



# **CERTIFICATION PROPOSAL**

## **DRINKING WATER DISTRIBUTION SYSTEM FOR THE HILLCREST SUBDIVISION IN EL PASO COUNTY, TEXAS**

*Revised: April 30, 2021*



## CONTENTS

<b>EXECUTIVE SUMMARY</b> .....	1
<b>1. PROJECT OBJECTIVE AND EXPECTED OUTCOMES</b> .....	3
<b>2. ELIGIBILITY</b> .....	3
2.1. Project Type and Description .....	3
2.2. Project Location.....	3
2.3. Project Sponsor and Legal Authority.....	4
<b>3. CERTIFICATION CRITERIA</b> .....	4
3.1. Technical Criteria .....	4
3.1.1. General Community Profile .....	4
3.1.2. Project Scope .....	6
3.1.3. Technical Feasibility.....	7
3.1.4. Land Acquisition and Right-of-Way Requirements .....	8
3.1.5. Project Milestones.....	9
3.1.6. Management and Operation.....	9
3.2. Environmental Criteria .....	10
3.2.1. Environmental and Health Effects/Impacts .....	10
A. Existing Conditions .....	10
B. Project Impacts.....	11
C. Transboundary Impacts.....	12
3.2.2. Compliance with Applicable Environmental Laws and Regulations.....	12
A. Environmental Clearance .....	12
B. Mitigation Measures .....	12
C. Pending Environmental Tasks and Authorizations.....	13
3.3. Financial Criteria.....	13
<b>4. PUBLIC ACCESS TO INFORMATION</b> .....	15
4.1. Public Consultation.....	15
4.2. Outreach Activities .....	15
<b>5. RECOMMENDATION</b> .....	16

## EXECUTIVE SUMMARY

### DRINKING WATER DISTRIBUTION SYSTEM FOR THE HILLCREST SUBDIVISION IN EL PASO COUNTY, TEXAS

<b>Project:</b>	The proposed project consists of the construction of a drinking water distribution system in the Hillcrest Subdivision in El Paso County, Texas (the “Project”). The new system will include the installation of nearly 20,000 linear feet of water distribution lines, over 100 residential meters and a master meter connection to the distribution system of El Paso Water (EPW), who will operate the new drinking water system.
<b>Project Objective:</b>	The purpose of the Project is to provide access to sustainable drinking water service by assuring compliant water quality, adequate water supply and service reliability in order to eliminate the use of hauled water and on-site storage, thus helping to reduce health risks associated with waterborne diseases.
<b>Expected Outcomes:</b>	The Project is expected to generate environmental and human health benefits related to the following outcomes: <ul style="list-style-type: none"><li>• Increase access to safe and reliable drinking water services to 107 households; and</li><li>• Eliminate the contamination risks associated with hauling water and the use of individual on-site storage tanks.</li></ul>
<b>Population to Benefit:</b>	330 residents of the Hillcrest Subdivision. <sup>1</sup>
<b>Project Sponsor:</b>	El Paso County, Texas.
<b>Estimated Construction Cost:</b>	US\$3,280,000.
<b>NADB Grant:</b>	US\$1,600,000 grant from the Border Environment Infrastructure Fund (BEIF) funded by the U.S. Environmental Protection Agency (EPA).

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<sup>1</sup> Estimate based on 107 residential connections with an average of 3.1 persons per household in El Paso County according to U.S. census data.

BOARD DOCUMENT BD 2021-6  
 CERTIFICATION PROPOSAL  
 HILLCREST, EL PASO COUNTY, TEXAS

**Uses and Sources of  
 Funds:**  
 (US\$)

Uses	Amount	%
Construction Phase – BEIF*	\$ 1,340,000	41
Construction Phase – USDA-RD*	1,680,000	51
Construction Management – BEIF	260,000	8
<b>TOTAL</b>	<b>\$ 3,280,000</b>	<b>100</b>
Sources	Amount	%
USDA-RD loan	\$ 1,680,000	51
NADB-BEIF (EPA grant)	1,600,000	49
<b>TOTAL</b>	<b>\$ 3,280,000</b>	<b>100</b>

\* Estimated construction cost includes contingencies.  
 USDA-RD = U.S. Department of Agriculture Rural Development

**Project Status:**

Key Milestones	Status
Environmental clearance – U.S.	Completed
Final design	Completed
EPW Master Service Agreement	Anticipated 2nd quarter 2021
Construction procurement	To begin 3rd quarter 2021
Construction period	Estimated 10 months

## CERTIFICATION PROPOSAL

### DRINKING WATER DISTRIBUTION SYSTEM FOR THE HILLCREST SUBDIVISION IN EL PASO COUNTY, TEXAS

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#### 1. PROJECT OBJECTIVE AND EXPECTED OUTCOMES

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The proposed Project consists of the construction of a drinking water distribution system to serve the Hillcrest subdivision in El Paso County, Texas (the “Project”). The new system will include the installation of nearly 20,000 linear feet of water distribution lines, over 100 residential meters and a master meter connection to the distribution system of El Paso Water (EPW). The purpose of the Project is to provide access to sustainable drinking water service by assuring compliant water quality, adequate water supply and service reliability in order to eliminate contamination risks associated with hauling water and the use of individual on-site storage tanks, thus helping to reduce health risks associated with waterborne diseases.

