applicant does not have an adopted WCP, a new TWDB-approvable draft WCP must be submitted no later than the WSIG application deadline, which must then be adopted by the Applicant's governing body prior to closing/approval of the grant.

Note: If not submitted prior to this application submittal, the project will be considered ineligible for WSIG.

WSIG Data Reports Compliance Requirements

Municipal Water Conservation

Denise Livingston

Denise.Livingston@twdb.texas.gov

(512) 475-1851

Water Conservation Team

wcpteam@twdb.texas.gov

(512) 475-1639

Water Loss Audit

WLA-Group@twdb.texas.gov

(512) 463-0987

Application Form Submission TWDB-0174

Submittal Instructions.

Entities must submit **by email only** to:

- WSI_grants@twdb.texas.gov
- Email subject line: “WSIG Application Submittal for *[Enter Applicant’s Name]*”

The complete application submittal must include:

1. this completed application in Microsoft Word format,
2. the WSIG AMHI Worksheet in Microsoft Excel format, and
3. all other required attachments in PDF format (see Part VI: Financial Assistance Application Checklist).

The TWDB is not able to use the Online Loan Application System (OLA) for these submittals.

[If your file size is greater than 25Mb, please](#)

- submit an inquiry to WSI_grants@twdb.texas.gov and
- include “WSIG Link Request” in the subject line.

For more information, please send inquiries to: WSI_grants@twdb.texas.gov and include “WSIG Inquiry” in the subject line.

Applicants do not need to submit this application for the separate funding allocation for canal lining/conversion projects funded through the NADBank; unless they wish to ALSO submit the same project for consideration in one of the five population-based funding categories.

WSIG Application Form – TWDB-0174

Applicants must use the WSIG-specific application materials listed below.

NOTE: Traditional TWDB forms and templates do not apply to this opportunity.

- *  [Application \(TWDB-0174\)](#)

Link: [TWDB-0174](#)



Question & Answer Session

Resources

WSIG Website: www.twdb.texas.gov/financial/programs/WSIG

WSIG Email: WSI_grants@twdb.texas.gov

Join TWDB's Mail List: <https://www.twdb.texas.gov/newsmedia/signup.asp>

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