

January 29, 2021

Kevin Shunk, P.E., CFM, Floodplain Administrator
City of Austin
P.O. Box 1088
Austin, TX 78767-1088

Re: City of Austin – Central Texas Regional Floodplain Studies
TWDB Project No. 40060 Closing Requirements
2020 Flood Infrastructure Fund Financial Commitment - Grant

Dear Mr. Shunk:

Thank you for utilizing the Texas Water Development Board (TWDB) financial assistance programs. On December 17, 2020, TWDB approved the City's financial assistance request. The news release is located at: <https://texaswaternewsroom.org/pressreleases/index.html>. The financial assistance commitment expires on June 17, 2021

The grant will be effective with the execution of a Grant Agreement, which should include any special conditions listed in the Project Funding Request approved by the Board (attached). Using the outline provided below, please create a schedule for closing the grant and receiving funds. Deadlines are listed in business days.

Please provide to your TWDB project manager the dates for your execution of the agreement and preferred closing date. If you would like to schedule a closing conference call to go over the process, you may contact the TWDB project manager or myself. Required closing documents and TWDB team contact information are listed on the next page.

Documentation or Event	Deadline (business days)	Due To
1. Comments on the draft Grant Agreement	20 business days prior to borrower execution date	TWDB Project Manager and Attorney
2. Budget for the release of funds at closing *	18 business days prior to closing date	TWDB Project Manager
3. Escrow Release Authorization	13 business days prior to closing date	Grant Recipient
4. Grant Agreement Executed	10 business days prior to execution date	TWDB Project Manager
5. Final closing documents (see below)	8 days prior to closing date	TWDB Project Manager
6. Closing		

**If required, a template for an outlay report and instructions will be provided by TWDB staff*

Our Mission

Leading the state's efforts in ensuring a secure water future for Texas and its citizens

Board Members

Peter M. Lake, Chairman | Kathleen Jackson, Board Member | Brooke T. Paup, Board Member
Jeff Walker, Executive Administrator

Required final closing documents:

- Closing Instructions
 - TWDB Vendor Set-up and Direct Deposit Forms
 - Request to Wire Letter
- Executed Escrow Agreement
- Executed Grant Agreement
- Authorized Representative Agreement Execution Resolution
- Approved Outlay Report
- Sufficiency of Funds Statement

Release of funds requires the submittal of outlay report. An outlay report template will be sent to you within the next two weeks. You may submit a request for release of funds via a completed outlay report prior to closing, however the initial release of funds will be delivered no earlier than seven (7) days after closing. Instructions on submitting an outlay can be found at

<http://www.twdb.texas.gov/financial/outlay/index.asp>

Attachments:

- A. TWDB Vendor Set-up & Direct Deposit Form
- B. Request to Wire Letter – for wires only
- C. Agreement Execution Resolution
- D. TWDB Project Funding Request

Our team looks forward to working with you to make this a successful project. Please include the project number listed above when sending correspondence related to this project. If you have any questions or seek additional information, you may contact any of the team members or me at james.bronikowski@twdb.texas.gov or (512) 475-0145. Team members contact information:

Hayley Gillespie, Project Manager, (512) 475-1591
Kendal Kowal, Attorney, (512) 475-3065

Sincerely,

James Bronikowski, P.E., CFM
Manager, Regional Flood Planning

JB/AG
Enclosure

cc via email: Reem Zoun, P.E., CFM, Director, Flood Planning

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Texas Water Development Board

PROJECT FUNDING REQUEST

BOARD DATE: December 17, 2020

PRESENTED BY: Reem Zoun

ACTION REQUESTED

Consider approving selected applications and authorizing the Executive Administrator to negotiate and execute contracts for grant funding in an amount not to exceed \$44,693,945 from the 2020 Flood Infrastructure Fund for watershed flood protection planning studies (Category 1) and authorizing the transfer of \$44,693,945 from the Flood Infrastructure Fund to the Research and Planning Fund, as authorized by Texas Water Code Section 15.534(a)(8).

