



# A REPORT ON THE ACTIVITIES IN THE TEXAS-MEXICO BORDER REGION

TEXAS WATER DEVELOPMENT BOARD - October 2001

Since the late 1980's, the Texas Legislature has enacted legislation to address and resolve the problems associated with the development of colonias in Texas. This report addresses some of the highlights of the activities of the Texas Water Development Board in participating in these solutions. The report highlights the total funding in the border region over the last eleven years, including the assistance that will provide adequate water and sewer services to over 280,000 Texas residents.

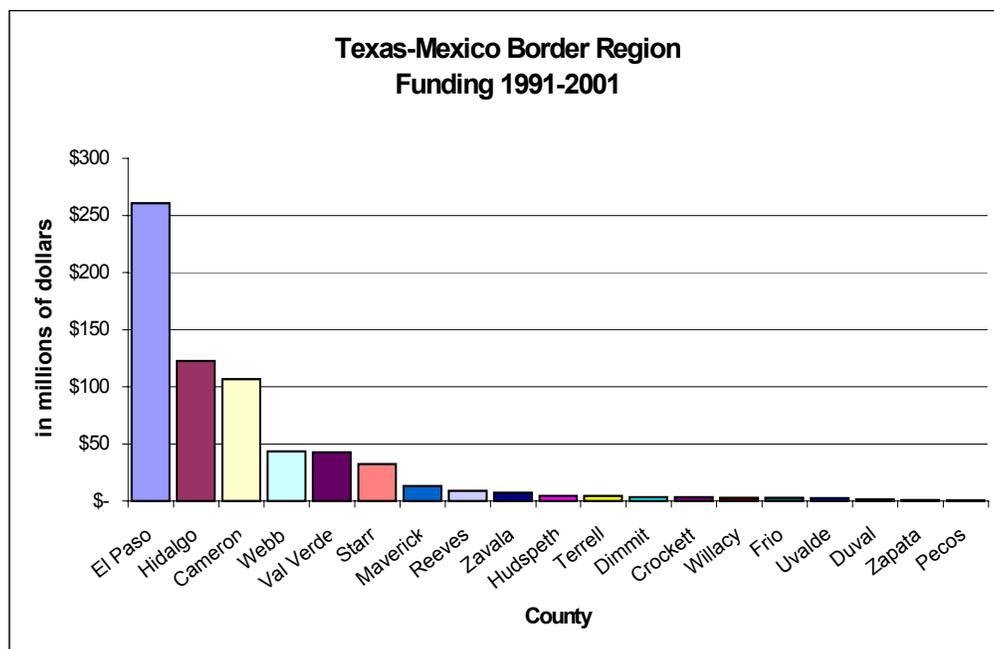
Nearly 100,000 colonia residents are receiving water and wastewater services!

## A DECADE OF FUNDING IN THE BORDER REGION

The Texas Water Development Board (TWDB) has provided \$665.48 million in funding through its various programs for the Border Region. (See Table 1) In addition to administering other traditional water and wastewater loan programs statewide, the TWDB is actively engaged in 90 projects to serve over 280,000 colonia residents in some 870 colonias. Today, nearly 100,000 colonia residents have service due to these programs and the assistance of other state, federal and international institutions.

Table 1

COUNTY	AMOUNT
El Paso	\$ 260.57
Hidalgo	\$ 122.74
Cameron	\$ 107.02
Webb	\$ 43.51
Val Verde	\$ 42.78
Starr	\$ 32.44
Mverick	\$ 13.08
Reeves	\$ 8.84
Zavala	\$ 7.48
Hudspeth	\$ 4.48
Terrell	\$ 4.43
Dimmitt	\$ 3.63
Crockett	\$ 3.30
Willacy	\$ 2.97
Frio	\$ 2.76
Uvalde	\$ 2.53
Duval	\$ 1.61
Zapata	\$ .81
Pecos	\$ .50
<b>TOTAL</b>	<b>\$ 665.48</b>



## ***BORDER CONNECTIONS***

Texas is home to literally thousands of unincorporated areas lacking basic water and wastewater services, electricity, paved roads, drainage, and sometimes even sturdy housing infrastructure, often referred to as “colonias.”

The Texas Legislature established the Economically Distressed Areas Program (EDAP) in 1989 to address the basic water and wastewater needs of these areas. Over the last ten years (1991-2001), the TWDB, through its EDAP, has provided an estimated **\$380.4 million** in state and federal funding commitments for the design and construction of 62 water and/or wastewater projects. An additional \$5.9 million has been awarded for facility plan development.

