



BUDA CITY COUNCIL APPROVES FIRST BOND ISSUANCE FOR NEW WATER SOURCE PROJECT

BUDA, TX — The Buda City Council approved the first of three bond issuances on a long-term plan to bring additional groundwater supplies to Buda. The Alliance Regional Water Authority, formerly the Hays Caldwell Public Utility Agency, has been working on the project for several years.

Groundwater will be pumped via a pipeline from the Carrizo-Wilcox Aquifer east of Lockhart in Caldwell County. It will bring an additional 13 million gallons of water per day to the region. The total cost of the project is \$213.4 million, with completion of the project scheduled for 2023.

Buda, San Marcos, Kyle, and the Canyon Regional Water Authority, all of which are Alliance Regional Water Authority members, will share in the total cost. Below is a breakdown of Buda’s share.

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	2021	Total
ARWA Total	\$31.93 MM	\$85.88 MM	\$95.56 MM	\$213.4 MM
Buda’s Share	\$1.625 MM	\$4.37MM	\$4.86MM	\$10.855 MM

TWDB – SWIFT Rate Subsidy Information				
Debt Term (yrs)	State Subsidy	Budgeted Rate*	Actual SWIFT Subsidized Rate*	Interest Savings**
20	35%	2.65%	1.853%	\$1,420,000

* Budgeted and Actual are for 2017 issuance only.
** Based on \$10.9 million capital project versus unsubsidized rates.

ALLIANCE REGIONAL WATER AUTHORITY

TWDB (Texas Water Development Board) SWIFT (State Water Implementation Fund of Texas)

The first bond issuance of \$1.63 million is for the first phase of the project known as Phase 1B.

Since the Carrizo-Wilcox groundwater will not be available until 2023, Buda entered into an interim water sharing agreement with Kyle and San Marcos last year through the Alliance Regional Water Authority. The City receives an additional 1 million gallons per day (MGD) through the agreement. This additional supply will assist Buda in meeting short term water needs until Phase 1B of the Carrizo-Wilcox project is complete and on-line in 2023

“The City of Buda has worked diligently in finding solutions to a plentiful water source,” said Buda City Manager Kenneth Williams. “Our goal is to be a good neighbor and collaborate to find adequate water sources while being environmentally friendly in increasing efforts toward conservation.”