

# **ALLIANCE REGIONAL WATER AUTHORITY**

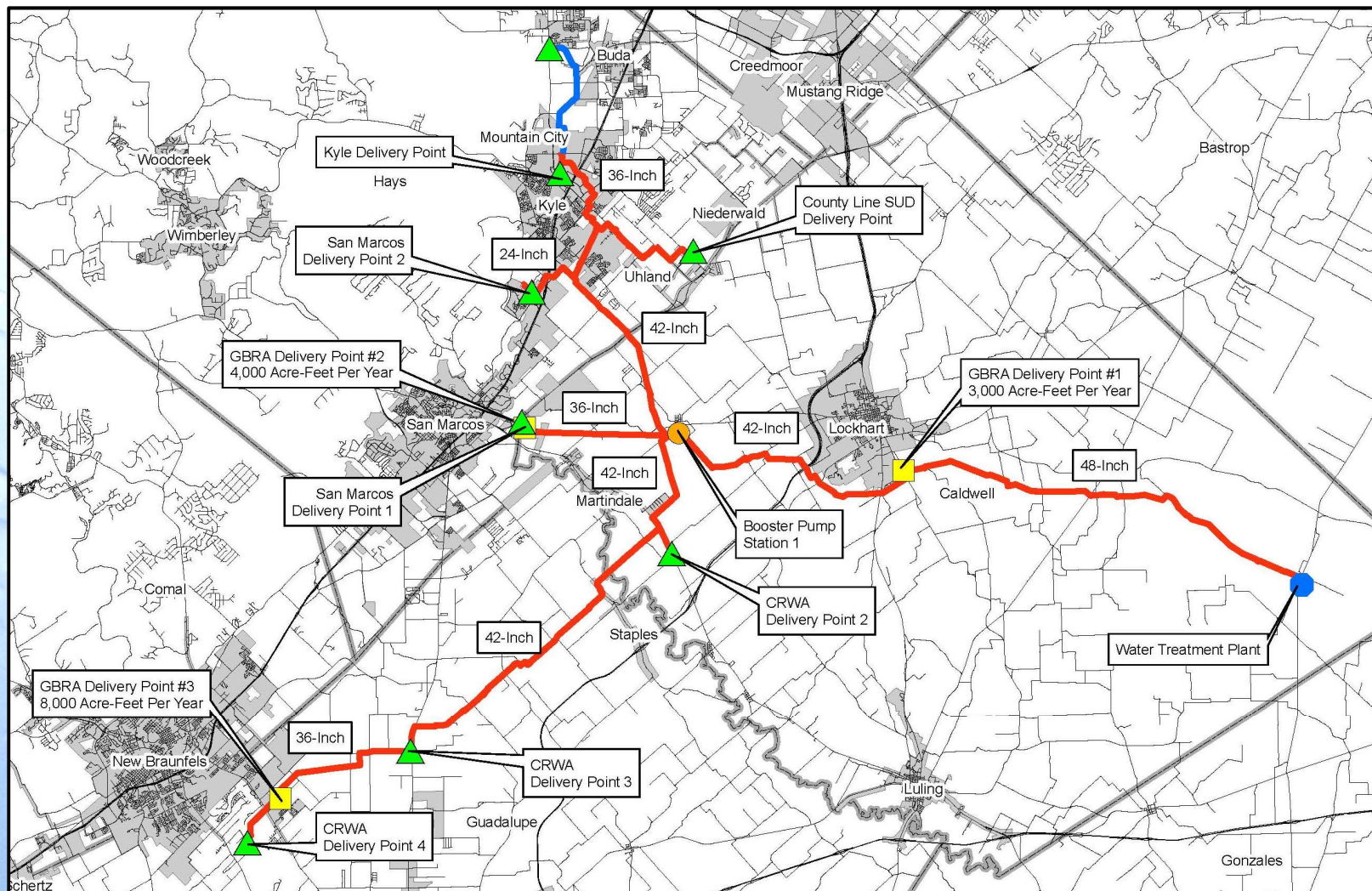
## **PHASE 1B PROJECT & FINANCING**

**SAN MARCOS CITY COUNCIL  
OCTOBER 15, 2019**



**ALLIANCE WATER**

# PHASE 1B OVERVIEW





# PHASE 1B COMPONENTS

- Carrizo wells
- Raw water collection lines
- Water treatment plant
- Finished water transmission mains
- Booster pump stations
- Delivery to customers tanks
- Administrative building

# PROJECT STATUS

- Water Leases: ✓
- Groundwater Permits: ✓
- Project Financing: ✓

## Next Steps:

- Engineering Design: ✓
- Easement Acquisition: ✓
- Construction

Carrizo Water to be  
Delivered in 2023

# STATE FUNDING

- Three debt issuances coinciding with project phasing.
- TWDB SWIFT funding is issued based on the State's credit rating with an additional subsidy

	2017	2019	2020	Total
ARWA Total	\$31.93 MM	\$85.88 MM	\$95.56 MM	\$213.4 MM
San Marcos Share	\$11.45 MM	\$30.80 MM	\$34.27 MM	\$76.52 MM



# STATE FUNDING

- Texas Water Development Board (TWDB) managing the \$2 billion State Water Implementation Fund of Texas (SWIFT) approved by voters in November 2013.
- Same fund used by Alliance Water in 2015 & 2017

TWDB – SWIFT Rate Subsidy Information					
Debt Term (yrs)	State Subsidy	2017 Rate	Budgeted 2019 Rate	Actual 2019 Rate	Interest Savings*
20	35%	1.853%	2.60%	1.524%	\$3,900,000

\* Based on \$30.8 million capital project versus budgeted rates.

## NEXT STEPS

- Approval of the Financing Agreement between Alliance Water and TWDB by mid-September stating debt service option.
- TWDB sells bonds in early-October
- **Council to consider approval of Resolution issuing debt in October 2019**
- Alliance Water closes on loans in late November
- 1<sup>st</sup> Payment (interest only) is made in August 2020

# QUESTIONS

[www.alliancewater.org](http://www.alliancewater.org)

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