As of August 31, 2001, **36 projects have been completed** and an additional 26 are currently under construction or in the process of developing plans and specifications. When these projects are completed they will provide service to over 191,000 colonia residents. In addition, there are 28 projects in the facility planning stage, which are expected to provide service to another 91,000 colonia residents if these projects are constructed.

These projects are typically much more complex and challenging than standard ones. The efforts needed to successfully complete EDAP projects are significant for the TWDB and its local partners.

Approximately 98,625 residents are now benefiting from adequate water and/or wastewater services from TWDB EDAP-funded projects. The number of residents receiving new service increases each month as different projects progress and are completed. Another way to measure work and progress is through a measure called “resident-connections”. (*Resident- Connections reflect the fact that some colonia residents will benefit from both water and wastewater projects, and measures that added workload.*). Approximately 115,025 resident-connections have been made through September 2001. The picture at right shows colonia residents connecting their homes to EDAP-funded services.



An estimated increase of 25,000 connections (households) is also taking shape as the Secretary of State’s “Texas Plan” is implemented. The funding for these connections is a joint endeavor between the TWDB, the Texas Department of Housing and Community Affairs (now the Office of Rural and Community Affairs), and the North American Development Bank. These hook-ups are located in Cameron County (San Benito, Combes, Primera), Hidalgo County (Donna, Mercedes, San Juan), Starr County (Roma) and Val Verde County (Del Rio).

### ***HIGHLIGHTS OF THE EDAP PROGRAM***

**As of August 31, 2001**

- **90 projects in the program**
- **62 projects with committed construction funds totaling \$380.4 million**
- **28 projects in facility planning process with an estimated construction cost of \$224.56 million**
- **36 completed projects**
- **191,000+ residents in 488 colonias will be served through projects completed, under construction or in design**
- **91,000 residents in 381 colonias will be served through projects in facility planning**

## AVAILABLE FUNDS

**As of August 31, 2001, only \$147.1 million remain available for financial assistance under the TWDB's Economically Distressed Areas Program.**

The Economically Distressed Areas Program received nearly \$600 million in state and federal funds since 1989 for design and construction of projects in economically distressed areas.

State funds for the EDAP come from \$250 million in general obligation bonds authorized by the Texas Legislature and approved by Texas voters. To date \$163.5 million of these bonds have been issued, with the remaining expected to be issued by fiscal year 2005. An additional \$29 million was appropriated for financial assistance in economically distressed areas in 1989.

The federal government, through the U. S. Environmental Protection Agency, provided \$300 million between the years 1993-1999 for the creation of the Colonia Wastewater Treatment Assistance Program. An additional \$15 million was made available through the Colonia Plumbing Loan Program to fund loans to residents for connecting to water and wastewater systems and for home plumbing improvements.

The following graph depicts the funding allocations for design and construction of projects through the EDAP/CWTAP, in millions of dollars:

With current projections it is imperative that communities understand that projects need to be completed in order