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#### 2. ELIGIBILITY

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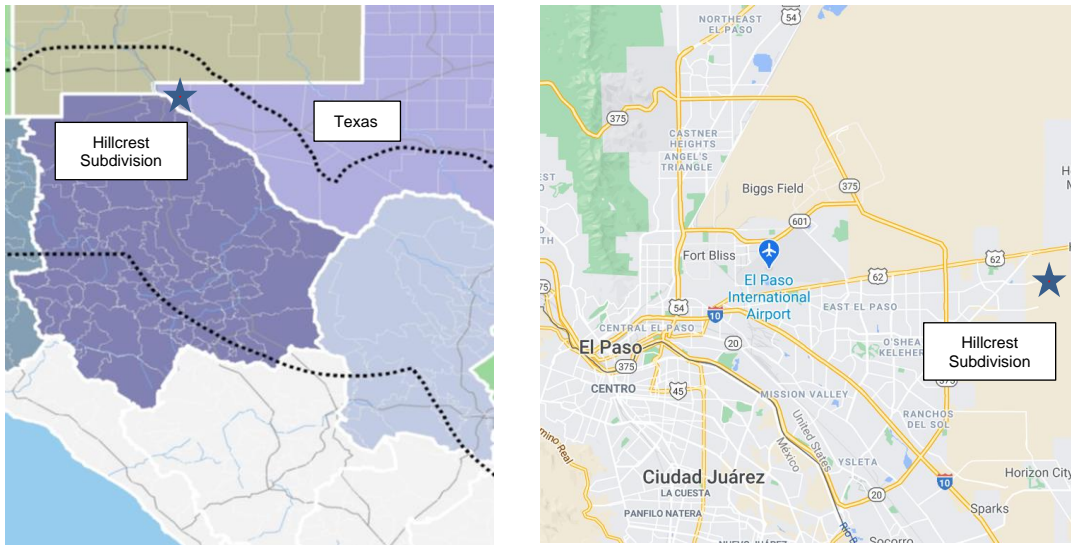
##### 2.1. Project Type and Description

The Project falls within the eligible category of drinking water.

##### 2.2. Project Location

The Project is located in the Hillcrest subdivision in El Paso County, Texas, just east of the city of El Paso and approximately 10 miles north of the U.S.-Mexico border. Its geographical coordinates are latitude 31° 48' 32" N and longitude 106° 12' 47" W, at an approximate mean elevation of 4,020 ft. Figure 1 shows the location of the community and the Project.

**Figure 1**  
**PROJECT LOCATION MAP**



### **2.3. Project Sponsor and Legal Authority**

The public-sector Project sponsor is the County of El Paso (the “County” or “Sponsor”). The County has legal authority through Certificate of Convenience and Necessity No. 12127 to develop, operate and maintain water and wastewater system infrastructure within the unincorporated areas of the county, including the Hillcrest subdivision.

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## **3. CERTIFICATION CRITERIA**

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### **3.1. Technical Criteria**

#### **3.1.1. General Community Profile**

Hillcrest subdivision is located approximately 17 miles northeast of downtown El Paso along Montana Avenue (Hwy 62). Due to its location along a heavily traveled roadway, there are many small businesses in the area such as restaurants and retail shops. Additionally, because of the large lot sizes in the subdivision, other businesses such as automotive and construction services have also located in the area. In many cases, business owners have their residence and business on the same lot or on adjoining lots. The community is at the eastern edge of the city limits of El Paso, and it is likely that many residents living in Hillcrest take advantage of employment opportunities in the city of El Paso.

Hillcrest is an unincorporated area, and census data specific to the subdivision does not exist. According to U.S. census estimates, there is an average of 3.1 people per household in El Paso

County. Because the Project is designed to install service for 107 residential connections, the estimated population in the subdivision is approximately 330 people.

