WFX
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WFX WORKSHOP REPORT

South Texas Regional Water Collaboration Workshop

On September 17, 2025, Water Finance Exchange (WFX) and the Environmental Defense Fund (EDF), in collaboration with the office of State Senator Adam Hinojosa (R-Brownsville) convened a Water Supply and Infrastructure Workshop in the Rio Grande Valley at the McAllen Convention Center. The workshop brought together regional leaders, utilities, and water sector experts to address the growing challenges of water supply, the importance of ground water and increased interest in economic development in the region. With increasing population growth, industrial investment, and long-term strain on water infrastructure, the need for collaborative, regional approaches is more urgent than ever.

WFX would like to thank the panelists and presenters, including Senator Adam Hinojosa, Vanessa Puig-Williams and Leah Martinsson as our partners in collaborating on this event, as well as leadership from Texas Water Development Board (TWDB), Texas Alliance of Groundwater Districts, Red Sands Groundwater Conservation District, Texas Water Resources Institute, Ambiotec, the City of Weslaco, and the City of Mercedes.

More than 40 leaders across the state attended the workshop, including representatives from 15 rural communities throughout the Rio Grande Valley.

The goal of this workshop was to inform communities of what it means to approach water and wastewater infrastructure issues through a regional lens, as well as introduce the idea of groundwater management as a vital part of water supply management in the area.

Summary of Workshop Proceedings

Senator Adam Hinojosa provided opening remarks by emphasizing that individual-community-level responses are no longer sufficient to meet South Texas's water needs. He highlighted the focus on water at the 89th legislative session and alluded to increased intention on water going forward. His review included a summary of Senate Bill 1169 and the potential for Public Utility Agencies (PUAs) to allow smaller cities to pool resources, share infrastructure, and reduce the financial burden of large-scale projects. As new industries like lithium-ion battery manufacturing expand their presence in the region, and both agricultural and port demands increase, regionalized efforts to manage water supply become essential to support sustainable economic growth.

Senator Hinojosa (R-Corpus Christi) speaks to attendees at the workshop.

The concept of regional collaboration was further explored, not just as a planning tool, but as a necessary shift in mindset. Regionalization was framed as a flexible model that allows communities to maintain local priorities while collaborating on broader strategies. Panelists shared examples of how neighboring cities could benefit from pooled resources, joint infrastructure and workforce development, and increased access to state and federal funding. Barriers to regionalization were also addressed candidly. Many communities remain hesitant due to fears around loss of control, funding uncertainty, and unfamiliar governance structures, to name a few. These challenges can be overcome through transparency, education, trust building, and leadership. Furthermore, PUAs and Groundwater Conservation Districts (GCDs) were presented as tools that allow for communities to manage water resources more effectively without sacrificing autonomy.

A sustainable water supply management strategy is closely tied to economic development. Without reliable and affordable access to a resilient water supply, communities are unable to attract or retain employers, expand housing, or plan for growth. Regional collaboration enables more competitive applications for funding, greater efficiency in project execution, and improved positioning to support workforce development.

The workshop concluded with a call for communities to explore governance tools such as PUAs and GCDs, begin identifying shared infrastructure priorities, and take steps toward smaller-scale projects where communities come together and benefit from regional cooperation. With continued leadership and support, the Rio Grande Valley can move from conversation to implementation and secure a more resilient water future.

Regionalization as a Shared Strategy

Mr. Carlos Marin hosted a panel with Mayor Adrian Gonzalez with the City of Weslaco, Mayor Pro-Tem Dr. Ruben Saldana with the City of Mercedes, and WFX's own Rogelio Rodriguez which framed regionalization as a shift in mindset. Instead of solving problems community by community, the goal is to work together to achieve shared outcomes.

While regionalization looks different across places, the potential benefits are abundant, including:

- Reduced project costs through economies of scale
- Expanded access to financing and funding opportunities
- Distribution of risk between communities
- Supported economic development and job growth

Panelists emphasized that regional planning enables communities to pursue larger, more impactful projects while retaining control over local priorities. The panel also addressed common concerns, including uncertainty about governance, fear of losing autonomy, and skepticism around feasibility. To overcome these barriers, speakers encouraged communities to start small, build trust by asking the hard questions and not assume the worst, and design flexible solutions tailored to local needs. Furthermore, leadership emerged as a key success factor in pursuing regionalized solutions. Political change, staff turnover, and competing priorities can disrupt long-term planning, and it becomes crucial to cultivate leaders who understand both local needs and regional benefits.

Reliable water access is fundamental to economic development. Communities cannot grow jobs, industry, or tax bases without infrastructure. Panelists discussed how regional planning can start with communication and grow into plans, plans into projects, and projects into funding. Rural communities were also encouraged to position themselves as low-cost hubs for development, especially when part of a regional effort, and consider

Groundwater Management in South Texas

An overview of Texas groundwater policy was also discussed, including the implications of the "rule of capture" and the critical role of GCDs. Many South Texas counties remain without a GCD, leaving them without oversight or long-term groundwater planning. Water policy consultant and groundwater attorney Leah Martinsson set the stage with a review of groundwater policy and the role of GCDs. GCDs are local regulatory entities created by the legislature or petition to manage water use, but they do not own or treat water. The state of Texas specifically follows the "rule of capture", allowing landowners to pump groundwater freely. GCDs are governed by locally elected or appointed boards, but most of Hidalgo County is not managed by a GCD, leading to long-term planning and aquifer sustainability challenges. Leah emphasized the need for better data, consistent funding, and greater coordination across districts. Brackish groundwater desalination was also discussed as a potential long-term source, noting the financial, technical, and environmental hurdles associated with desalination.

Conclusion and Next Steps

PUAs and GCDs can be explored as tools that help reduce risk, establish governance, and potentially open new funding channels as communities shift their approaches to consider a regionalized approach. By having transparent conversations, communities can build trust and reduce fear around new approaches, educate their communities on the shared benefits and outcomes, align on shared infrastructure needs, and explore small pilot projects to improve efficiency and economic growth.