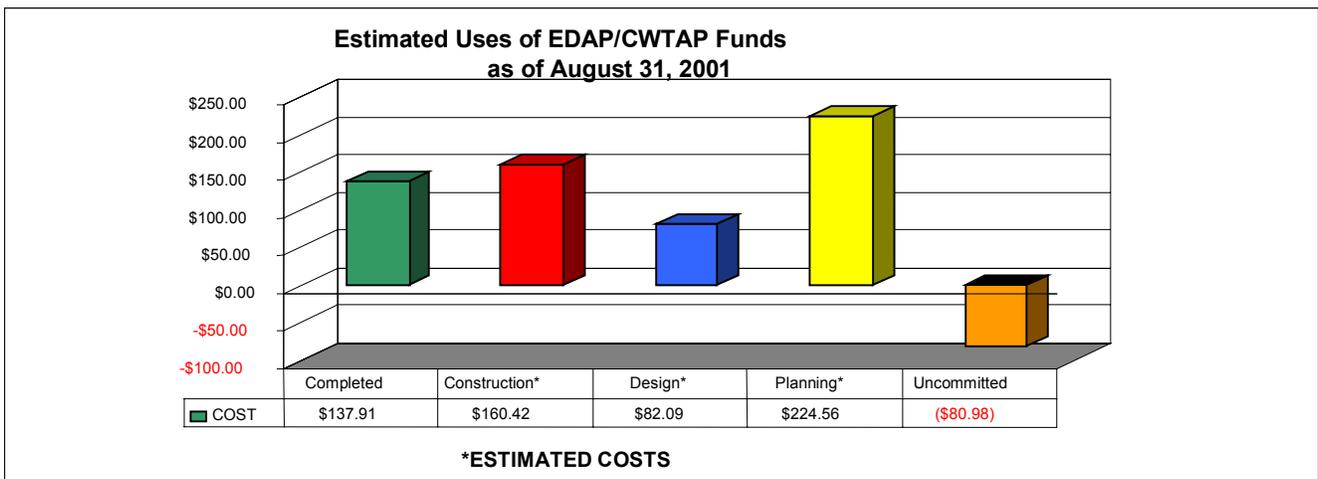
STATE		FEDERAL				
1989	1991	1993	1995	1996	1997	1998
<b>\$10</b> Appropriated General Revenue Funds	<b>\$150<sup>2</sup></b> EDAP Bonds for Water and Wastewater	<b>\$50</b> CWTAP Grants Accepted for Wastewater 8/93	<b>\$100</b> CWTAP Grants Accepted for Wastewater 1/95	<b>\$50</b> CWTAP Grants Accepted for Wastewater 3/97	<b>\$50</b> CWTAP Grants Accepted for Water and Wastewater 12/98	<b>\$50</b> CWTAP Grants Accepted for Water and Wastewater 12/98
<b>\$19</b> TWRFA						
<b>\$100<sup>1</sup></b> EDAP Bond Authorization						

**Cumulative Totals**

**\$129      \$279      \$329      \$429      \$479      \$529      \$579**

<sup>1</sup> \$100 million bond authorization approved by voters in November 1989  
<sup>2</sup> \$150 million bond authorization approved by voters in November 1991

to be able to access the remaining funds in the Economically Distressed Areas Program. Current projections indicate that funds available **will not be able to fund** all the projects in facility planning. An estimated \$80 million additional funds would be required at this time if all of these projects moved through to funding.



## ***ASSURING QUALITY DEVELOPMENT THROUGH USE OF THE MODEL SUBDIVISION RULES***

***Financing and Regulations were specifically linked in the original legislation that created the EDAP.***

In 1989, the Texas Legislature took unprecedented steps to address the proliferation of communities that lacked basic water and sewer services, known as colonias. When the Legislature created the Economically Distressed Areas Program (EDAP) to help provide water and sewer service in existing colonias, it linked the provisions of funding with safeguards to prevent the development of new colonias. The Legislature recognized, however, that EDAP only served to clean up the problems resulting from historically uncontrolled development of subdivisions where adequate water and wastewater facilities are not required to sell residential property.

To address the potential for future growth of colonias, the Legislature also passed laws that made it illegal to create new residential subdivisions containing lots of less than one acre (subsequently changed to five acres) unless they were platted and approved in accordance with a specific set of standards. The standards were developed by the Texas Water Commission (now Texas Natural Resource Conservation Commission) in conjunction with the Office of the Attorney General, the Texas Water Development Board, and the Texas Department of Health; and incorporated into a set of Model Subdivision Rules in 1990. Having given the local government entities, including counties, what was intended to be the legal and administrative structure to prevent future colonias, the Legislature required these entities to adopt and enforce the Model Subdivision Rules in order to participate in the EDAP.

The Legislature authorized the TWDB to adopt the rules in the 1999 session as a part of the Colonias Omnibus legislation passed that session. Following a period of public comment and a substantial amount of stakeholder input, the revised Model Subdivision Rules were formally adopted by the Texas Water Development Board in February, 2000 as a new Chapter 364 of the Texas Administrative Code.

The Office of the Attorney General, with participation of the TWDB, organized and conducted a series of workshops in the summer and fall of 1999 and again in the spring of 2001. The primary purpose of the workshops was to educate the local government officials and developers about the statutory requirements and application of subdivision laws and the model rules.