Approximately 20.5% of the population of the county, compared to about 14.9% of the state population, live below the poverty level. According to the U.S. census, the median household income (MHI) for the county was US\$44,597 in 2018. In comparison, the MHI for the state of Texas was reported at US\$59,570. Some census data, such as MHI, is available for the zip code applicable to the Hillcrest subdivision. The data for zip code 79938 shows an MHI of \$38,800 for the area, which is even lower than the county and state, indicating that the subdivision is within an economically distressed area.<sup>2</sup>

The following table summarizes the status of public services and infrastructure in Hillcrest.

**Table 1**  
**BASIC PUBLIC SERVICES AND INFRASTRUCTURE**

<b>Water*</b>	
Coverage:	0%
Water supply source:	El Paso Water (in the future)
Number of hookups:	0
<b>Wastewater Collection and Treatment**</b>	
Coverage:	No service (individual on-site systems)
Number of connections:	0
<b>Solid Waste***</b>	
Solid waste collection:	No service (individual hauling to landfill)
Final disposal:	El Paso County Landfill

\* Residents haul water or have water delivered by private water companies.

\*\* El Paso County is responsible for inspecting septic systems in the Hillcrest area. No significant issues with on-site septic systems have been identified.

\*\*\* According to El Paso County, the community will also receive Solid waste collection services as part of the community's water services.

**Local Water and Wastewater System**

There are no water distribution or wastewater collection services available to residents of the Hillcrest subdivision. Area residents currently have water delivered and stored in private on-site tanks. They are paying US\$75.00 for 2,500 gallons of non-potable water.<sup>3</sup> In addition to the expense associated with hauled water, there are significant risks for exposure to waterborne diseases due to improper handling or the use of un-sanitized water tanks or storage containers, and the water quality does not meet standards for contaminants such as arsenic, total dissolved solids (TDS) and coliform bacteria. Due to these conditions, the Project was selected to receive funding from the Project Development Assistance Program (PDAP), and Border Environmental

<sup>2</sup> Source: U.S. Census websites: <https://www.census.gov/quickfacts> accessed for the state of Texas, El Paso County on July 27, 2020 and <https://www.zipdatamaps.com/79938> accessed on August 7, 2020.

<sup>3</sup> As reported by Lujan Trucking on August 4, 2020, a company contracted by many residents for hauled water.

Infrastructure Fund (BEIF), programs managed by NADB and funded by grants from the U.S. Environmental Protection Agency (EPA). The Project is also a priority for the U.S. Department of Agriculture Rural Development (USDA-RD), which will provide a loan to complete the financing package.

Area residents rely on on-site sanitary systems such as septic tanks to manage their wastewater. El Paso County's Environmental Services Department issues permits for on-site systems. Inspections by the County have not identified any significant issues with Hillcrest residents' on-site systems. In general, EPW and the County have programs to extend wastewater collection infrastructure to provide services to outlying communities; however, Hillcrest is not currently slated as a priority area for a sewer system, due to the high cost per connection, the large lot sizes and the lack of nearby infrastructure for tie-in, as well as the satisfactory function of on-site systems. As with the water services, the County will most likely contract with EPW to provide wastewater services if such a project becomes feasible in the future.

Currently, Hillcrest residents do not have access to solid waste services. As a result of the proposed Project, solid waste services will be provided along with water services.

