Urgent Need Funding from the Drinking Water State Revolving Fund

The TWDB provides resources to help affected communities recover from disasters and other emergency situations, including drought. Limited existing Urgent Need funding is available.

The TWDB has proposed offering a total of $7 million in Urgent Need funding under the State Fiscal Year (SFY) 2023 Intended Use Plan.

Eligible Projects

Urgent Need projects must address situations that require immediate attention to protect public health and safety resulting from situations such as these:

- Unanticipated reduction of adequate water supply due to prolonged drought that will result in the loss of water service to customers within the next 180 days
- Disasters and other catastrophic events resulting in the loss of a substantial portion of the water supply
- Severe flood damage to water supply facilities
- Situations that require immediate attention to address a substantial, imminent public health issue affecting a substantial portion of the water supply to customers, including widespread contamination in the water supply

Proposed Funding Availability for SFY 2023

- Principal forgiveness - $4,000,000
- Loans/bonds at 0% - $3,000,000

The proposed maximum amount of Urgent Need principal forgiveness that an entity may receive under the SFY 2023 Intended Use Plan is based on its eligibility for Disadvantaged Community funding as shown below.

<table>
<thead>
<tr>
<th>Maximum Amount of Principal Forgiveness Per Project/Entity</th>
<th>Principal Forgiveness Eligibility Percentage Level for Disadvantaged Community</th>
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</thead>
<tbody>
<tr>
<td>$500,000</td>
<td>0% — Project not eligible under Disadvantaged Community criteria</td>
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<tr>
<td>$800,000</td>
<td>70%</td>
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The loan portion of this assistance offers 0% financing and may also serve as interim financing for the portion of project costs that FEMA will reimburse (the federal share).*

Limitations

The proposed project must not be for replacement of facilities that have failed because they exceeded their useful life or due to lack of adequate maintenance. The TWDB may request an applicant provide a sealed response from a licensed professional engineer to assist in making a determination.

Urgent Need funds may only be used for project costs that are reasonable and necessary and must not result in the entity receiving a duplication of benefits from other sources.

How to Apply

Complete and submit a Project Information Form (PIF), found at www.twdb.texas.gov/financial/programs/pif.asp, and indicate the project’s Urgent Need status in the project name and project description. For expedited review, include an affidavit or sealed engineer’s statement that discusses the emergency/disaster conditions.

Please note that if you submit a PIF for this option after the annual solicitation deadline, your PIF will not be placed on the Intended Use Plan Project Priority List; however, you may still be considered for Urgent Need funds if there are funds remaining.

PIFs received after the solicitation deadline will be reviewed for eligibility and published for a two-week public comment period prior to being invited to submit a full application for funding.

For specific questions on the program, please contact Financial_Assistance@twdb.texas.gov or Heather O’Keefe, DWSRF Coordinator, at heather.okeefe@twdb.texas.gov.

Detailed information on the DWSRF program, including the Intended Use Plan, is available at www.twdb.texas.gov/financial/programs/DWSRF/index.asp.

*FEMA indicated to the TWDB that receipt of principal forgiveness for project costs [disqualifies] the costs from reimbursement by FEMA.