Notice of the adoption of the revised model subdivision rules and the need to incorporate them into local regulations was provided to all the cities and counties that were eligible for EDAP financial assistance in March, 2000. A current review of EDAP participation indicates that 47 different political subdivisions have implemented and are enforcing the Model Subdivision Rules. **This review also shows indicate that an overwhelming number of these political subdivisions are in compliance with the statutory requirements and that others are diligently working to resolve inconsistencies and inadequacies in order to come into full compliance.**

One of the measures of the effectiveness of the application and enforcement of the model rules by the local government is the subdivision plat approval process and the degree to which an approved plat meets the statutory and regulatory requirements. To assist local officials with this process, the Office of the Attorney General and the TWDB staff prepared and distributed at the workshops a “Handbook” containing relevant statutes, sample forms, and the model rules and a “Sample Plat” that could be used as a guide and pattern for future plat preparation.

### **NEXT WORKSHOP**

**OCTOBER 31, 2001  
HARLINGEN  
PUBLIC LIBRARY  
410 '76 Drive  
Harlingen, Texas  
9:30 am – 3:00 pm**

The model rules have been adopted and utilized by many municipalities and counties as the basic component of their subdivision regulations. Many new subdivisions have been developed in accordance with these requirements and many old subdivisions have received new water and wastewater services consistent with these requirements with assistance from the EDAP.

The model rules have proven to be one effective means to assure that adequate water and wastewater services are available when land is subdivided. Although their application is not limited to any particular economic level, their benefits, including alleviation of health and safety hazards associated with the lack of services, have been realized most dramatically in developments which attract residents of low or moderate income who are more likely to otherwise lack the means to obtain these basic services. The continued application of the model rules and use of the standards contained in them will eventually eliminate substandard subdivisions and the health and safety problems that are often encountered in them.

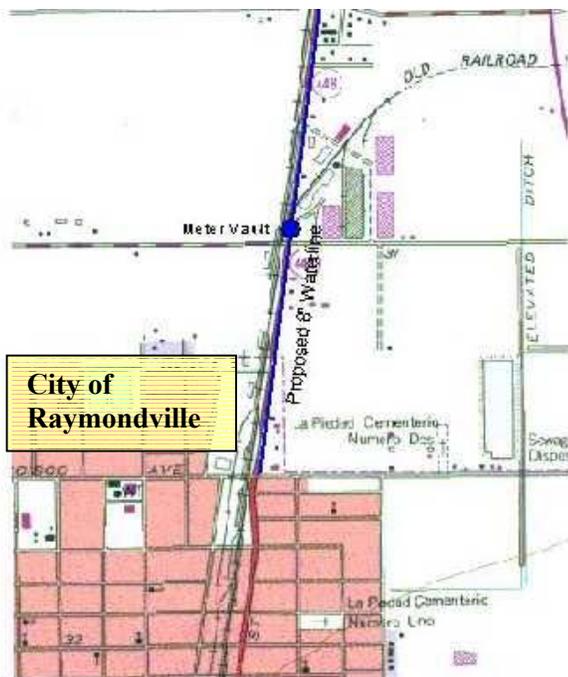
## ***EMERGENCY INTERCONNECTS***

In response to the drought of 1998, eight counties comprising the Rio Grande Regional Water Planning Group (Region M), the Lower Rio Grande Development Council and staff from the Texas Water Development Board (TWDB) prepared an evaluation of potential short-term water management alternatives. Based on this evaluation, it was determined that certain water utilities that receive their water supplies from irrigation districts are at high risk of not receiving appropriate supply when irrigation supplies are exhausted. Therefore, it was

recommended that emergency bypasses, or interconnects, through more dependable providers be established.

As a result of the evaluation and recommendations, on March 18, 1999, then-Governor Bush signed into law SB 472, which included \$3.6 million for disaster relief. Under the TWDB's emergency interconnect program, political subdivisions may be awarded funding for projects that address the interruption of water or wastewater service due to an emergency and which serve an economically distressed area as defined by TAC §363.2 (12) and (13).

Since its inception, the TWDB emergency interconnect program has granted **\$2.36 million** for interconnection water projects. Projects in Maverick County (El Indio WSC/ City of Eagle Pass) and Hidalgo County (Military Highway WSC/ City of Pharr) have been completed. Additionally, six other projects are in construction or design.



**North Alamo Water Supply Corporation's Interconnection with the City of Raymondville**

## ***FINANCING NEW WATER SUPPLIES THROUGH AGRICULTURAL CONSERVATION***

The drought conditions of the last seven years have emphasized the significant impacts of the dwindling water supply in the Lower Rio Grande Valley. The Rio Grande Regional Water Planning Group (RGRWPG) was one of the first regional planning groups to present a plan for addressing future water supply needs to the TWDB. One of several major potential sources of future water supply the RGRWPG identified was agricultural water conservation.

