



## Financing EPWU Stormwater Projects

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American Recovery and Reinvestment Act  
Texas Water Development Board  
Clean Water State Revolving Fund



## Financing Stormwater Projects

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- The Stormwater Utility has identified numerous essential capital improvement projects to improve the level of stormwater protection for the citizens of El Paso
- The Utility has been aggressively seeking funding solutions to meet these stormwater needs
- The Utility has identified several opportunities for low cost financing

## **Financing Stormwater Projects**

- American Recovery and Reinvestment Act Bonds (ARRA bonds) managed by the Texas Water Development Board (TWDB)
- Build America Bonds
- North American Development Bank/Border Environment Cooperation Commission – NADBk/BECC
- EPA, Department of Energy and other grant opportunities

## **Financing Stormwater Projects**

- The Stormwater Utility has submitted numerous requests for grants or low cost funding and are working with various agencies in this regard
- This item focuses on Stormwater applications to the TWDB Clean Water State Revolving Fund Program utilizing ARRA Bonds

## **Financing Stormwater Projects**

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- CWSRF - Sewer, Reclaimed Water and Stormwater projects are eligible for consideration
- Applications were due in January 2009
- Projects designed and ready to bid get priority
- Green projects get additional consideration
- Disadvantaged Communities may get partial grant funding (not El Paso)

## **Financing Stormwater Projects**

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- EPWU applied for funding for Sewer, Reclaimed Water and Stormwater projects in January, 2009
- EPWU submitted projects that could meet TWDB's criteria
- TWDB released initial ranking of projects
- Sewer and Reclaimed Projects were ranked low
- Stormwater projects were ranked high

## Financing Stormwater Projects

The Utility submitted 9 applications for 9 separate stormwater projects totaling \$53 million dollars

- Featherlake II Basin
- Basin G Excavation and Improvements
- RV Channel Improvements
- Americas Ten Basin
- Pershing Dam
- Northeast Channel 2 Phase 2
- Chihuahuita Pump Station
- Carson-Elliot Pump Station
- Vinton Arroyo Dams

## Allocation of Funds Available

FUNDING CATEGORY		PROJECT COST		FUNDS ALLOCATED	
A	3,000 or fewer	\$305,148,000	9.49%	\$15,379,194	8.94%
B	3,001 to 10,000 population	523,380,000	16.28%	26,377,896	15.34%
C	10,001 to 25,000 population	227,800,000	7.09%	12,036,992	7.00%
D	25,001 to 100,000 population	659,770,000	20.52%	33,251,834	19.34%
E	100,001 to 500,000 population	934,165,000	29.06%	47,081,103	27.38%
F	500,001 or greater population	511,775,000	15.92%	25,793,015	15.00%
H	Nonpoint Source / Estuary Mgmt.	53,060,000	1.65%	12,036,992	7.00%
Total		\$3,215,098,000	100%	\$171,957,026	100%

## List of Eligible Projects – El Paso

Funding Category	Rank	Project Description	Total Project Cost
E	23	Bustamante Reclaimed Water Facilities	\$10,270,000
E	24	Lone Star Force Main	\$745,000
E	25	Boone Interceptor Relief	\$13,805,000
E	26	Grouse Street Force Main	\$1,530,000
E	29	Doniphan Drive 24-inch Reach 3	\$3,200,000
E	30	Doniphan Drive 24-inch Reach 1	\$3,995,000
H	1	Stormwater - Featherlake II Basin*	\$3,585,000
H	2	Stormwater - Basin G Excavation	\$1,195,000
H	3	Stormwater - RV Channel	\$1,645,000
H	4	Stormwater - Americas ten Basin	\$2,510,000
H	5	Stormwater Pershing Dam	\$1,795,000
H	6	Stormwater - Northeast Channel 2	\$12,610,000
H	7	Stormwater - Chihuahuita Pump Station	\$3,540,000
H	8	Stormwater - Carson-Elliott Pump Station	\$2,285,000
H	9	Stormwater - Vinton Arroyo Dams	\$23,895,000

\* Estimated Green Project

## Financing Stormwater Projects

- These applications were submitted prior to the final prioritization of the Stormwater CIP
- TWDB allocated \$12.037 million for category H Stormwater
- TWDB offered the Utility \$12.037 million in CWSRF ARRA Bonds at 0% interest for the following projects:
  - Featherlake II Basin
  - Basin G Excavation and Improvements
  - RV Channel Improvements
  - Americas Ten Basin
  - Pershing Dam
  - Northeast Channel 2 Phase 2

## Financing Stormwater Projects

The Utility would like to accept the offer for the following 5 projects utilizing the entire \$12.037 million at a 0% loan:

- Featherlake II Basin
- Basin G Excavation and Improvements
- RV Channel Improvements
- Pershing Dam
- Northeast Channel 2 Phase 2

## TWDB Clean Water Funded EPWU Stormwater Projects

TWDB Priority	Project Title	Estimated Cost (M)
1	Featherlake II Basin	\$ 3.585
2	Basin G Excavation	\$ 1.195
3	RV Channel	\$ 1.645
4	Pershing Dam	\$ 1.795
5	Northeast Channel 2	\$ 3.817
	<b>TOTAL ALLOCATION</b>	<b>\$12.037</b>