### **3.1.2. Project Scope**

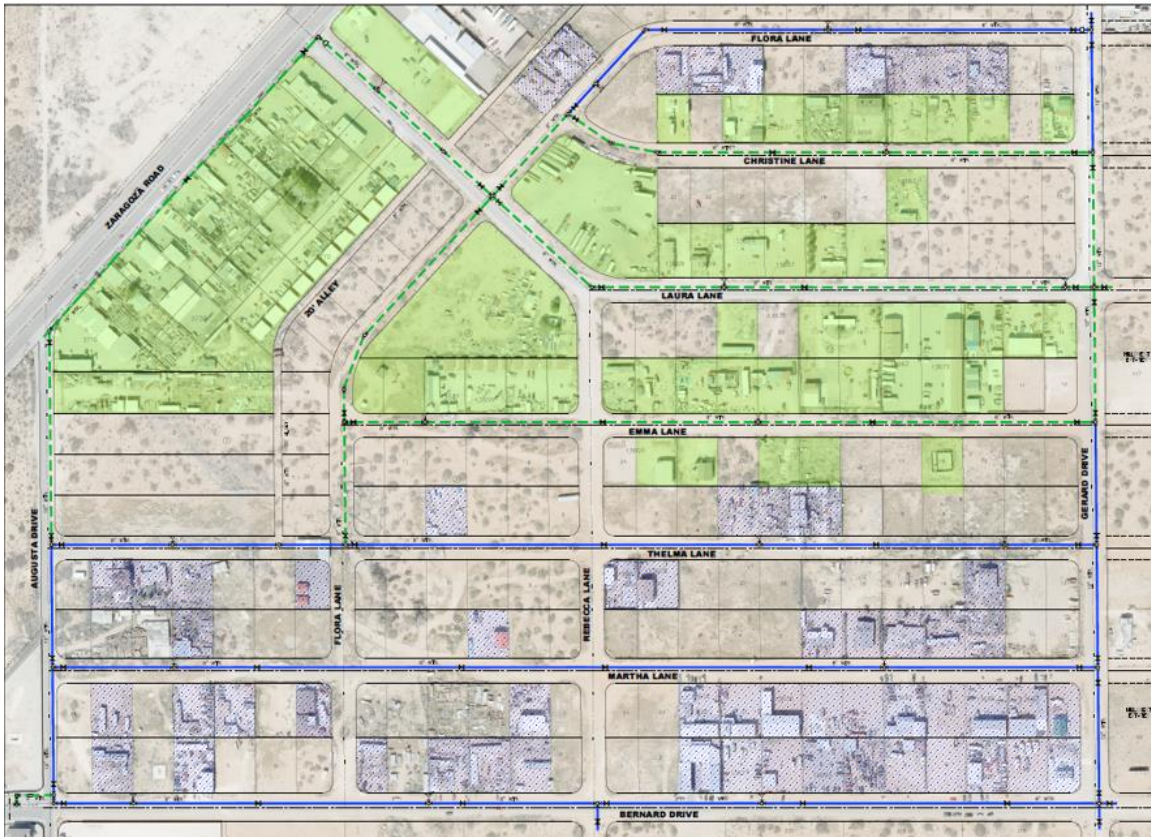
The Project consists of constructing a drinking water distribution system for the Hillcrest subdivision and includes the following components:

- Drinking water distribution system (USDA-RD): 11,050 linear feet of 8-inch PVC waterline, 2,000 linear feet of 12-inch PVC waterline, 31 gate valves, 11 fire hydrants, 56 service connections, and a master meter.
- Drinking water distribution system (BEIF): 8,850 linear feet of 8-inch PVC waterline, 1,200 linear feet of 12-inch PVC waterline, 1,000 linear feet of 16-inch PVC waterline, 24 gate valves, 6 fire hydrants, and 51 service connections.

The drinking water distribution system will connect to the existing EPW water system with a master meter located near the corner of Augusta Drive and Bernard Drive. While El Paso County will maintain ownership of the infrastructure, EPW will supply the water, provide all operation and maintenance services, and perform all administrative activities, such as customer billing and collections. Figure 2 provides a schematic layout of the proposed system, including the pipeline to be installed with the BEIF and USDA-RD funding.



**Figure 2**  
**HILLCREST WATER DISTRIBUTION SYSTEM SCHEMATIC LAYOUT\***



\* The USDA-RD portion of the distribution system is shown in blue and the BEIF portion in green.

While both BEIF and USDA-RD funding target existing residential connections to provide first-time access to drinking water service, BEIF will allow for an investment to serve an area with both commercial and residential properties. Considering this, along with the nearly equal funding allocation from both sources, the Project area was nearly split in half. Together, the two components will meet nearly 100% of the drinking water distribution needs in the subdivision. Areas at the north end of the Hillcrest subdivision (not shown) will not be served by the Project, since most the lots are still vacant, and the few occupied lots would serve commercial enterprises.

### **3.1.3. Technical Feasibility**

A Preliminary Engineering Report (PER) was completed for the Project in June 2017 in support of the USDA-RD funding application. The PER provided a description of current conditions in the Hillcrest area, analyzed alternatives to select the best layout for the water distribution network and defined the feasible project area. The alternatives analysis also considered the no-action alternative.

The no action alternative was rejected, since it fails to address the health risks associated with using hauled water stored in individual private tanks. The hauled water is not meant for human consumption, so it is not tested to determine if it meets any primary drinking water standards. The hauled water is stored in individual tanks that are at risk of pathogen contamination if not maintained and cleaned properly. Individual residential wells were also deemed infeasible since individual test wells had low production rates, poor quality water and were excessively deep.

All feasible alternatives required connecting to the existing EPW water distribution system, which is already serving neighborhoods that border Hillcrest. The PER alternatives analysis considered various distribution system alignments for supplying water to both areas of the subdivision: Hillcrest Center and Hillcrest Estates. However, the level of development in Hillcrest Estates does not meet the minimum two-thirds density threshold required by both the EPA and USDA-RD programs. Furthermore, in Hillcrest Estates, the lots are five acres, making the cost per connection prohibitively high. For the USDA-RD and BEIF programs, it is only feasible to provide services to homes in Hillcrest Center, which is delimited by Bernard and Gerald Drives (see Figure 2). An addendum to the PER was developed to provide a description of the Project limited to Hillcrest Center sub-area. The September 2019 addendum provided updated information for costs, alignments, and number of connections.