STAFF RECOMMENDATION

☒ Approve ☐ No Action

BACKGROUND

Passed by the 86th Texas Legislature and approved by voters through a constitutional amendment, the Flood Infrastructure Fund (FIF) was created to provide funding for flood mitigation projects. The purpose of the FIF, as outlined in Senate Bill 7 is to assist in financing drainage, flood mitigation, and flood control projects. FIF projects and studies presented for consideration have been scored and ranked using prioritization criteria outlined in 31 Texas Administrative Code § 363.404 and further specified in the Flood Intended Use Plan. The prioritized list of projects and studies was approved by the Board on September 17, 2020.

KEY ISSUES

The selected studies represent those eligible under Category 1, Flood Protection Planning for Watersheds, of the 2020 Flood Intended Use Plan. This category of funding was designed to support studies that conduct planning of entire watersheds no smaller than Hydrologic Unit Code 10-digit (HUC-10) to better inform the development of strategies using structural and nonstructural measures before a flood event, such as determining and describing problems from or related to flooding, identifying and planning solutions to flooding problems, and estimating the benefits and costs of these solutions. Category 1 studies are eligible to receive a maximum of 100 percent grant funds based on criteria outlined in the Flood Intended Use Plan. Recipients of financial assistance may either use their own funds or borrow FIF funds at 0 percent interest for any portion of the remaining project cost.

The 17 applicants listed in Table 1 have submitted complete financial assistance applications and are eligible to receive grant funding through the FIF for a portion of their total project cost. Applicants have pledged to contribute local funds to provide the remaining project costs and federal funds have been identified as a source by one of the applicants. Table 1 provides a summary of funding sources for these 17 studies, and application summaries are attached.

COMMITMENT PERIOD: SIX (6) MONTHS TO EXPIRE JUNE 30, 2021
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Table 1 - Summary of funding sources

Applicant name	Eligible grant	Federal funding amount	Local contribution amount	Local In-Kind contribution amount	FIF grant amount	Total project cost
Austin	50%	\$1,200,000	\$ 3,882,073	\$ 572,102	\$4,445,825	\$10,100,000
Caldwell County	75%	\$ -	\$ 243,750	\$ -	\$ 731,250	\$ 975,000
Cameron County Drainage District No. 3	90%	\$ -	\$ 165,000	\$ -	\$ 1,485,000	\$ 1,650,000
Chambers County	75%	\$ -	\$ 1,552,000	\$ -	\$ 4,656,000	\$ 6,208,000
Dallas County	75%	\$ -	\$ 1,811,000	\$ -	\$ 5,433,750	\$ 7,244,750
Harlingen	90%	\$ -	\$ 323,700	\$ 300,000	\$ 5,613,300	\$ 6,237,000
Hays County	50%	\$ -	\$ 215,000	\$ -	\$ 215,000	\$ 430,000
Iowa Colony	50%	\$ -	\$ 150,000	\$ -	\$ 150,000	\$ 300,000
Jackson County County-Wide Drainage District	75%	\$ -	\$ 125,000	\$ -	\$ 375,000	\$ 500,000
Jefferson County Drainage District No. 6	75%	\$ -	\$ 1,875,000	\$ 250,000	\$ 6,375,000	\$ 8,500,000
Karnes County	75%	\$ -	\$ 206,250	\$ -	\$ 618,750	\$ 825,000
Laredo	90%	\$ -	\$ 65,000	\$ -	\$ 585,000	\$ 650,000
Lower Rio Grande Valley Development Council	90%	\$ -	\$ 887,000	\$ -	\$7,983,000	\$ 8,870,000
Midland County	50%	\$ -	\$ 612,478	\$ -	\$ 612,478	\$ 1,224,956
Stephenville	75%	\$ -	\$ 112,500	\$ -	\$ 337,500	\$ 450,000
Wharton County	75%	\$ -	\$ 142,500	\$ -	\$ 427,500	\$ 570,000
Williamson County	75%	\$ -	\$ 4,649,593	\$ -	\$4,649,592	\$ 9,299,185
Total		\$1,200,000	\$17,017,844	\$1,122,102	\$44,693,945	\$64,033,891

The studies recommended for approval meet all applicable minimum requirements found in the 2020 Flood Intended Use Plan:

- (1) all activities are considered “flood control planning” as defined in Texas Water Code § 15.405;
- (2) the application does not include the actual preparation of a Federal Emergency Management Agency Flood Insurance Rate Map;
- (3) the funding request does not include redundant funding;
- (4) the area to be served by the project meets the requirements of the Flood Intended Use Plan related to the National Flood Insurance Program;
- (5) the project was developed using the best/most recent available data;
- (6) the application demonstrates a sufficient level of cooperation among eligible political subdivisions and includes all of the eligible political subdivisions substantially affected by the project.

