

COMMUNITY PROFILE

Building Trust Through Water Systems

Crystal City, Texas

BY THE NUMBERS

\$38M

Total estimated project costs

\$29.6M

Funding request to Drinking Water SRF

\$9M

Funding request to Clean Water SRF

1936

Year of the first Spinach Festival in Crystal City, celebrating the area's most important agricultural product

30

Estimated additional wastewater connections

29%

Poverty rate in Crystal City



Crystal City is the hub of Zavala County Texas, serving as its county seat and where more than half of the county's population call home. The approximately 6,000 residents have battled a few tumultuous years in their local government when, in 2017, the former city manager, mayor and council members were indicted or sentenced to federal prison for a bribery and kickback schemes. The case left the community angry and distrustful of their government, but local leaders are committed to rebuilding trust by being open and transparent. Efforts to address needed water and wastewater infrastructure are foundational elements to show that the local government is working for the betterment of the community.

The Need

Crystal City and its water infrastructure is emblematic of thousands of small communities across the country, where aging infrastructure and limited resources have left the city with significant and urgent need. That need was made clear during two significant events in the past few years. The first was the population shifts due to the COVID-19 pandemic. When the pandemic began, many elderly residents moved out of the city to move in with relatives. As the pandemic subsided, those residents are returning in larger numbers, which led to a lack of pressure in water lines and the sudden need for additional water storage. The other major event, Winter Storm Uri in 2021, revealed the need for backup generators and more reliable water connections, as it did for many communities across Texas.

The city is also looking at building a more resilient and safe groundwater supply by connecting homes just outside of city, but within the extraterritorial jurisdiction, to the city's existing wastewater treatment plant. Septic tanks that are failing may contaminate the groundwater that Crystal City relies upon for its water supply. By connecting those homes to a reliable wastewater system, the city is simultaneously protecting its water supply and providing improved service to people in the region.

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Both of these challenges are compounded by the limited economic means of the city's residents, where there is a 29 percent poverty rate and median household income (MHI) that is just 65% of the state MHI. Agriculture, particularly production of winter vegetables, is the primary industry in Zavala County and the region has seen limited population or economic growth in the past few decades.

"The benefit of applying for everything is that we don't know how we're going to rank next year," said Rodriguez. "Let's apply for everything, maximize the grant number, and then we can make a decision. That way, you hold all the cards and then you get to decide what you want to address and what you don't want to address."

To help make that decision, Rodriguez will work with the city to develop a series of rate impact analyses based on the portion of grant versus loan funding the city is awarded. City leaders can then decide what projects they can complete while maintaining water and wastewater rates that will remain affordable for their residents.

Projects that are not funded or cannot be absorbed by the city this year remain a priority for future funding opportunities. This approach is part of the capital planning and project prioritization model WFX utilizes in the communities we serve to better assess affordability and provide transparent decision making.



Spinach is the primary agricultural product in Zavala County.

The Process

Rogelio Rodriguez, WFX's Director of the Texas Infrastructure Fund, is familiar with Crystal City. In the early part of his career, he helped the community fix their water tower with a grant and low interest loan from the Texas Water Development Board. This institutional knowledge and established trust helped WFX quickly engage with the community and map out a plan to upgrade the water system and expand wastewater service to homes on septic tanks. Assessing all the needs for both systems, the estimated cost for the projects came out to approximately \$38 million. From there, WFX worked with community leaders to submit applications to the Clean Water State Revolving Fund (approximately \$9 million) and the Drinking Water State Revolving Fund (\$29.6 million).

Even though Crystal City qualifies for Disadvantaged Community status in the State Revolving Fund programs due to its relatively low median household income, much of that funding would come in the form of loans if awarded and it is unlikely the city could absorb the cost of those loans all at once. Still, the decision to apply for everything was important and intentional.

The Outcome

Due to WFX's substantial experience with state SRF programs, including how applications are scored and prioritized, Rodriguez is confident that Crystal City will receive funding from the programs when awards are announced in the fall of 2023. As a supplement to the SRF applications, and building on the relationship established between the residence and community leaders, WFX is continuing to work with the city on addressing its lead service lines.

Most importantly, the city's relentless focus on improving and expanding essential water and wastewater service to its residents is rebuilding trust that was lost in the past.