The Project must conform to the standards defined in EPW's Design Standard Manual since the water system will be supplied and operated by EPW. Its design standards meet or exceed the requirements set forth under Chapter 290, subchapter D, of the rules established by the Texas Commission on Environmental Quality (TCEQ) for public water systems. Some of the water criteria covered by TCEQ and EPW water include minimum pipe cover, flow velocities, allowable pipe diameters, looping requirements, allowable water pressures, and standards for valves, hydrant spacing, and connections. Since the Hillcrest water distribution network will be connected to the EPW distribution system, impacts beyond the limits of the Hillcrest network were considered in the hydraulic modeling of the Project.

As part of the design and development process, the Project's design was reviewed and approved by EPW. Based on EPW's review some modifications were made to the Hillcrest design, such as upsizing the peripheral waterlines to provide network capacity for future areas to be served outside of Hillcrest.

#### **3.1.4. Land Acquisition and Right-of-Way Requirements**

This Project will be built entirely within public rights-of-way (ROW). No private easements were required for the Project.

EPW, which will supply and operate the Hillcrest system, requested that a waterline be constructed along North Zaragoza Road, which is a Texas Department of Transportation (TxDOT) ROW. The design along Zaragoza has been reviewed and approved by TxDOT. A construction permit will be required, but since permits are only valid for six months, the TxDOT permit will not be obtained until the procurement phase of the Project is initiated.

### 3.1.5. Project Milestones

The Preliminary Engineering Report (PER) was completed in June 2017, and the Environmental Review (ER) was completed in March 2017 to support USDA-RD funding for the Project. After the Project was selected for the BEIF program in June 2018, an addendum to the PER was needed to accurately describe the reduced scope of the Project to make it eligible for BEIF and USDA-RD funds. The addendum was completed in September 2019. A categorical exclusion was issued for the Project in November 2020, and final design was completed shortly thereafter.

The master service agreement with EPW is currently under legal review and is expected to be executed during the second quarter of 2021. Bidding for construction is expected to be initiated in the third quarter of 2021. The construction of the entire Project is expected to take approximately 10 months. Factors that could affect the construction schedule may include coordination delays with USDA-RD, weather and/or difficulties with the delivery of construction materials at the rural Project location.

Table 2 provides a summary of the Project milestones and their respective status.

**Table 2**  
**PROJECT MILESTONES**

Key Milestones	Status
Environmental clearance – U.S.	Completed
Final design	Completed
El Paso Water Master Service Agreement	Anticipated 2nd quarter 2021
Procurement	To begin 3rd quarter 2021
Construction period	Estimated 10 months

### 3.1.6. Management and Operation

El Paso County owns water systems that serve six unincorporated communities and has extended wastewater service to one community in the county. While the County has installed infrastructure to provide access to water and wastewater services, EPW operates and maintains the infrastructure through interlocal agreements, which cover terms and conditions such as location for bulk service delivery, rates, maintenance and operation requirements, allowable number of connections, etc. EPW is also usually responsible for managing customer accounts. All water service accounts in unincorporated communities also receive solid waste collection services as part of the service package from EPW.

EPW is a sophisticated utility with more than adequate capacity to provide water services to Hillcrest Center. Its service area covers the entire City of El Paso, along with several adjacent areas in the county. El Paso Water also has a variety of interlocal agreements with other utilities throughout the county to supply water and to provide wastewater services. EPW was established as an independent utility in 1952, during its life it has developed a several water sources to develop and maintain a sustainable supply. It currently operates four water treatment plants,

including the highly sophisticated Kay Bailey Hutchinson plant that desalinates brackish groundwater. Altogether, the plants produce 157 million gallons a day (mgd) of drinking water.

EPW has well-developed institutional capacity, including departments dedicated to operation and maintenance, engineering, and new project development. Service agreements with local entities are an integral part of EPW's operations. Some utilities, such as Fort Bliss, Lower Valley Water District, and Paseo del Este, pay for bulk water but manage their own infrastructure. While other entities, such as El Paso County and the Village of Vinton, own the infrastructure but contract both bulk supply and operations of the infrastructure with EPW. For this Project, EPW has proposed a master services agreement, which covers wholesale water, operation and maintenance, and administrative services, including billing and collection. The agreement will be executed prior to procurement of the Hillcrest subdivision infrastructure. In the interim, EPW has provided correspondence to confirm its commitment to deliver service to the Project area.