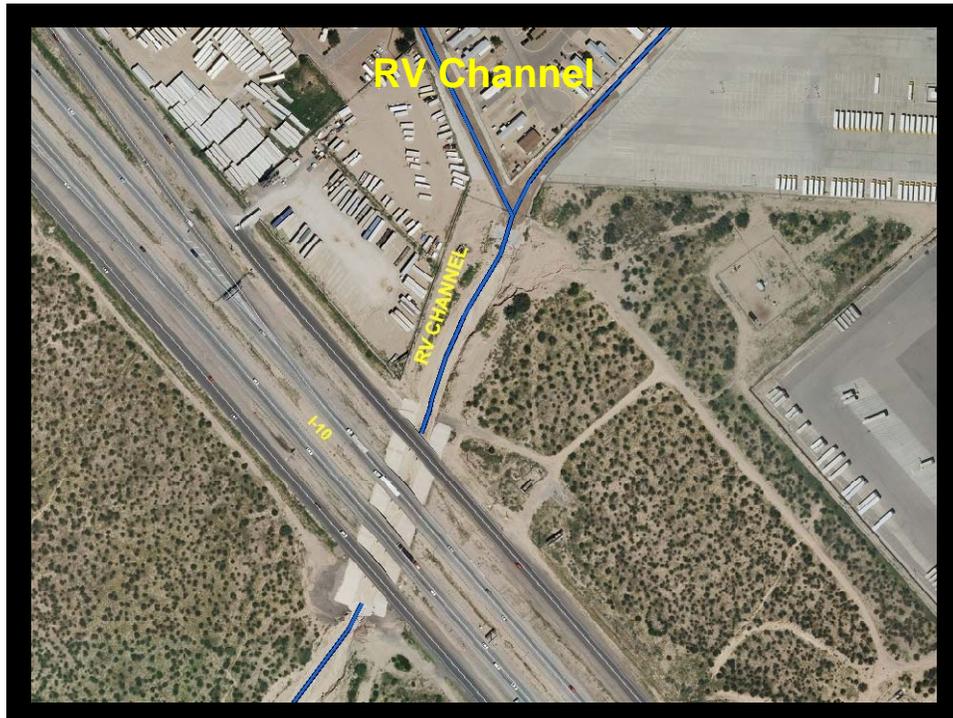


## Northeast Channel 2



## Basin G Excavation





## Financing Stormwater Projects

- The President/CEO sent letters back to TWDB accepting the offers for the five projects June 25, 2009 as required
- TWDB also requires a resolution from the PSB and City Council to approve the application for the \$12.037 million in TWDB bonds
- This response must be received by July 22, 2009 including final plans and specs or the offer will be retracted by TWDB and will be offered to other Utilities in a priority manner

## **Financing Stormwater Projects**

- The 0%, twenty year bonds provides a significant savings in costs to our customers
- The Utility will save \$6.7 million in interest costs by taking advantage of this program
- Of these \$12 million in projects, \$10.8 million will be added to the \$40 million in capital projects for this fiscal year. (\$1.2 million, Basin G is already budgeted this fiscal year) New CIP will be \$50.8 million

## **Financing Stormwater Projects**

- No increase in rates is required in the financial plan due to the favorable low cost financing
- First Southwest Co. will go over the bond schedule and financing



## City of El Paso – Public Service Board

### Texas Water Development Board CWSRF Application

July 14, 2009

Presented By:



## Board Action Items

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- Request that the City Council adopt a resolution requesting financial assistance from the Texas Water Development Board via an application submitted for the issuance of Stormwater Revenue Bonds through the Clean Water State Revolving Fund in the amount of \$12,036,992

## Clean Water State Revolving Fund Loan

- The El Paso Water Utilities/Public Service Board (PSB) has been designated funding from the American Reinvestment and Recovery Act
- Monies for this particular loan are flowing through the Texas Water Development Board's Clean Water State Revolving Fund
- Projected interest rate of 0%
- Total debt service savings compared to issuing the bonds on the open market are expected to be approximately \$6.7 million (based on assumed 4.50% open market rate)

## Series 2009 Projected Debt Service

FYE	Principal	Coupon	Interest	Total P+I
2/28/10	\$ -		\$ -	\$ -
2/28/11	-		-	-
2/28/12	602,000	0%	-	602,000
2/28/13	602,000	0%	-	602,000
2/28/14	602,000	0%	-	602,000
2/28/15	602,000	0%	-	602,000
2/28/16	602,000	0%	-	602,000
2/28/17	602,000	0%	-	602,000
2/28/18	602,000	0%	-	602,000
2/28/19	602,000	0%	-	602,000
2/28/20	602,000	0%	-	602,000
2/28/21	602,000	0%	-	602,000
2/28/22	602,000	0%	-	602,000
2/28/23	602,000	0%	-	602,000
2/28/24	602,000	0%	-	602,000
2/28/25	602,000	0%	-	602,000
2/28/26	602,000	0%	-	602,000
2/28/27	602,000	0%	-	602,000
2/28/28	601,000	0%	-	601,000
2/28/29	601,000	0%	-	601,000
2/28/30	601,000	0%	-	601,000
2/28/31	601,000	0%	-	601,000
	<u>\$ 12,036,000</u>		<u>\$ -</u>	<u>\$ 12,036,000</u>

# Timetable of Events

## CWSRF Loan

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PSB Requests City Resolution for Application to TWDB.....	June 30, 2009
City Authorizes Request for Financial Assistance.....	July 14, 2009
Application Submitted to the TWDB.....	July 22, 2009
TWDB Board Considers Application (TBD).....	September 17, 2009
PSB Requests City Sell Bonds.....	September 23, 2009
City Approves Sale of Revenue Bonds to the TWDB.....	October 6, 2009
Closing and Delivery of Funds.....	November 3, 2009