Current losses from transporting water through the existing canal systems to farms can sometimes reach as high as 50% of the original amount of water. Consequently, one of the water strategies identified by the RGRWPG as a source for future water supplies is the construction of irrigation system improvements that considerably reduce the amount of lost water. While important engineering studies estimated water conservation techniques for irrigation districts in the aggregate, an insufficient number of specific practical applications have been implemented to convince irrigation districts that the capital costs of the improvements are cost effective.

A canal lining in progress:



Mobile equipment is used to produce and install the polyurethane fabric lining on site. Installers are trained on the safe handling and use of the material, including what to do in case of a spill.

In an effort to address the financial issues associated with irrigation system improvements, progressive irrigation district managers and TWDB staff observed that when water transportation losses reach 50%, twice as much energy was used to pump the actual amount of water as is necessary if there were no water losses. Consequently, the same agricultural irrigation system improvements that will save large amounts of water will also likely provide substantial energy savings - a win-win situation.

With this working assumption, the TWDB has contracted with the State Energy Conservation Office (SECO) of the State Comptroller's Office to receive funds from an existing oil overcharge settlement agreement. Using these SECO funds, the TWDB has committed to pay three irrigation districts, in conjunction with Texas A&M, to prepare studies that identify the amount of potential energy savings resulting from irrigation system improvements. The TWDB anticipates as many as 14 more irrigation districts will propose similar studies within their respective districts. Additionally, the

TWDB is working with Texas A&M University to provide the necessary technical assistance to the irrigation districts to ensure consistency of the quantification of the energy savings.

Studies alone, of course, will not establish any savings. That is why the TWDB is coordinating these studies with the United States Department of Interior's Bureau of Reclamation (BOR). BOR has received authorization to construct energy conservation improvement projects along the Rio Grande River. In order to assist the BOR in identifying eligible projects, the TWDB is using the studies funded by SECO to develop the information required by BOR to provide federal funds for water conservation construction projects. By working with the irrigation districts and coordinating the activities of the federal and state governmental entities, the TWDB is implementing the recommendations of the RGRWPG in recognizing agricultural conservation as a significant source of future water supplies in the Rio Grande Valley.

## ***ENVIRONMENTAL REVIEW SYSTEM CAMERON-HIDALGO-STARR***

Development of a regional environmental review system was initiated in the mid 1990s based on the idea that a streamlined regional program acceptable to regulatory agencies would address the problems and limitations of current environmental review processes for smaller localized water and sewer projects. Three counties, Cameron, Hidalgo and Starr (C-H-S), were selected because of their common features and limited area, yet large enough to contain some 80 percent of Texas colonias. These colonias have become the target for many water and sewer projects in recent years.

The purpose of the project was to:

- Develop an adaptable system that met the requirements of a number of different agencies and their financial assistance programs which fund community water and sewer projects;
- Enable city planners and others besides consultants to prepare effective environmental assessment documents and coordinate water project development with environmental agencies; and,
- Encourage the efficient focused review and coordination of water and sewer projects.

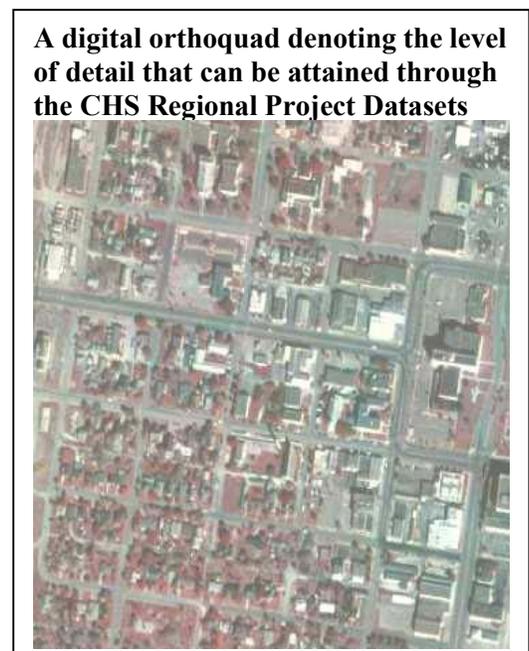
Projects were analyzed and then categorized by key factors. These factors were then used to group the projects into three categories based on their potential for significant effects or impacts on the environment.