EPW water sources are Rio Grande surface water, groundwater directly from the region's aquifers, including the Mesilla Bolson and Hueco Bolson, and brackish groundwater treated at the utility's desalination plant. EPW is responsible for supplying water to 97% of the 682,000 residents of the city of El Paso. The Hillcrest Project will add the demand of approximately 330 persons or 107 water connections to EPW's current system, increasing consumption by an estimated 27,000 gallons a day. The additional demand created by Hillcrest is minimal and well within the capacity of EPW to supply.

## **3.2. Environmental Criteria**

### **3.2.1. Environmental and Health Effects/Impacts**

#### **A. Existing Conditions**

Currently, residents of Hillcrest do not have access to a water distribution system and have to purchase hauled water and store it on site. Typically, the quality of the water delivered by the hauling companies is not considered adequate for human consumption. It is suitable for irrigation, household cleaning and construction. Along with the water quality issues, on-site storage is also a concern. Residents need to follow several guidelines for proper water storage, such as:

- Storage containers need to be constructed of a smooth non-porous, non-corrosive, non-reactive materials that are resistant to chlorine and large enough to clean thoroughly.
- A regular cleaning schedule must be followed, and a chlorine residual of 0.2 milligrams per liter (mg/L) must be maintained.
- Hoses need to be properly stored and kept at least one foot above the ground to prevent contamination and containers must be reserved for water storage only.

The conditions of private storage tanks are unknown and not monitored, but it is unlikely that all on-site systems meet ideal conditions. The risks of waterborne diseases caused by contamination associated with transporting water and individual storage tanks is significant. Most residents are

aware of the storage issues and that the hauled water is not potable. Many of them also purchase bottled water for drinking and cooking.

Lack of access to drinking water system poses a risk for transmission of diseases associated with pathogenic microorganisms found in unsafe water supplies. An individual may become ill after drinking water that has been contaminated with these organisms, eating uncooked foods that have been in contact with contaminated water, or through poor hygiene habits that contribute to the dissemination of diseases by direct or indirect human contact. Table 3 shows waterborne disease statistics for El Paso County, Texas.

**Table 3**  
**WATERBORNE DISEASE STATISTICS FOR EI PASO COUNTY, TEXAS**

Disease	Number of Cases/Year				
	2014	2015	2016	2017	2018
Intestinal Amoebiasis	1	4	3	0	3
Campylobacteriosis	58	71	63	62	NA
Cryptosporidiosis	3	2	3	11	5
Shigellosis	23	24	39	10	7

Source: Texas Health and Human Services Automated Epidemiological Surveillance System, accessed August 14, 2020 (<https://www.dshs.texas.gov/idcu/default.shtm>).

## B. Project Impacts

The Project will provide reliable and sustainable drinking water service, reducing the human health risks associated with waterborne diseases, by eliminating the risks of contamination associated with hauled water being delivered for on-site storage. This Project will construct new distribution infrastructure, including the installation of nearly 20,000 linear feet of water distribution lines, over 100 residential meters, and a master meter connection, to provide Hillcrest with access to treated water from EPW, a fully compliant water source.

Specifically, the Project is expected to generate environmental and human health benefits related to the following outcomes:

- Increase access to safe and reliable drinking water services for 107 residential connections; and
- Eliminate contamination risks associated with hauling water and the use of individual on-site storage tanks.

To enhance the benefits of the Project, planning and design included considerations for using the waterline along Zaragoza Road as a transmission line for current and future EPW distribution services. Additionally, residents in the area will receive curbside solid waste collections services, which will be billed with the water service and provided by a company contracted by the County.

### **C. Transboundary Impacts**

Since the Hillcrest subdivision is located approximately 10 miles from the U.S.-Mexico border, direct impacts from the Project are not likely to be detected in Mexico; however, the Project will cause a slight increase in demand on EPW's water supply, which is drawn from the binational water sources used by El Paso, Texas, and Ciudad Juarez, Chihuahua. The primary shared water sources are the Hueco and Mesilla Bolson aquifers and the Rio Grande River. Given the small size of the Project, along with EPW's strategies for diversifying its water sources and its conservation programs, the transboundary impact of the Project is expected to be negligible.

No other transboundary impacts are anticipated for the Project.

### **3.2.2. Compliance with Applicable Environmental Laws and Regulations**

The Safe Drinking Water Act (SDWA) is the primary law regulating public water systems. In accordance with the SDWA, EPA has published regulatory requirements setting limits on contaminants allowed in drinking water. TCEQ is responsible for monitoring drinking water systems and issuing enforcement actions in those cases where the system is not in compliance.