The selected studies recommended for approval meet the statutory and rule requirements found in Texas Water Code Chapter 15, Subchapter F and 31 Texas Administrative Code Chapter 355, including:

- (1) that the financial assistance is necessary for the applicants to carry out adequate flood control planning; and
- (2) that the applicant has notified all required entities of the application.

Attachment: Application Summaries with Maps

CITY OF AUSTIN

PROJECT NAME AND NUMBER

Central Texas Regional Floodplain Studies, Project 40060

PROJECT NEED AND DESCRIPTION

The Central Texas Regional Floodplain Studies Project is a key component of a larger program to update hydrologic and hydraulic models for all “regulatory floodplains” within the City of Austin’s (City) jurisdiction and extending into neighboring jurisdictions at a watershed scale. Specifically, up-to date floodplain studies are essential for continued effective floodplain management by the City and surrounding communities in light of the 25-30 percent increase in the benchmark 100-year 24-hour rainfall depth identified in the National Oceanic Atmospheric Administration (NOAA) Atlas 14 report. Up-to-date models are also needed to accurately assess flood risk, plan flood risk reduction projects, and evaluate the level of flood protection provided by existing flood risk reduction projects and drainage systems.

The City of Austin is requesting financial assistance to update regulatory floodplains within the City’s jurisdiction, including those that extend into neighboring jurisdictions. Key elements of the project are:

- Develop new or updated geo-referenced hydrologic and hydraulic models for more than 26 watersheds for both existing and fully developed land use conditions for selected storm frequencies based on NOAA Atlas 14 precipitation estimates;
- Indicate flood risk by mapping the 100-yr and 500-yr floodplains for existing land use conditions and the 25-yr and 100-yr floodplains for fully developed land-use conditions;
- Develop selected flood risk products to support the evaluation and communication of flood risk; and
- Produce all hydrologic, hydraulic, mapping, and flood risk data in a manner to support submission to the Federal Emergency Management Agency (FEMA) to conduct a Physical Map Revision.

PROPOSED PROJECT FUNDING

TOTAL STUDY COST	\$ 10,100,000
Amount requested from FIF	\$ 4,445,825
Local Contribution	\$ 3,882,073
Local in-kind	\$ 572,102
Federal funding	\$ 1,200,000

PROJECT SCHEDULE

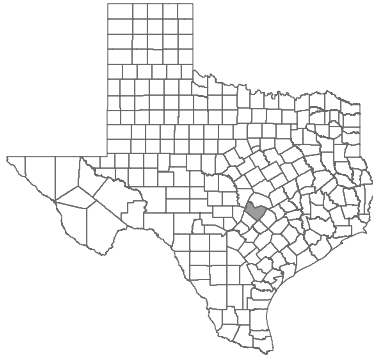
Task	Schedule Date
Closing	March 31, 2021
Flood Planning Study Completion (End of Planning Phase)	October 1, 2022

FINANCIAL

The funding being provided by the TWDB is in the form of 100 percent grant and therefore is not subject to our internal risk score analysis that is applied to loan. For this request, staff reviewed the City's annual audit and funding application information to assess the entity's ability to manage existing obligations and business practices. Based on this analysis, staff believes the City has adequate capabilities to manage its obligations.

SPECIAL CONDITIONS

- Prior to closing, the City shall execute a Grant Agreement in a form and substance acceptable to the Executive Administrator;
- Prior to closing, the City must demonstrate its required local share of \$4,454,175 which may be provided through in-kind services with prior approval by the Executive Administrator;
- Prior to closing, when any portion of financial assistance is to be held in escrow or in trust, the City shall execute an escrow agreement or trust agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed agreement to the TWDB; and
- Prior to closing, the City must submit documentation evidencing that the area to be served by the Project has floodplain ordinances or orders, as applicable, in place, in accordance with the Flood Intended Use Plan (FIUP) or must include in the scope of work that the applicant will work with any community within the project area, that does not meet minimum standard, towards adoption and enforcement of floodplain management ordinances or orders, as applicable, in accordance with the FIUP.



City of Austin Travis County