The categories include:

- Major projects - new sewer lines, new treatment plants;
- Minor projects - improvements to existing road right-of-ways; and
- Limited projects - facility fencing at existing sites, rehabilitation of existing pump stations.

A simple screening method is used to place projects in the appropriate review level. A set of procedures provides an appropriate amount of background information, evaluation of project alternatives, agency coordination, and impacts assessment for each level of review.

Region-wide data sets are readily available to the public as sources of baseline information needed to support environmental reviews of water and sewer projects. The TWDB's Border Information Center (BIC) maintains the border environmental data sets on the web. The system includes base maps and aerial photographic imagery of floodplains, parks and refuges, surface and groundwater resources, land use patterns, transportation routes, socioeconomic data, solid and hazardous waste sites, and historically sensitive areas. The BIC makes these data sets available over the Internet by a new, innovative ArcIMS system, which is found at [www.tnris.org/website/CHSproject](http://www.tnris.org/website/CHSproject).



The ultimate effectiveness of the C-H-S system will depend on how reliable it is shown to be through its track record in the near term. Continued success should allow regulatory agencies to be confident in allowing its use to review projects in sensitive areas. The project managers believe that the time saved by regulatory agency staff should encourage their eventual support of the use of the C-H-S regional review system.

## ***STATE AND REGIONAL WATER PLANNING***

**After January 5, 2002:  
State financial assistance for water supply projects may be provided only if the project is consistent with the approved state and regional water plans.**

On June 19, 1997, then Governor George W. Bush signed into law Senate Bill 1 (SB1), the comprehensive water bill that changed water planning in the State of Texas. Under SB1, cities, water districts and other local governments are required to lay out how they plan to conserve water supplies, meet future water supply needs, and respond to future droughts. To facilitate this effort, the Texas Water Development Board (TWDB) designated 16 regional planning areas and appointed water planning representatives within each region.

Over the past three and a half years, TWDB provided financial and technical assistance to the regional water planning group representatives in the development of their plans. In June and July of this year, TWDB approved all 16 regional water plans.

TWDB staff diligently worked to prepare the draft 2002 State Water Plan based mainly on the information contained in each of the regional water plans. The draft 2002 State Water Plan was released for public comment in September and the final state water plan will be delivered to the Governor, Lieutenant Governor, Speaker of the House of Representatives and the Natural Resources Committees, no later than January 5, 2002. After January 5, 2002, state financial assistance for water supply projects may be provided only if the project is consistent with the approved regional and state water plans.

The long-term effects of the 2002 State Water Plan have yet to play out, but some positive outcomes are already evident. Because SB1 required a bottom-up approach to water planning, local involvement in the planning process is significantly greater now than it was in the past. More than 450 voting and non-voting community and interest group leaders participated in the development of the regional plans.

In Regions E, J and M (planning areas that make up the Texas-Mexico border), local participation was significant. Over 130 meetings were held in these regions to discuss water supply issues of local importance.

An example of public input is in Region E where the planning group recognizes the importance and significant issues associated with shared water resources between two nations – Texas and Mexico. This is also a focus of the Region M plan. While these two plans alone cannot solve these issues, they do raise public awareness about the importance of working toward solutions on these issues.

Another favorable result of the SB1 planning process is that small communities that previously had no water supply plan for meeting future needs, now have a specific voice in the draft 2002 State Water Plan. SB1 required each regional water plan to analyze the water demands and water supplies available for each community with a population of 500 or more. Where demands exceed supplies, planning group representatives were required to develop detailed water management strategies for meeting the needs of these communities for the next 50 years.

In the border area, the planning group analyzed 66 communities. Forty-three communities out of the 66 were identified to have short- or long-term water supply needs. Specific plans for meeting these needs are included in the respective regional water plans and the draft 2002 State Water Plan. The inclusion of these water management strategies in the regional and state water plans will ensure that these communities have access to state financial assistance for water supply projects that are recommended in the planning documents.

Local representatives involved in the regional planning process developed cost estimates for water supply projects identified in the regional water plans. These costs are included in the draft 2002 State Water Plan.

Along the border, the capital cost estimate for meeting future water supply needs for municipal use totals approximately \$2 billion.