#### **A. Environmental Clearance**

Since the Project will be receiving federal funds, it is subject to the National Environmental Policy Act (NEPA) environmental clearance process (42 USC §§4321-4370f). To be eligible for funding from the U.S.-Mexico Border Water Infrastructure Program, all projects must obtain an environmental clearance decision. EPA Region 6 completed the environmental review and clearance process for this Project, in accordance with the regulations of the NEPA Council on Environmental Quality (Title 40 CFR §§1500.1-1508.28) and with EPA NEPA regulations (40 C.F.R. Part 6).

Because the Project will be providing essential services within an already disturbed area, EPA determined that it was eligible for a Categorical Exclusion. Previously, as part of the development process for USDA-RD funding, a PER and Environmental Review (ER) for the Hillcrest Center and Hillcrest Estates project were completed in June 2017 and March 2017, respectively. After the Project was reduced to include only Hillcrest Center, an addendum to the PER describing the reduced scope was developed in September 2019. The ER and PER addendum were submitted to EPA under the Categorical Exclusion review process.

Based on the findings and conclusions of the EID and PER addendum, EPA Region 6 prepared a Categorical Exclusion notice. After a 14-day public comment period, EPA issued the Categorical Exclusion on November 26, 2020, establishing that the Project will not result in any significant negative impacts to the environment in the U.S.-Mexico border area.

#### **B. Mitigation Measures**

The agencies that evaluated the Project considered that its implementation will not result in any significant negative impacts to the environment; therefore, no mitigation measures were

established to address the negative environmental impacts that could be generated during the construction and operation of the Project. However, El Paso County has considered addressing potential temporary and minor environmental impacts that may arise, including the following:

- The local air basin may be temporarily impacted by carbon monoxide, nitrogen oxides and sulfur dioxide emissions released by vehicles and equipment used during construction.
- A temporary increase in dust emissions may be experienced due to the construction.
- Hazardous waste—such as used oil—may be generated during the construction phase.
- Surface water resources could be temporarily impacted by storm water runoff during the construction phase.
- Noise levels may be elevated during construction activities; however, this impact is short term and will be concentrated in the work area. Potential impacts also include temporary roadway blockages, as well as the presence of workers in the area.

Typical mitigation measures to be implemented include:

- Application of water to reduce the emission of dust particles and soil erosion;
- Construction to be scheduled between 8 a.m. and 5 p.m. to prevent extended disturbances from noise;
- Vehicle tune-ups to reduce emissions;
- Placement of warning signs to prevent potentially hazardous situations; and
- Hay bales or silt fences may be placed along rights of way to avoid contaminants to surface water resources.

By following these Best Management Practices, the temporary impacts due to construction will be minimized. Moreover, the long-term results from the implementation of the proposed Project will be positive overall.

### **C. Pending Environmental Tasks and Authorizations**

There are no environmental authorizations pending.

### **3.3. Financial Criteria**

The total estimated cost of the Project is US\$3,280,000, which includes construction, supervision, and contingencies. The Sponsor requested a BEIF grant to support the implementation of the Project and improve the affordability of the investment. BEIF program criteria require that the proposed Project:

- address priority human health and environmental issues with community water infrastructure;
- provide a U.S.-side benefit;

- consider maximum funding from other sources;
- consider adequate operation and maintenance provisions;
- target improvements to water quality; and
- be implemented only in jurisdictions that aim to prevent developments that lack access to water and wastewater infrastructure.

Additionally, to determine eligibility for a BEIF grant, an affordability analysis is conducted to review the cost per household (CPH) for the new or improved utility service in comparison with the community’s MHI, considering 100% loan financing and with the proposed grant allocation. The goal of the analysis is to have a ratio of, at least, 1.7% for water and wastewater services. The higher the ratio, the less affordable the service becomes for community residents. For this Project, the proposed grant reduced the CPH/MHI ratio from 4.8% to about 2.8%.

Based on a thorough analysis of both the Project and the Sponsor, NADB has determined that the Project meets all BEIF program criteria and is recommending that the EPA approve a BEIF grant for up to US\$1,600,000 for its construction.

Table 4 shows a breakdown of the uses and sources of funding.

**Table 4**  
**USES AND SOURCES OF FUNDS**  
 (US\$)

Uses	Amount	%
Construction Phase – BEIF*	\$1,340,000	41
Construction Phase – USDA-RD*	\$1,680,000	51
Construction Management - BEIF	\$ 260,000	8
<b>TOTAL</b>	<b>\$3,280,000</b>	<b>100</b>
Sources	Amount	%
USDA-RD loan	\$1,680,000	51
NADB-BEIF (EPA grant)	\$1,600,000	49
<b>TOTAL</b>	<b>\$3,280,000</b>	<b>100</b>

\* Estimated construction cost includes contingencies.

