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A Message from John Balliew, P.E., President/CEO

EPWater seizes infrastructure funding opportunities

El Paso Water is building momentum in securing federal and state funding opportunities to help finance our water, wastewater and stormwater system improvements, as well as our future water supply.

In our arid region, we strive hard to advance our utility with alternative and innovative solutions that benefit our customers. After last year's weather and infrastructure



El Paso Water is seeking additional funding opportunities for the Advanced Water Purification Facility.

challenges, we aim to deploy innovative water solutions to boost our systems' resilience. But these types of projects, including desalination and advanced water purification, are not cheap.

In the post-World War II era, water infrastructure across the country was heavily subsidized by the federal government, but that is no longer the case. Now, funding is only possible through strategic partnerships and competitive grants.

Last year, EPWater was awarded \$20.1 million in state and federal funding.

In recent decades, we have pursued funding programs and have averaged about \$5 million in annual rewards. In the past five years, we secured a combined \$52 million from partners such as the Corps of Engineers, the U.S. Bureau of Reclamation and the Texas Water Development Board.

The current availability of funding opportunities comes at an excellent time for us, considering that we recently expanded EPWater's capital improvements program to rebuild resilience and ensure El Paso's future water supplies. Along with the rest of the nation's water utilities, we have struggled with the challenges of aging systems.

EPWater is seizing on opportunities to compete for the current wave of infrastructure financing, courtesy of the Infrastructure Investment and Jobs Act. We aim to help offset costs of projects, such as:

- Montana Vista Wastewater Phase 2: We are working on an application for financial assistance from the TWDB's Economically Distressed Area Program to bring first-time wastewater service to 800 homes in the Far East El Paso community. The first phase was completed in 2021 with state funding assistance.
- Stormwater funding: We secured a \$5.1 million grant and a no-interest loan of \$9.4 million from the TWDB's Flood Infrastructure Fund to benefit our Will Ruth Pond Project in the Northeast. Now, our attention has turned to FEMA's Hazard Mitigation Grant Program to help with other stormwater projects.
- Funding of new water supply projects is also a big priority. The Kay Bailey Hutchison Desalination Plant expansion, the Aquifer Storage and Recovery Project and the Advanced Water Purification Facility are all costly but necessary for drought resilience and to meet our future water demands. These projects have earned a combined \$14 million so far from state and Bureau of Reclamation grants. This year, EPWater is seeking an additional \$22 million.

Securing these funds is largely a collaborative effort by our dedicated EPWater team with our Government Affairs, Engineering and Finance teams playing key roles with support from firms, such as Carollo Engineers and Freese & Nichols.

By securing outside funding, it will put us on a firmer path to improved system reliability and a sustainable water future while giving us financial flexibility to keep rates affordable in the future.







On the Water Front is a publication of El Paso Water. Contact Christina Montoya at 915.594.5596 or cmontoya@epwater.org with any comments or questions.

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