This estimate does not include costs associated with recommended projects that do not produce water during drought conditions (e.g., brush control). Decision-makers at the local level can use these estimates as a guide for determining whether water development projects are paid for locally or whether outside financial assistance is necessary.

The draft 2002 State Water Plan identifies a range of key policy issues that must be addressed in order for the regional water plans and the state water plan to achieve successful implementation in the future. While none of the recommendations is specific to the Texas-Mexico border area, border communities may be poised to gain significantly.

One of the key policy recommendations included in the draft 2002 State Water Plan addresses the need to fill certain gaps in state financial assistance programs related to addressing basic needs and providing cost-effective opportunities, where local resources cannot. Because all of the counties that make up the Texas-Mexico border area are considered economically “disadvantaged,” the border area could potentially benefit significantly from some form of targeted financial assistance.

As previously stated, the long-term impacts of the regional plans and the draft 2002 State Water Plan are not yet known. The legislature has acted on some of the recommendations in the regional water plans, but the final 2002 State Water Plan has not yet been delivered. In addition, the planning process is continuing. Under provisions of SB1, state and regional plans must be updated and presented to the Legislature every five years. Planning group members in border communities, and in communities throughout the state, are already hard at work to ensure that every Texan has access to sufficient water supplies for future generations.

## ***THE BORDER ACTIVITY TRACKER***

The Border Activity Tracker (BAT) is a free, Internet-based directory of border projects. It includes basic information about all types of environmentally related projects undertaken by local, state and federal agencies along the Texas side of the U.S./Mexico border. The BAT is unique in that it can be updated and maintained by project managers at the participating agencies.

The main goal for the BAT is to provide a forum where agencies can see what other agencies are doing in the border region. This forum will have many benefits that includes helping agencies plan projects cooperatively with other agencies and minimizing duplication of effort.

The BAT contains a limited amount of information for each project. If more detailed information is required, the BAT provides a URL hyperlink that editors can use to supplement with project files.

The BAT contains, among other, the following information categories:

- Project name and description and cost
- Sponsoring organization or agency
- Project Contact information
- Project Type(i.e., housing, water, sewer, design, study)
- Project Status of project (i.e., authorized, completed, planned)
- Status and number of actual and planned hookups and population served



## ***COORDINATION WITH OTHER AGENCIES***

In its efforts to ensure timely and effective service to its applicants in the Texas-Mexico Border Region, the TWDB coordinates and includes many other state, federal and international agencies in its processes. The following provides a review of these agencies:

### ***Secretary of State (SOS)***

Originally named by then Governor Bush as the liaison for border affairs including trade and commerce and environmental cooperation and colonias issues. TWDB staff coordinates with the SOS' border affairs staff as well as the six colonia ombudspersons located in El Paso, Maverick, Webb, Starr, Hidalgo and Cameron counties. The Secretary of State website is [www.sos.state.tx.us](http://www.sos.state.tx.us).

### ***Texas Department of Housing and Community Affairs (TDHCA)***

#### ***Now known as Office of Rural Community Assistance (ORCA)***

TDHCA is the state's lead agency responsible for affordable housing, community development and community assistance; and regulation of the state's manufactured housing industry. TDHCA is the primary state agency financing colonia housing and community development. The functions of administering the Community Development Block Program has been transferred to the newly created ORCA. The TWDB expects to continue its coordinating efforts especially as it relates to the use of colonia set-asides for residential hook-up funding.

### ***Texas Natural Resource Conservation Commission (TNRCC)***

TNRCC regulates and enforces state and federal laws statewide regarding drinking water quality, wastewater discharge, and solid waste disposal. The TNRCC also provides managerial and technical utility assistance and coordinates colonia projects through its Office of Colonias Coordination. It is the primary Texas State agency regulating water and waste-related environmental issues. The TWDB coordinates with the TNRCC on population projections, compliance with the State Water Quality Management Plan, and in permit violation and enforcement matters. The TWDB can also request that the TNRCC conduct financial, managerial and technical assessments of applicants under the EDAP. The TNRCC website is [www.tnrcc.state.tx.us](http://www.tnrcc.state.tx.us).

### ***Office of the Attorney General (OAG)***

The OAG is the primary Texas state agency preventing further development of colonias in border counties. The OAG prosecutes developers who subdivide and sell land in violation of the Model Subdivision Rules, working with county and other local governments to assure compliance with these rules. The TWDB is required to notify the OAG of any actions known to the agency of potential violations of the MSR's. The OAG also coordinates with the TWDB in identifying the EDAP eligible counties annually based on information provided by the Texas Workforce Commission and the U.S. Bureau of Economic Analysis. The OAG website is [www.oag.state.tx.us](http://www.oag.state.tx.us).