The cost of building the drinking water system will be financed by a loan from the USDA-RD and a grant through the BEIF program. The USDA-RD loan represents 51% of the total cost of the Project, and the BEIF grant will cover the remaining 49% of the Project costs, allowing the County to maintain affordable user rates for the entire Project area.



## 4. PUBLIC ACCESS TO INFORMATION

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### 4.1. Public Consultation

NADB published the draft certification proposal for a 30-day public comment period beginning March 30, 2021. The following Project documentation was available upon request:

- Hillcrest Center Water Improvements Design, November 2020;
- Preliminary Engineering Report, First-time Water Service for Hillcrest Estates and Hillcrest Center, June 30, 2017;
- Hillcrest Center Water Distribution System Project, Amendment No.1, September 12, 2019;
- Environmental Review, First-time Water Service for Hillcrest Estates and Hillcrest Center, March 2017; and
- Categorical Exclusion for First-time Water Service for Hillcrest Estates and Hillcrest Center, November 26, 2019

The 30-day public comment period ended on April 29, 2021, with no comments received.

### 4.2. Outreach Activities

The County conducted extensive outreach efforts to communicate the characteristics of the Project, including cost and fees, and to obtain the support of residents in the Project area. In accordance with the public outreach requirements of the BEIF program, activities such as the creation of a local steering committee, public meetings and adequate access to project information were conducted as described in the Public Participation Plan (PPP).

A notice for the first public meeting was published on September 12, 2018 in *El Paso Times*. (a local newspaper). The meeting was held on September 24, 2018, at the EDS#2 Fire Station, located near the community. The meeting was held in support of the USDA-RD's NEPA process prior to project selection for the PDAP program. Public meetings give residents the opportunity to learn more about the Project, to ask questions and to voice their support or opposition to the Project. Based on the sign-in sheet, the meeting was attended by 48 people. A survey conducted at the meeting indicated unanimous support for the project.

In addition to local outreach activities, a public comment process was conducted in relation to the publication of the environmental clearance finding on March 22, 2018.

The steering committee developed a revised PPP in December 2020 due to COVID-19 precautions. Based on the recommendations of the Center for Disease Control (CDC), public meetings are highly discouraged; therefore, a second public meeting was not held. Instead, technical and financial information about the Project was made available online.

To publicize the Project's online information the County sent flyers to residents of Hillcrest Center, and the Project engineer established a site on-line to disseminate more detailed information about the Project. The online information included the final design layout of the system, updated cost estimates and funding sources, anticipated construction issues and schedule, and service connection information. The webpage was linked to an online survey to measure community support for the Project.

NADB also conducted a media search to identify potential public opinion about the Project. References to the Project were found on the websites listed below:

- *KTSM* (February 20, 2017): This report discusses the lack of water in Hillcrest Center and Hillcrest Estates and how residents of the area cope without having running water. The article also discusses USDA-RD funding to be provided to El Paso County to initiate project development.  
<https://www.ksm.com/news/special-report-el-pasos-forgotten-zone/>
- *El Paso Times* (June 11, 2016): This article provides a brief discussion of existing conditions in the Hillcrest area, and the decision of the El Paso County Commissioners Court to pursue funding through USDA-RD for the Project.  
<https://www.lansingstatejournal.com/story/news/local/community/2016/06/11/county-look-for-grant-potable-water-colonias/85717078/>

The activities carried out by the Project Sponsor and the media coverage described above demonstrate that the public received updates related to the Project, including its technical aspects, environmental effects, disruptions from construction, funding structure and financial impacts. The Project Sponsor informed NADB that no comments expressing concern about the Project have been received during the public outreach process. To date, no opposition to the Project has been identified.

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## 5. RECOMMENDATION

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### **Certification Criteria Compliance**

The Project falls within the eligible sector of drinking water and is located in the border region, as required under the NADB Charter. The 30-day public comment period ended April 29, 2021, with no comments received. The project review performed by the NADB Chief Environmental Officer confirms that the Project complies with all the certification requirements, and there are no pending activities required for compliance.

### **Funding Criteria Compliance**

The Project Sponsor applied for funding through the U.S.-Mexico Border Water Infrastructure Program prioritization process and was selected for technical assistance through the Project Development Assistance Program (PDAP) and construction assistance through the Border Environment Infrastructure Fund (BEIF). The Project meets all BEIF program criteria, and the U.S.

**DRAFT BOARD DOCUMENT BD 2021-XX  
CERTIFICATION PROPOSAL  
HILLCREST, EL PASO COUNTY, TEXAS**

Environmental Protection Agency (EPA) is expected to approve a BEIF grant for up to US\$1,600,000 for its construction.

Accordingly, based on the foregoing conclusions as supported and presented in detail in this certification proposal, NADB hereby recommends the certification of the Project.