### ***Texas Department of Health (TDH)***

TDH administers public health programs and low-income health care programs for colonias residents, reducing community and environmental health hazards through the Office of Border Health and its four field offices. The Department is the primary Texas state agency regulating public and environmental health in the border region. The TDH has the responsibility to issue a determination on

whether or not a nuisance dangerous to the public health exists in projects funded through the EDAP. The TDH website is [www.tdh.state.tx.us](http://www.tdh.state.tx.us).

***U.S. Environmental Protection Agency (EPA)***

EPA has provided funds for TWDB's Colonia Wastewater Treatment Assistance Program, and NADBank's Border Environment Infrastructure Fund. EPA is the primary federal agency providing environmental funding (for infrastructure, education, outreach, planning and other functions) in the border region. EPA makes an annual capitalization grant to fund Texas' Drinking Water and Water Pollution Control State Revolving Funds, administered by the TWDB. The EPA website is [www.epa.gov](http://www.epa.gov).

***Economic Development Administration (EDA)***

EDA helps distressed communities address problems associated with long-term distress, as well as sudden and severe economic dislocations. EDA provides matching grants to state and local governments, regional economic development districts, public and private nonprofit organization and Indian tribes. The types of grants available include public works, economic adjustment, planning and technical assistance. Under the Public Works and Development Facilities Program, EDA constructs water and wastewater facilities in economically distressed areas such as the Texas border region. The EDA website is [www.tdh.state.tx.us](http://www.tdh.state.tx.us).

***U.S.D.A. – Rural Development (RD)***

Through its Rural Utilities Service loan and grant programs, RD contributes funds for drinking water, sanitary sewer, solid waste disposal, and drainage facilities in colonias. RD also administers the Empowerment Zone and Enterprise Community programs in the Rio Grande Valley and Houston area, respectively. The RD website is <http://www.rurdev.usda.gov/>.

***Border Environment Cooperation Commission (BECC)***

BECC certifies environmental infrastructure projects in the border region, and provides technical assistance to project applicants. The BECC is the partner institution to the NADB, which requires BECC certification for all potential projects. The TWDB has recently partnered with the BECC in the development of a regional plan in Maverick County. Other opportunities for similar cooperative projects are being reviewed. The BECC was also instrumental in the successful approval of the Texas Plan which certified hook-ups for various Texas communities. The BECC website is [www.cocef.org](http://www.cocef.org).

***North American Development Bank (NADBank)***

NADBank provides financial support for the development, construction, and operation of water, wastewater and solid waste projects certified by the BECC. The TWDB has coordinated its projects with the NADBank which has developed rate and management studies for various Texas communities. Additionally, projects funded by the TWDB's EDAP have been able to access transition and BEIF funding from the NADBank. The NADBank website is [www.nadb.org](http://www.nadb.org).

## ***FINANCIAL, MANAGERIAL, AND TECHNICAL TRAINING***

How does the state assist water and wastewater systems funded through grants to operate on a sound financial, managerial and technical basis that leads to self reliant, sustainable systems? Are there current state resources that can guide in training local officials in fiscal management, sustainable development, and water and

wastewater operations? These were some of the questions asked last year at public hearings held during the interim before the 77<sup>th</sup> legislative session.

Past experience indicates that many smaller cities do not have adequate resources to handle major construction projects. This lack of resources, whether financial, administrative or human, extends the timeframe residents are without service which translates into less money from utility rate payers who otherwise can contribute to the maintenance and operation of those systems.

Senate Bill 649 passed in 2001 and supported by many border legislators provided TWDB and TNRCC with the authority to require mandatory training of these very applicants seeking financial assistance from the Economically Distressed Areas Program. If TNRCC and TWDB determine the applicant lacks adequate financial, managerial, and technical capabilities, training will then be required. At this time, TWDB is developing guidance on the method to implement this authority. It is currently unknown which communities, if any, will be requested to complete this training.

**For Information on any of these projects or activities, contact:  
Border Project Management Division  
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Austin, Texas 78701  
(512) 463-3119**

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**TEXAS-MEXICO BORDER REGION**

Border Project Management Division  
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P. O. Box 13231  
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To: