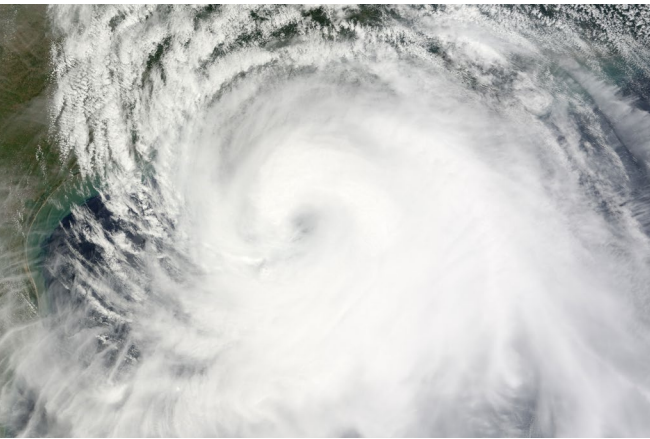


# DISTRICT MASTER PLAN



Version 1  
January 2023

# Revision Log

Version	Date	Description / Comment
1.0	1/2023	Initial version of District Master Plan

## LETTER FROM THE BOARD PRESIDENT

Hello,

Thank you for your interest in the Gulf Coast Protection District. As President of the Board of Directors, I invite you to learn more about what we are working on and more importantly, why. This five-county District is home to over 5.5 million residents, all of whom have been impacted in some way by the effects of more frequent and more severe storms. In 2008, Hurricane Ike alone caused over \$30 billion in damages and took over 150 lives. Since then, multiple entities have been working to develop a comprehensive coastal storm risk management system along the Texas gulf coast. Through the Coastal Texas and Sabine Pass to Galveston Bay studies, produced by the U.S. Army Corps of Engineers and Texas General Land Office, critical projects have been identified that reduce risks to public health and the economy, restore critical ecosystems, and advance coastal resiliency.

The District will be your local partner with the USACE on two large-scale efforts, the Coastal Texas Program and the Sabine Pass to Galveston Bay Program. These coastal storm risk management programs are designed to provide multiple lines of defense against catastrophic storm surge in order to safeguard our coast for generations to come. The District is here for the life of these features and is committed to working with the USACE, the State of Texas, and all five of our counties and their cities to administer programs that benefit our residents and the economy that is supported here. Thank you for your trust in us. We look forward to the continued collaboration in strengthening our coast for decades to come.

Sincerely,



Michel J. Bechtel

President

Gulf Coast Protection District



Michel J. Bechtel

## LETTER FROM THE EXECUTIVE DIRECTOR

Welcome,

My name is Nicole Sunstrum and I am the Executive Director of the Gulf Coast Protection District. I manage the daily operations of the District and work with our many stakeholders to craft and advance the Coastal Texas and Sabine Pass to Galveston Bay programs. Projects of this magnitude require extensive collaboration at every level of government to succeed. In addition to ongoing joint efforts with our government partners such as the U.S. Army Corps of Engineers, the Texas General Land Office, and the multiple cities, counties and drainage districts in our jurisdiction, the Gulf Coast Protection District will offer the opportunity for and encourage consistent community involvement.

As a Houston native, I understand the life altering impact of hurricanes and how they change the trajectory of our lives. The District uses this sentiment as a guiding force in how we approach our responsibilities. This means that we will work tirelessly with our partners and stakeholders to develop projects that minimize negative impacts while providing robust and sustainable protection from devastating storm surge for our 5,200-square-mile territory. Using community, industry, academic, and professional input will help us provide you with long-term risk reduction solutions that protect the community for decades to come.

Thank you,



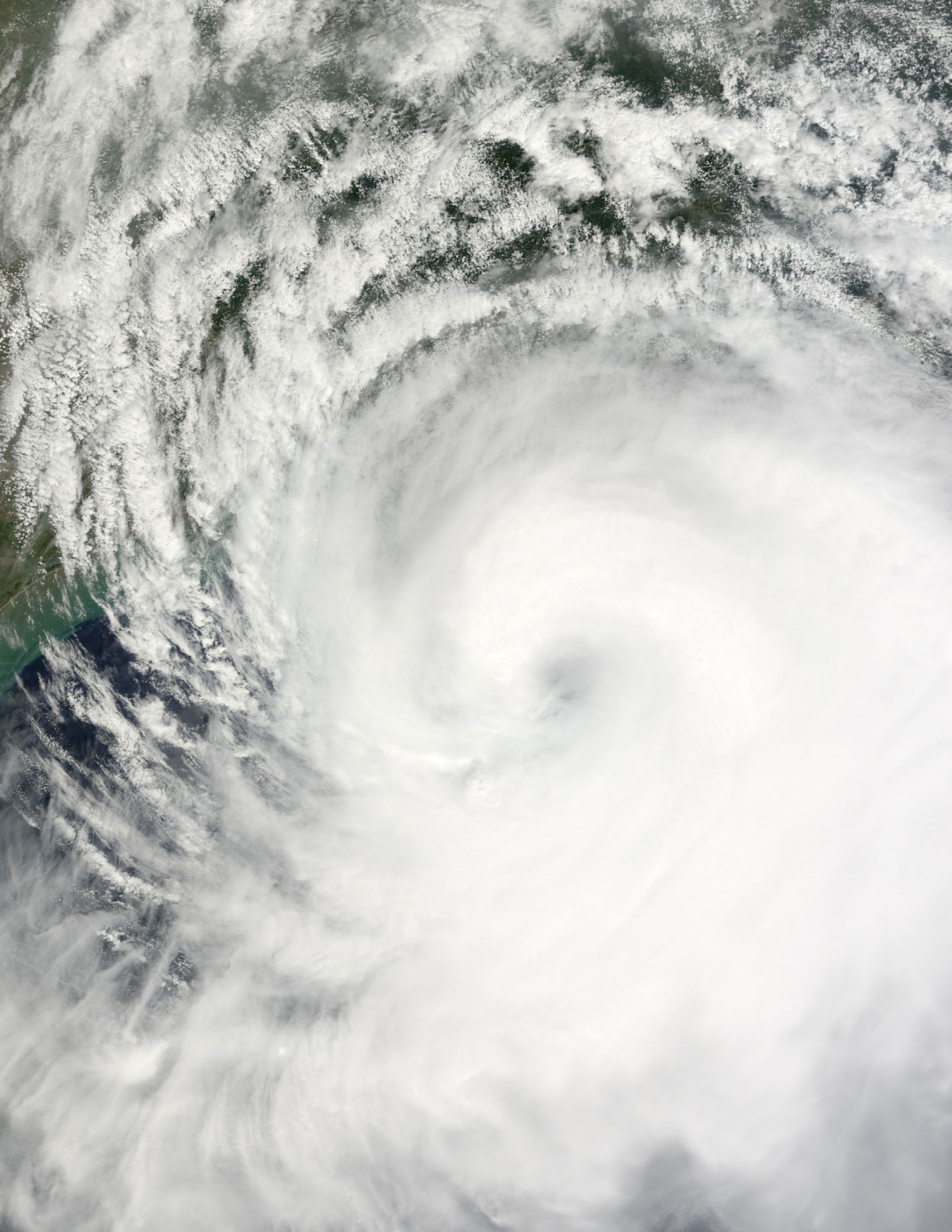
Nicole Sunstrum  
Executive Director  
Gulf Coast Protection District



Nicole Sunstrum

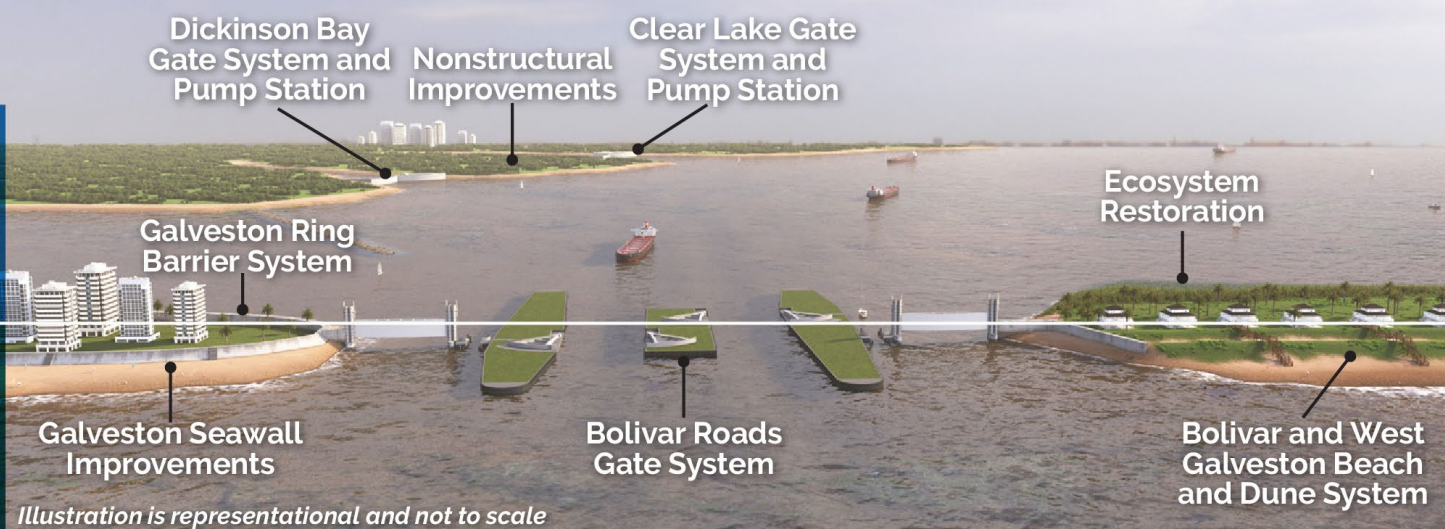
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BAY DEFENSES  
GULF DEFENSES

BAY DEFENSES  
GULF DEFENSES



## 1. DISTRICT OVERVIEW

### Purpose / Mission Statement

Along the Texas coast, vital resources critical to the social, economic, and environmental welfare of the nation are at risk. When coastal storms damage homes, businesses, industry, infrastructure, and the natural environments of the Texas coast, the immediate fallout and the continued aftermath affect not only the people who live in these coastal counties, but also the entire State of Texas and the nation as a whole.

The Gulf Coast Protection District (GCPD) was created in 2021 by the 87th regular Texas Legislature to oversee the implementation of an integrated and comprehensive coastal resilience strategy for the upper Texas coast. Specifically, this includes assuming the role of non-federal sponsor for portions of the federally funded and U.S. Army Corps of Engineers (USACE) led Coastal Texas and Sabine Pass to Galveston Bay (S2G) programs.

These programs represent a systemwide risk management strategy for the coastline of Texas, employing multiple lines of defense to reduce the risk of coastal storm surge to people and property and to restore degraded coastal ecosystems. Focused on redundancy and robustness, the proposed system of improvements will increase the State's ability to withstand and recover from coastal storms, to adapt to changing sea levels, and to maintain critical social, economic, and support systems which serve both Texas and the entire nation.

The GCPD contains approximately 5,220 square miles of land covering Chambers, Galveston, Harris, Jefferson, and Orange counties. Upon completion of construction, the GCPD will operate and maintain these improvements in conjunction with local jurisdictions.



**Our Mission: To protect Texas Gulf Coast communities, the environment, and economic activity from storm surge**

Specific to the execution of its responsibilities, the GCPD has established the following high-level goals and priorities:

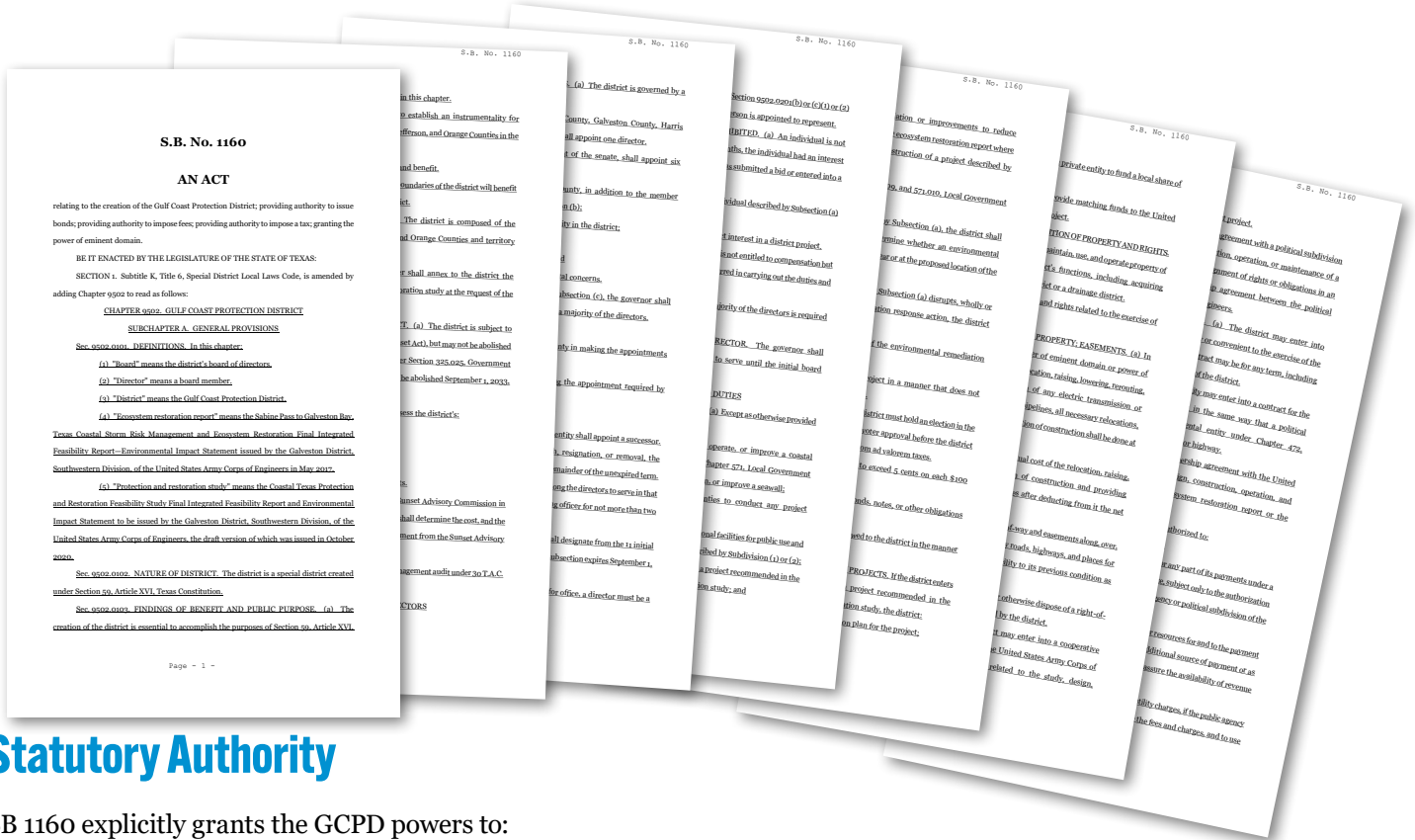
- **Partnership Driven:** The GCPD shall partner closely with local, state, and federal entities to collaboratively deliver the Coastal Texas and S2G programs for the benefit of local communities, the entire State of Texas, and the nation at large.
- **Community Focused:** The GCPD shall emphasize engaging and partnering with local communities and interested stakeholders to develop community supported projects which responsibly address the needs and concerns of at-risk and impacted parties.
- **Performance Oriented:** The GCPD shall focus on collaborating with the USACE in the design of efficient and effective projects, meeting established performance standards, in full compliance with all environmental laws and regulations. The GCPD shall advocate for, and support, the USACE in expediting project sequencing and delivery in order to deliver benefits as quickly as possible and to minimize total program cost.
- **Equitably Structured:** The GCPD shall focus on developing an equitable and sustainable model for funding the non-federal design and construction cost share in addition to the ongoing operations and maintenance costs.

## Authorizing Legislation

The GCPD was created by the Texas Legislature in 2021 (87th regular legislative session) by [SB 1160](#), authored by Senator Larry Taylor and sponsored by Representative Dennis Paul. This legislation established the GCPD as a special district under Section 59, Article XVI, Texas Constitution. The GCPD was created as an instrumentality for implementing large-scale coastal protection projects within the established District territory, comprised of Chambers, Galveston, Harris, Jefferson, and Orange counties. Specifically, these projects were identified as the Coastal Texas and the S2G programs.







## Statutory Authority

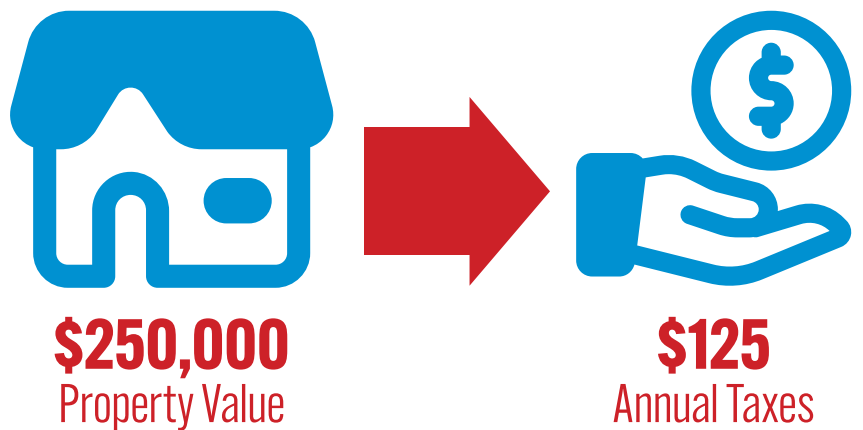
SB 1160 explicitly grants the GCPD powers to:

1. Establish, construct, extend, maintain, operate, or improve a coastal barrier or storm surge gate,
2. Establish, construct, maintain, or operate portions of the Coastal Texas Program and the S2G Program,
3. Provide interior drainage remediation or improvements to reduce additional flood risk for a component of the Coastal Texas Program and the S2G Program, where additional flood risk results from the design or construction of the project, and
4. Establish, construct, and maintain recreational facilities for public use and environmental mitigation facilities related to the Coastal Texas Program and the S2G Program.

Importantly, SB 1160 provides the GCPD the authority to issue bonds, impose fees, impose an ad valorem tax, and utilize the power of eminent domain in limited circumstances, pursuant to the established mission of the District.

Specific to funding, the GCPD must hold an election to obtain voter approval before the District may impose an ad valorem tax or issue bonds payable from ad valorem taxes. Importantly, the GCPD is prohibited from imposing a tax rate greater than 5 cents on each \$100 valuation. The District may also issue bonds, notes, or other obligations secured by revenue other than ad valorem taxes. In addition, in cooperation with the Texas General Land Office (GLO), or another state agency, the GCPD can accept funding directly appropriated by the State Legislature.

## Example of 5 cent tax on \$100 of valuation



Specific to land acquisition, the GCPD may acquire property appropriate for the exercise of the District's functions. Property will be valued at fair market value, and the GCPD will be fair and work diligently to negotiate an equitable value for lands in accordance with the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The District will attempt to acquire property voluntarily first. In the event eminent domain authority must be exercised, eminent domain actions will be conducted under Chapter 21 of the Texas Property Code, recognizing the Texas Landowner's Bill of Rights. SB 1160 also sets restrictions on the District's eminent domain authority, prohibiting it from exercising the power of eminent domain to acquire property owned or operated by a port authority, navigation district, drainage district, or common carrier railroad.

Importantly, the GCPD is also granted the authority to enter into a Project Partnership Agreement (PPA), or other similar agreements, with the USACE in relation to the Coastal Texas Program or the S2G Program, which is a requirement for these projects to move forward. Furthermore, the GCPD may enter into cooperative agreements with a political subdivision, a state agency, or another federal agency for a purpose related to the Coastal Texas Program and the S2G Program. This includes the authority to enter into interlocal agreements with political subdivisions and the ability to accept or assign the rights or obligations in an existing design agreement or a PPA between the political subdivision and the USACE. Similarly, the GCPD and another governmental entity may enter into contracts with each other, including in relation to the operation and maintenance of the Coastal Texas Program or the S2G Program.

Bolivar Peninsula after  
Hurricane Ike

## Organizational Structure

The GCPD is governed by an eleven-member Board of Directors and managed by an Executive Director.

### Board of Directors

As stipulated in SB 1160, the GCPD is governed by an eleven-member Board of Directors. The Commissioners Courts of Chambers County, Galveston County, Harris County, Jefferson County, and Orange County each shall appoint one director. The Governor, with the advice and consent of the Senate, shall appoint six directors as follows:

- Two directors to represent Harris County, in addition to the member appointed by the Harris County Commissioners Court,
- One director to represent a municipality in the District,
- One director to represent ports,
- One director to represent industry, and
- One director to represent environmental concerns.

Directors serve staggered four-year terms. When a director's term expires, the appointing entity shall appoint a successor. In addition, the Board shall elect a presiding officer from among the directors to serve in that position for two years.

As of December 2022, the following members serve on the GCPD Board of Directors:

**Table 1.1: Current GCPD Board of Directors**

Name	Role	Appointment	Term Expires
<b>Michel Bechtel</b>	President	Governor appointee, to represent Harris County	June 16, 2025
<b>Robert Mitchell</b>	Vice President	Governor appointee, to represent Harris County	June 16, 2025
<b>Roger Quiroga</b>	Secretary	Galveston County appointee	June 16, 2023
<b>Sally Bakko</b>	Assistant Secretary	Governor appointee, to represent a municipality in the District	June 16, 2025
<b>Roger Guenther</b>	Director	Governor appointee, to represent ports	June 16, 2025
<b>Michael VanDerSnick</b>	Director	Governor appointee, to represent industry	June 16, 2025
<b>Lori Traweek</b>	Director	Governor appointee, to represent environmental concerns	June 16, 2025
<b>Billy Combs</b>	Director	Chambers County appointee	June 16, 2023
<b>Adrian Garcia</b>	Director	Harris County appointee	June 16, 2023
<b>Allan Ritter</b>	Director	Jefferson County appointee	June 16, 2023
<b>Kirk Roccaforte</b>	Director	Orange County appointee	June 16, 2023

The Board of Directors generally meets on the second Wednesday of each month at 10:00 a.m. The Board of Directors invites all members of the public to attend its meetings. Agendas for Board of Directors meetings are posted on the GCPD website.

## Executive Director

In 2021, Governor Abbott named Nicole Sunstrum as the Temporary Executive Director. Ms. Sunstrum was subsequently hired by the Board of Directors to serve as the Executive Director. The Executive Director is responsible for the day-to-day management of the GCPD and reports directly to the Board of Directors.

## Legislative History

### Federal Level

The following legislation related to the S2G Program were enacted at the federal level:

- [Section 1401 of the Water Resources Development Act \(WRDA\)](#) of 2018 authorized the S2G program for design and construction.
- [The Bipartisan Budget Act of 2018](#) fully funded the S2G Program.

The following legislation related to the Coastal Texas Program were enacted at the federal Level:

- [Section 8401 of WRDA 2022](#) authorized the Coastal Texas program for design and construction.

As of December 2022, Congress has not yet provided funding for the Coastal Texas Program. This document will be updated, when appropriate, to reflect the passage of additional applicable legislation.

### State Level

In 2019, the 86th regular session of the Texas Legislature advanced the S2G Program in two pieces of legislation:

- [SB 2212](#), authored by Senator Larry Taylor, allowed Jefferson County Drainage District No. 7, the Velasco Drainage District, and the Orange County Drainage District to become non-federal sponsors and to sign PPAs with the USACE.
- [SB 500](#), a supplemental budget bill introduced by Senator Jane Nelson, appropriated \$200M as non-federal cost-share for the S2G Program.

In 2021, the 87th regular session of the Texas Legislature advanced the Coastal Texas Program and the S2G Program in two pieces of legislation:

- [SB 1160](#), authored by Senator Larry Taylor, created the GCPD to be the non-federal sponsor for portions of the Coastal Texas Program and the S2G Program, specifically coastal storm risk management components within the District's established territory.
- [SB 1](#), the general budget bill introduced by Senator Jane Nelson, appropriated \$200 million to these two programs and for GCPD administrative costs.

The 88th regular session of the Texas Legislature begins in January 2023. It is possible that additional bills will be proposed and considered that may impact the GCPD, the Coastal Texas Program, and the S2G Program. This document will be updated, when appropriate, to reflect the passage of additional applicable legislation.





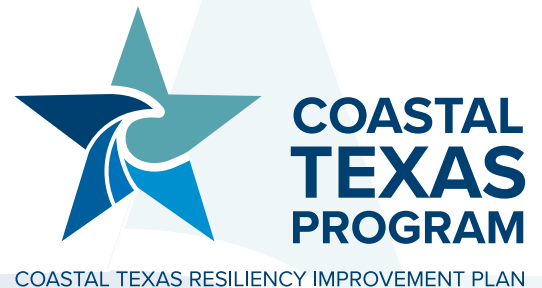
## 2. PROJECTS OVERVIEW

As discussed above, the GCPD will serve as the non-federal sponsor for portions of the Coastal Texas Program and the S2G Program. General descriptions for each of these programs are provided in the sections below.

### Coastal Texas Program

The [Coastal Texas Program](#) includes a combination of ecosystem restoration and coastal storm risk management features that function as a system to reduce the risk of coastal storm surge to people and property and to restore degraded coastal ecosystems through a comprehensive approach employing multiple lines of defense. Focused on redundancy and robustness, the proposed system provides increased resiliency along the Texas coast and is adaptable to future conditions, including relative sea level change. The Coastal Texas Program can be broken into three groupings, as follows:

- On the upper Texas coast, the **Galveston Bay Storm Surge Barrier System** was formulated as a system with multiple lines of defense to reduce damage to communities, critical petrochemical and refinery complexes, federal navigation channels, and other existing infrastructure in and around Galveston Bay from storm surge.
- A **Coastwide Ecosystem Restoration Plan** was formulated to restore degraded ecosystems that buffer communities and industry on the Texas coast from erosion, subsidence, and storm losses. This includes a combination of ecosystem restoration measures proposed at eight locations along the coast, and include approximately 114 miles of breakwaters, 15 miles of bird rookery islands, 2,000 acres of marsh, 12 miles of oyster reef, and almost 20 miles of beach and dune.
- On the lower Texas coast, the **South Padre Island Beach Nourishment Project** was formulated to include 2.9 miles of beach nourishment and sediment management. The plan proposes beach nourishment on a 10-year cycle for the authorized project life of 50 years.



Specific to the upper Texas coast, the gulf defenses separate Galveston Bay from the Gulf of Mexico to reduce storm surge volumes entering the bay. Components that make up the gulf line of defense include:

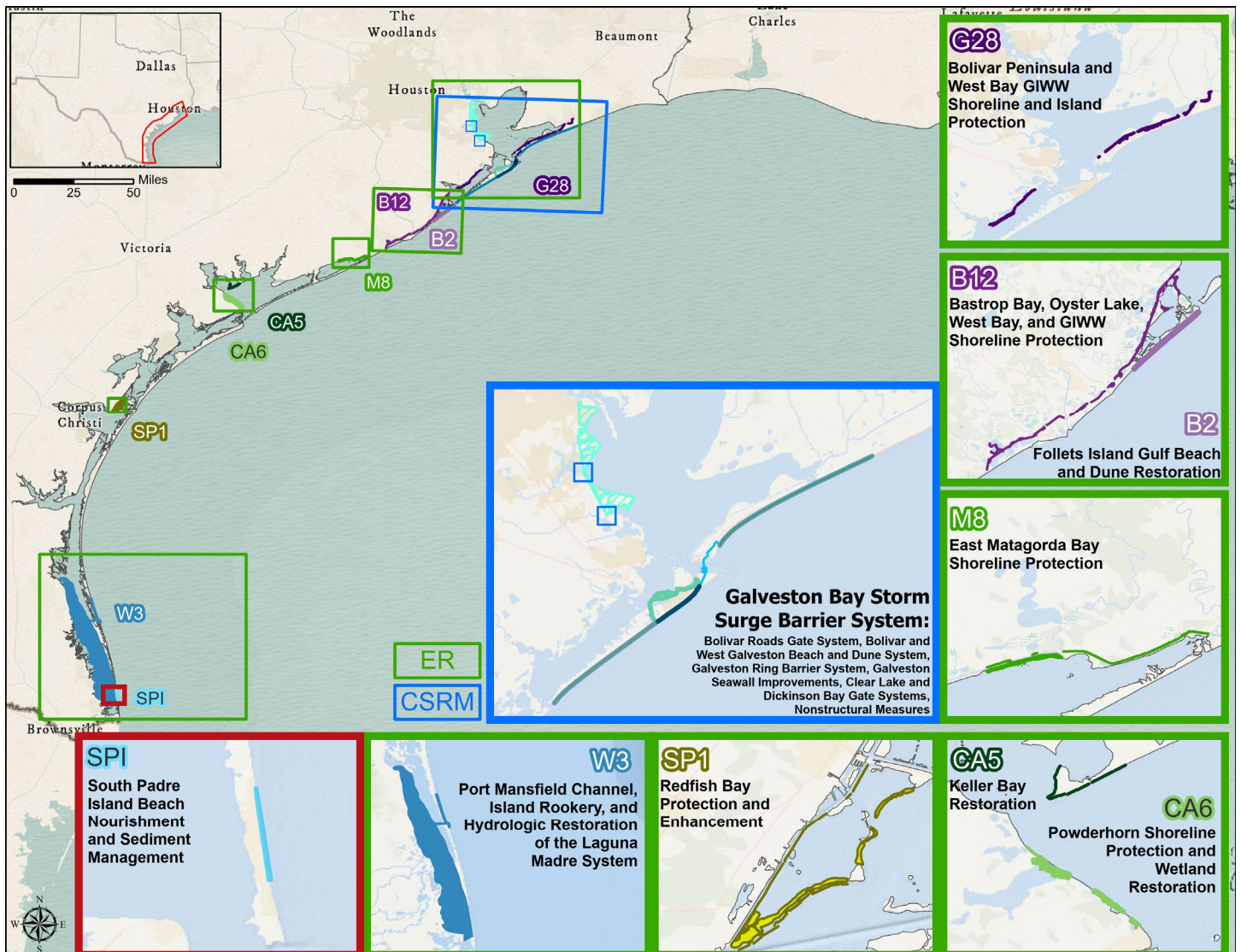
- The Bolivar Roads Gate System, across the entrance to the Houston Ship Channel, between Bolivar Peninsula and Galveston Island;
- 43 miles of beach and dune segments on Bolivar Peninsula and West Galveston Island that work with the Bolivar Roads Gate System to form a continuous line of defense against storm surge, preventing or reducing the volume of storm surge that would enter the bay system; and
- Improvements to the existing 10-mile Seawall on Galveston Island to complete the continuous line of defense against storm surge.

The bay defenses enable the system to manage residual risks. Residual risks are driven by the run-up of water contained within the Galveston Bay system plus any additional storm surge that overtops the gulf line of defense. The bay defenses



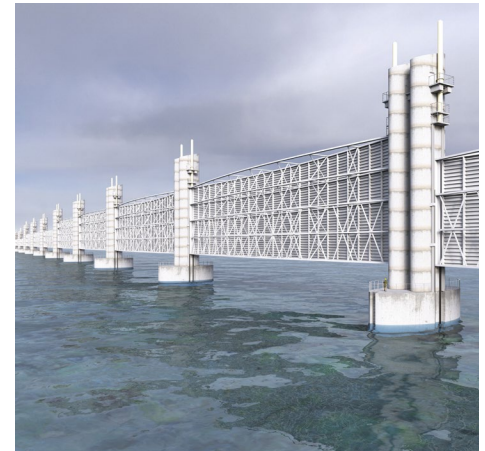
Example of Combi Wall

Figure 2.1: Coastal Texas Overview Map

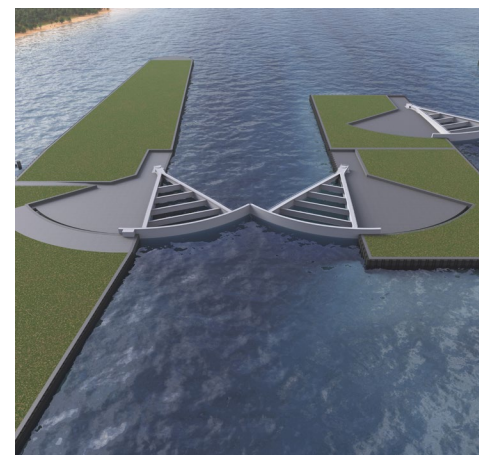




Aerial rendering of Bolivar Roads Gate System



Vertical Lift Gates Open



Sector Gates Closed

also provide further resiliency against variations in storm track and intensity and relative sea level change. Bay defense components include:

- An 18-mile Galveston Ring Barrier System that impedes bay waters from flooding neighborhoods, businesses, and critical health facilities within the City of Galveston;
- 2 surge gates on the west perimeter of Galveston Bay (at Clear Lake and Dickinson Bay) to reduce surge volumes that push into neighborhoods around the critical industrial facilities that line Galveston Bay; and
- Complementary non-structural measures, such as home elevations or floodproofing, to further reduce bay-surge risks along the western perimeter of Galveston Bay.

The Galveston Bay Storm Surge Barrier System also integrates with Coastwide Ecosystem Restoration Plan Measure G28

(Bolivar Peninsula and West Bay GIWW Shoreline and Island Protection), which protects the shoreline from erosion and restores marshes and oyster reefs that enhance the resiliency of proposed adjacent coastal storm risk management measures.

In addition, more than 1,378 acres of habitat is proposed to be created or enhanced as mitigation, in order to offset the direct and indirect impacts of the Galveston Bay Storm Surge Barrier System.

In total, the Coastal Texas Program represents a system-wide risk management strategy for the upper coastline of Texas, integrating structural and non-structural features with ecosystem restoration to enhance the resiliency of coastal communities and the living shoreline from coastal storms.



## Sabine Pass to Galveston Bay

The [S2G Program](#) was authorized by WRDA 2018 and fully funded for construction by the Bipartisan Budget Act of 2018. The objectives of the overall S2G Program include:

- Reducing risks to human life from coastal storm surge,
- Reducing economic damages to residents, businesses, and infrastructure,
- Enhancing energy security by reducing storm surge risk to petrochemical facilities, and
- Reducing adverse physical economic impacts to waterways used for recreational and commercial purposes.

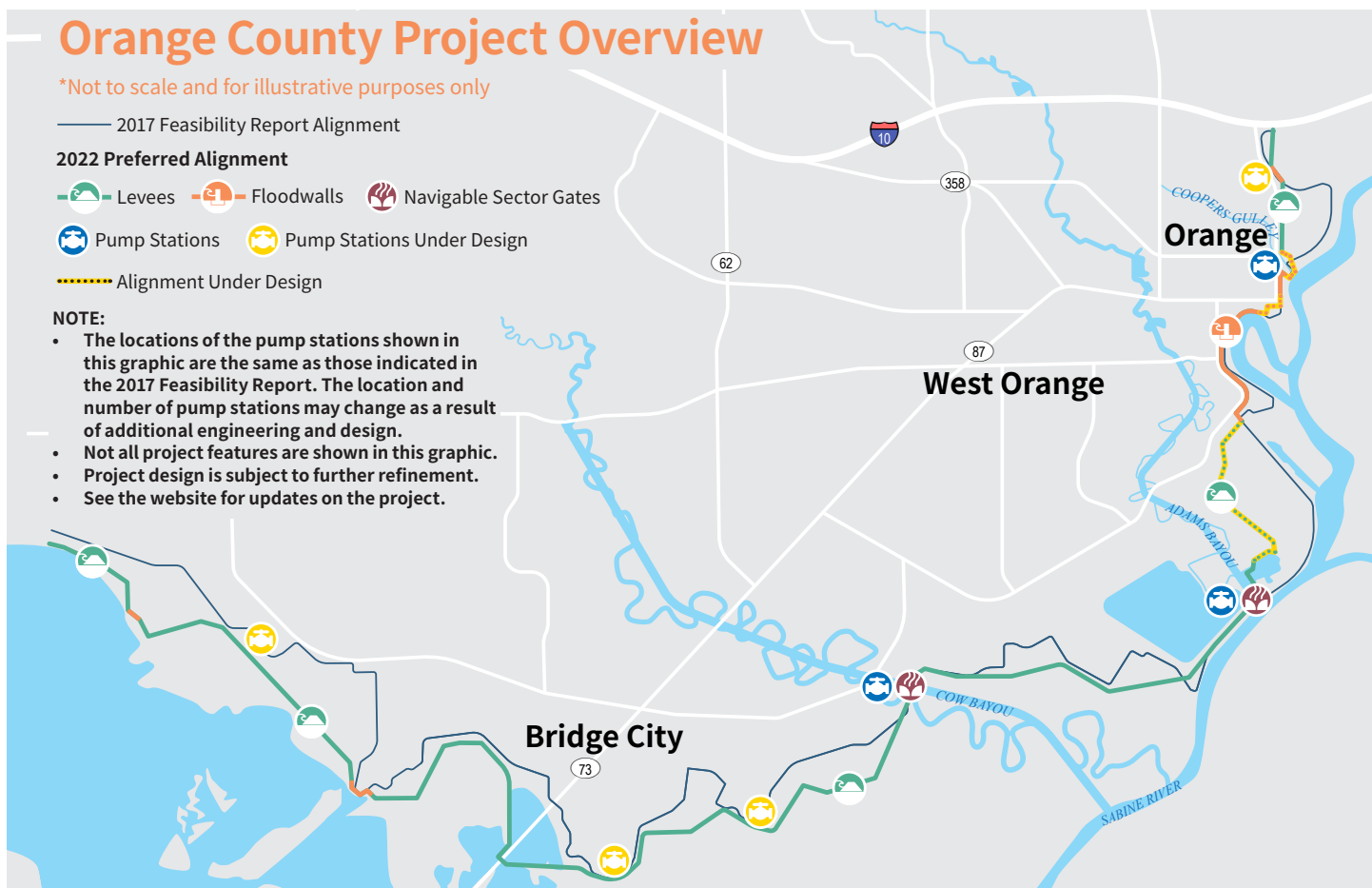
The S2G Program is comprised of three unique projects: improvements to existing hurricane flood protection systems in the Freeport area (the Freeport Project) and the Port Arthur area (the Port Arthur Project), as well as the construction of a new coastal storm risk management system in Orange County (the Orange County Project).



Sabine Pass to Galveston Bay  
Coastal Storm Risk Management Program



Figure 2.2: Orange County Project Overview Map



## The Orange County Project

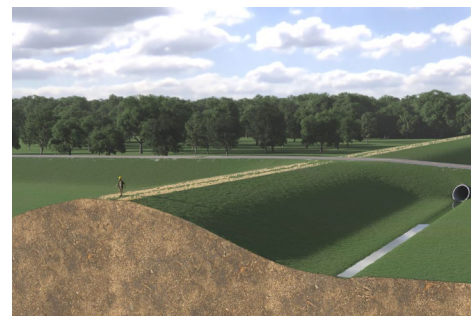
Currently, Orange County has no large-scale coastal storm risk management system. When coastal storms hit the area, storm surge from the Gulf of Mexico moves north through Sabine Lake and the Sabine River and inundates the low-lying areas of Orange County. The [Orange County Project](#) will involve the construction of a levee/floodwall system to reduce the risk of storm surge and flooding that can impact most of Orange County, as well as its critical industrial facilities. Specific features authorized for design and construction as part of the Orange County Project include:

- Approximately 20 miles of new earthen levees,
- Approximately 3 miles of new concrete floodwalls,
- Approximately 150-200 gravity drainage structures and multiple new pump stations, providing interior drainage for areas behind the levee/floodwall,
- Approximately 40 closure structures located at road and railroad crossings,
- Two navigable sector gates, with adjacent vertical lift gates, at Adams and Cow Bayous, and
- Restoration of coastal marsh and preservation of wetlands, as mitigation for the ecosystem values lost due to the construction and operation of the project.

Importantly, the project is being designed to reduce the risk of flooding from coastal storm surge, while not increasing the impacts from local rainfall flood events within Orange County.



Sector Gates



Earthen Levees

Figure 2.3: Port Arthur Project Overview Map



## The Port Arthur Project

Authorized by the Flood Control Act of 1962, the existing Port Arthur hurricane flood protection system consists of approximately 32 miles of levees, floodwalls and associated coastal storm risk management infrastructure, which are operated and maintained by the non-federal sponsor, Jefferson County Drainage District No. 7. In the face of stronger storms and rising seas, improvements are necessary to increase the level of protection (risk reduction) provided by the system. Specific features authorized for design and construction as part of the [Port Arthur Project](#) include:

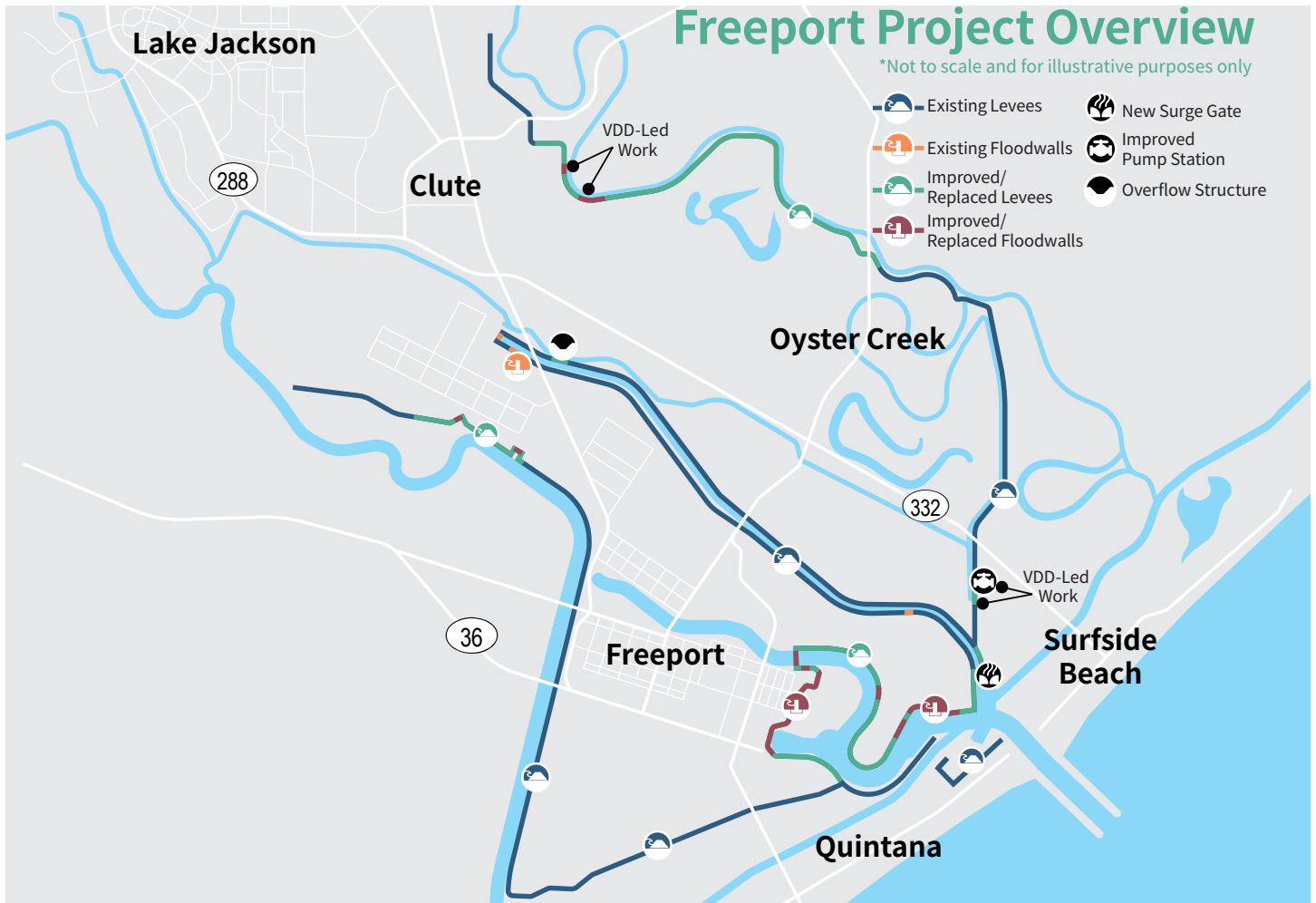
- The raising of approximately 16 miles of existing levees,
- The addition or reconstruction of approximately 6 miles of floodwall and associated tie-in structures,
- The construction of approximately 2 miles of new earthen levee,
- The replacement of 20 closure structures located at road and railroad crossings, and
- Erosion protection improvements at multiple locations.



Port Arthur after Hurricane Ike

Wherever possible, improvements will be constructed within the footprint of the existing hurricane flood protection system (and within Jefferson County Drainage District No. 7 easements/rights-of-way). Furthermore, the project is being designed to reduce the risk of flooding from coastal storm surge, while not increasing the impacts from local rainfall flood events within the Port Arthur area.

Figure 2.4: Freeport Project Overview Map



## The Freeport Project

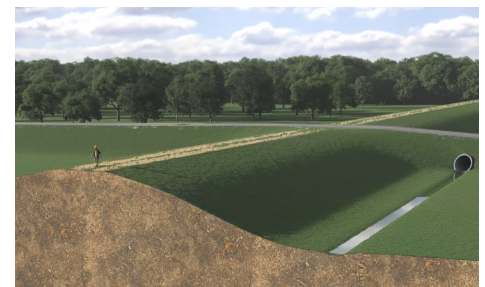
Authorized by the Flood Control Act of 1962, the existing Freeport hurricane flood protection system was constructed by the USACE and consists of approximately 43 miles of levees, floodwalls, and associated coastal storm risk management infrastructure, which are operated and maintained by the non-federal sponsor, Velasco Drainage District. In the face of stronger storms and rising seas, improvements are necessary to increase the level of protection (risk reduction) provided by the system. Specific features authorized for design and construction as part of the [Freeport Project](#) include:

- The raising of approximately 13 miles of existing levees,
- The addition or reconstruction of approximately 6 miles of floodwall, including tie-in structures and road closure gates,
- The addition of a navigable lift gate and a drainage structure on the Dow Barge Canal, and
- Upgrades to an existing pump station.

Importantly, nearly all improvements proposed will be constructed within the footprint of the existing hurricane flood protection system (and within Velasco Drainage District easements/rights-of-way). Furthermore, the project is being designed to reduce the risk of flooding from coastal storm surge, while not increasing the impacts from local rainfall flood events within the Freeport area.



Floodwall



Levee

## Involved Parties

USACE Civil Works projects, inclusive of coastal storm risk management and ecosystem restoration projects, are partnerships between the USACE and one or more non-federal sponsors. For both the Coastal Texas Program and the S2G Program, the GLO served as the non-federal sponsor for the feasibility study phase of each project. However, as each program moves into subsequent phases, additional entities will be stepping forward to serve as the non-federal sponsor for the design, construction, and operations phases of each program/project.

In addition to the USACE, involved parties for the Coastal Texas Program include:

- **Galveston Bay Storm Surge Barrier System:** The GCPD anticipates executing a Design Agreement and PPA which will establish the GCPD as the non-federal sponsor for this collection of coastal storm risk management projects. Through interlocal agreements, it is anticipated that additional local entities may support the GCPD in fulfilling the obligations set forth in the PPA.
- **Ecosystem Restoration:** The GLO anticipates executing a Design Agreement and PPA which will establish the GLO as the non-federal sponsor for this collection of ecosystem restoration projects. Through interlocal agreements, it is anticipated that additional local entities may support the GLO in fulfilling the obligations set forth in the PPA.
- **South Padre Island Beach Nourishment and Sediment Management:** The GLO anticipates executing a Design Agreement and PPA which will establish the GLO as the non-federal sponsor for this project. Through interlocal agreements, it is anticipated that additional local entities (e.g. Cameron County) may support the GLO in fulfilling the obligations set forth in the PPA.

In addition to the USACE, involved parties for the S2G Program include:

- **Orange County Project:** In accordance with the PPA executed on April 29, 2022, the GCPD serves as the non-federal sponsor for this project. Through interlocal agreements, Orange County and Orange County Drainage District serve as project engaged stakeholders and will support the GCPD in fulfilling the obligations set forth in the PPA.
- **Port Arthur Project:** In accordance with the PPA executed on November 29, 2019, Jefferson County Drainage District No. 7 serves as the non-federal sponsor for this project. The GCPD will assist Jefferson County Drainage District No. 7 by administering and distributing funding provided via SB 500

(86th legislative session) and SB 1 (87th legislative session) and any other funding received/collected by the GCPD for the purpose of the Port Arthur Project.

- **Freeport Project:** In accordance with the PPA executed on March 16, 2021, Velasco Drainage District serves as the non-federal sponsor for this project. As Brazoria County is not within the GCPD's jurisdiction, the GLO will assist the Velasco Drainage District by administering and distributing funding provided via SB 500 (86th legislative session) and any other funding provided by the Texas Legislature for the Freeport Project. The GCPD has no responsibility for the funding, delivery, and/or operation and maintenance of the Freeport Project.

Importantly, for both the Coastal Texas Program and the S2G Program, work performed by the USACE will be led by the Mega Projects Division within the USACE Galveston District, and supported by other Districts and Centers of Expertise across the USACE. In addition, the USACE utilizes private sector Architect-Engineer (and other specialty service) contractors, in addition to construction contractors, to support the design and construction of Civil Works projects.

Furthermore, in addition to in-house staff, each of the non-federal sponsors and their local partners are also anticipated to utilize professional services contractors to support the delivery of each program/project.




Galveston Island after Hurricane Ike




# GCPD's Role in the Coastal Texas Program and S2G Program

 Non-federal sponsor  
  Sponsored by others, supported by GCPD  
  GCPD not involved



<b>Galveston Bay Storm Surge Barrier System</b>	
<b>Coastwide Ecosystem Restoration Plan</b>	
<b>South Padre Island Beach Nourishment Project</b>	



<b>Orange County Project</b>	
<b>Port Arthur Project</b>	
<b>Freeport Project</b>	

## Exclusions

Importantly, the GCPD is not responsible for all components of the Coastal Texas Program and the S2G Program. Relatedly, the GCPD will only be involved in S2G or Coastal Texas projects located in its five-county territory. The following sections summarize the components of these programs which are excluded from GCPD's responsibility.

### S2G: The Freeport Project

Brazoria County is not included in the GCPD. Accordingly, the Freeport Project, one of three projects included inside the S2G Program, is excluded from the GCPD's responsibility.

The Freeport Project is a partnership of the USACE and its non-federal sponsor, Velasco Drainage District. In accordance with the PPA executed on March 16, 2021, design and construction costs for this project are shared between these two entities (65% federal / 35% non-federal), with the USACE being responsible for managing construction, while Velasco Drainage District will operate and maintain the system moving forward.

As the Freeport Project is not located within the GCPD's territory, the GCPD does not have any responsibility for the funding, delivery, and/or operation and maintenance of the Freeport Project. Instead, the GLO supports the delivery of the Freeport Project by administering funding provided by the Texas Legislature via SB 500 to assist the Velasco Drainage District with their non-federal contributions.

### S2G: The Port Arthur Project

In accordance with the PPA executed on November 29, 2019, Jefferson County Drainage District No. 7 serves as the non-federal sponsor for this project. The GCPD will assist the Jefferson County Drainage District No. 7 by administering and distributing funding provided via SB 500 (86th legislative session) and SB 1 (87th legislative session) and any other funding received/collected by the GCPD for the purpose of the Port Arthur Project through interlocal agreements between the Jefferson County Drainage District No. 7 and GCPD.

Due to this structure, the GCPD has no direct role in the design and delivery of the Port Arthur Project and will not be responsible for the operations and maintenance of the Port Arthur Project. Both of these functions are the responsibility of the Jefferson County Drainage District No. 7, the non-federal sponsor for this project.



Construction on the S2G Port Arthur Project

## Coastal Texas Program: Ecosystem Restoration

As described above, the Coastal Texas Program includes a combination of ecosystem restoration and coastal storm risk management features. Subject to the negotiation of Design Agreements and PPAs, the GCPD intends to serve as the non-federal sponsor for the coastal storm risk management features included within the Galveston Bay Storm Surge Barrier System, while the GLO intends to serve as the non-federal sponsor for all ecosystem restoration features. Specifically, the ecosystem restoration features include:

- G28 – Bolivar Peninsula and West Bay GIWW Shoreline and Island Protection
- B2 – Follets Island Gulf Beach and Dune Restoration
- B12 – Bastrop Bay, Oyster Lake, West Bay, and GIWW Shoreline Protection
- CA5 – Keller Bay Restoration
- CA6 – Powderhorn Shoreline Protection and Wetland Restoration
- M8 – East Matagorda Bay Shoreline Protection
- SP1 – Redfish Bay Protection and Enhancement
- W3 – Port Mansfield Channel, Island Rookery, and Hydrologic Restoration

Accordingly, the GCPD will have no responsibilities related to the funding, design, construction, and operation and maintenance of these ecosystem restoration features. The GLO, as the non-federal sponsor for the ecosystem restoration features, will be responsible for all cost-share requirements and all other obligations set forth in the PPA covering these features.

## Coastal Texas Program: South Padre Island

The Coastal Texas Program includes one coastal storm risk management project on the lower Texas coast, the South Padre Island Beach Nourishment Project. Subject to the negotiation of a Design Agreement and PPA, it is anticipated that the GLO will serve as the non-federal sponsor for this project. Accordingly, the GCPD will have no responsibilities related to the funding, design, construction, and operation and maintenance of this coastal storm risk management feature.



Proposed South Padre Island Improvements



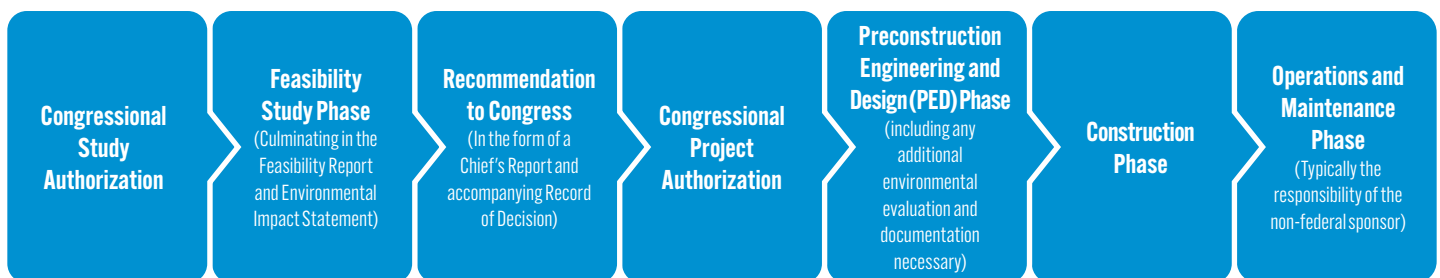


# 3. OVERVIEW OF THE USACE CIVIL WORKS DELIVERY PROCESS

The USACE follows strict policies and procedures when planning and implementing Civil Works projects. This unified planning and delivery framework ensures that all projects nationwide are conducted in a similar manner, include all components required by federal law, are evaluated under the same standardized criteria, and progress through the same project delivery milestones. This is vitally important as Civil Works projects must be independently authorized and funded by Congress.

The following chapter summarizes the typical phases of project development for a USACE Civil Works project. This is being provided to help the reader to understand the different phases of project development that the Coastal Texas Program and S2G Program will progress through.

**Figure 3.1: Typical USACE Project Development Process**





Regarding the Coastal Texas Program, congressional study authorization was provided via WRDA 2007 and the Feasibility Study was completed in 2021. Congressional project authorization was provided as part of WRDA 2022. Subject to the appropriation of funding, the program will move into the PED phase.

Regarding the S2G Program, congressional study authorization was provided via a 2004 resolution from the Committee on Environmental and Public Works and the Feasibility Study was completed in 2017. Congressional project authorization was provided as part of WRDA 2018, with full funding provided by the Bipartisan Budget Act of 2018. All three projects within the S2G Program are working their way through the PED process, with select components already in construction.

Regarding compliance with environmental laws and regulations, each program is following a slightly different process:

- For the Coastal Texas Program, the USACE employed a tiered National Environmental Policy Act (NEPA) compliance approach. Under this structure, projects have been categorized as either Type 1 or Type 2. Type 1 projects met all environmental compliance requirements as part of the 2021 Environmental Impact Statement, which was published alongside the final study report. For these projects, implementation will move ahead as soon as funding is available and designs are complete, assuming no significant change in site conditions or project design. Six ecosystem restoration projects have been classified as Type 1. For the remainder the projects, classified as Type

2, additional environmental analyses and preparation of supplemental NEPA assessments will be required before the projects can move into construction. This process provides additional time for designs to be advanced, for the potential impacts to be better quantified, for mitigation plans (if necessary) to be prepared or further refined, and for additional agency consultation and public review. All components of the Galveston Bay Storm Surge Barrier System are classified as Type 2 and require additional environmental evaluation and review prior to their construction.

- For the S2G Program, all environmental compliance requirements for each of the three projects were met as part of the Environmental Impact Statement prepared along with the final study report. As such, implementation can move ahead, assuming no significant change in site conditions or project design.

For both programs, supplemental NEPA evaluations / documents may be necessary in the event there are significant changes in site conditions or project design. For example, the Port Arthur Project required a Supplemental Environmental Assessment to analyze design changes which occurred post-authorization. In addition, it is anticipated that a Supplemental Environmental Assessment will also be necessary for the Orange County Project. Depending on the unique circumstances of each Coastal Texas project, additional supplemental NEPA evaluations may also be necessary.



Proposed Beach and Dune Improvements



## 4. LEGAL AGREEMENTS

Applicable legal agreements related to the Coastal Texas Program and the S2G Program, and operation of the GCPD in general, are detailed in this chapter. Additional legal agreements are anticipated to be executed as each project progresses. This document will be updated, when appropriate, to reflect the execution of any additional agreements.

### Feasibility Cost Sharing Agreements

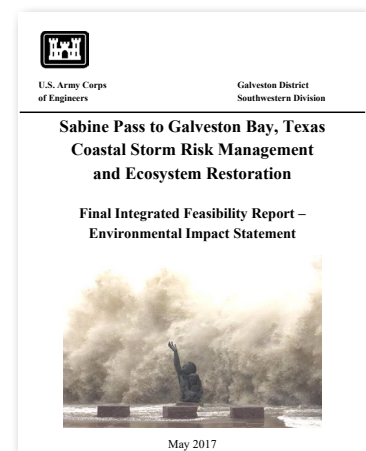
On January 10, 2013, the GLO and the USACE entered into a Feasibility Cost Sharing Agreement for what ultimately became known as the [“Sabine Pass to Galveston Bay, Texas Coastal Storm Risk Management and Ecosystem Restoration Feasibility Study”](#). Upon the signing of the Chief’s Report on December 7, 2017, marking the conclusion of the Feasibility Study phase of the project, all obligations related to this Feasibility Cost Sharing Agreement were discharged.

On November 16, 2015, the GLO and the USACE entered into a Feasibility Cost Sharing Agreement for what ultimately became known as the [“Coastal Texas Protection and Restoration Feasibility Study”](#). Upon the signing of the Chief’s Report on September 16, 2021, marking the conclusion of the Feasibility Study phase of the project, all obligations related to this Feasibility Cost Share Agreement were discharged.

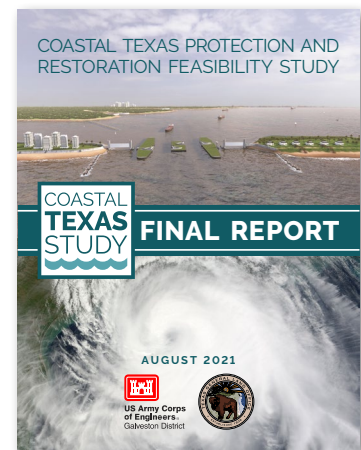
As each project has moved past the Feasibility Study stage of project development, no further Feasibility Cost Sharing Agreements are anticipated to be necessary.

### Design Agreements

On September 18, 2020, the Orange County Drainage District, Orange County, and the USACE entered into a [Design Agreement for the Orange County Project](#), part of the S2G Program. Subject to the requirement that a non-federal sponsor



S2G Feasibility Study



Coastal Texas Feasibility Study

be identified for the Orange County Project, this Design Agreement allowed the USACE to initiate PED activities. Importantly, this agreement obligated the Orange County Drainage District and Orange County to provide 35% of total design costs. Funding for this non-federal share of the design costs was provided by the Texas legislature in 2019, through SB 500. Importantly, this Design Agreement covered only the PED phase of the project and acknowledged that a separate PPA would need to be executed to identify a non-federal sponsor for the construction, operation, and maintenance of the Orange County Project.

Upon execution of the PPA for the Orange County Project by the GCPD, the GCPD assumed all responsibilities and liabilities of the non-federal sponsor under the previous Design Agreement, and agreed that any deferred non-federal share of design costs would be paid in accordance with the terms of the PPA.

Design Agreements were not necessary for the Port Arthur or Freeport projects as each project moved directly to a PPA.

For the Coastal Texas Program, Design Agreements are anticipated to be executed to support the initial project planning and preliminary design activities. Currently, it is anticipated that one Design Agreement will be executed with the GCPD and either one or two Design Agreements will be executed with the GLO. This document will be updated, when appropriate, to reflect the execution of any additional agreements.

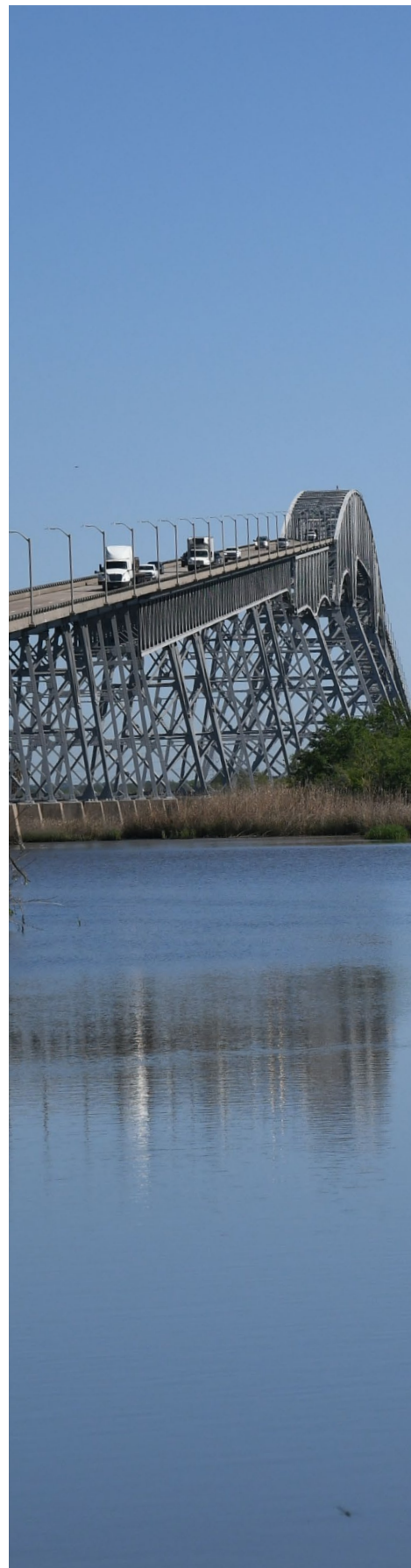
## Memorandum of Understandings

In select circumstances, the GCPD or other non-federal sponsors may wish to execute a Memorandum of Understanding (MOU) with the USACE in order to make certain non-federal expenses eligible for in-kind work credit towards the ultimate cost-share obligation. These MOUs are typically executed prior to the execution of a Design Agreement or a PPA. Currently, it is anticipated that one MOU will be executed with the GCPD and one MOU will be executed with the GLO to facilitate progress on the Coastal Texas Program. No MOUs have been executed for the S2G Program. This document will be updated, when appropriate, to reflect the execution of any additional agreements.

## Project Partnership Agreements

### Jefferson County Drainage District No. 7

On November 29, 2019, Jefferson County Drainage District No. 7 entered into a [PPA with the USACE for the Port Arthur Project](#), part of the S2G Program. By executing this agreement, Jefferson County Drainage District No. 7 became the non-federal sponsor for this project, covering the PED, construction, and operations and maintenance phases of the project. Importantly, this agreement obligates Jefferson County Drainage District No. 7 to provide 35% of total project costs, in addition to all operations and maintenance costs. Initial funding for the non-federal share of this project was provided by the Texas Legislature in 2019, through SB 500, and in 2021, through SB 1, with administrative support from the GLO and GCPD. Moving forward, the GCPD is expected to administer, in coordination with



the GLO, additional State funding provided for this project, and any revenue generated by the GCPD's taxing authority, if exercised. Funds can be applied to the PED, construction, and/or operations and maintenance, among other costs of this project. In addition, Jefferson County Drainage District No. 7 retains the ability to generate additional revenue, through traditional means, to contribute to the local cost-share requirements. Additional discussions on the obligations associated with the PPA are provided in Chapter 5 of this document.

### Velasco Drainage District

On March 16, 2021, Velasco Drainage District entered into a PPA with the USACE for the Freeport Project, part of the S2G Program. By executing this agreement, Velasco Drainage District became the non-federal sponsor for this project, covering the PED, construction, and operations and maintenance phases of the project. Importantly, this agreement obligates Velasco Drainage District to provide 35% of total project costs, in addition to all operations and maintenance costs. However, initial funding for the non-federal share of this project was provided by the Texas Legislature in 2019, through SB 500, with administrative support from the GLO. As noted previously, as Brazoria County is not included in the GCPD's territory, the GCPD has no responsibility for this project. Accordingly, the GLO administered all State funding provided for this project.

In addition, Velasco Drainage District retains the ability to generate additional revenue, through traditional means, to contribute to the local cost-share requirements.

### Gulf Coast Protection District

On April 29, 2022, the GCPD entered into a [PPA with the USACE for the Orange County Project](#), part of the S2G Program. By executing this agreement, the GCPD became the non-federal sponsor for this project, covering the PED, construction, and operations and maintenance phases of the project. As noted above, the GCPD assumed all responsibilities and liabilities of the non-federal sponsor under the Design Agreement, and agreed that any deferred non-federal share of design costs would be paid in accordance with the terms of the PPA. Importantly, this PPA obligates the GCPD to provide 35% of total project costs, in addition to all operations and maintenance costs. Initial funding for the non-federal share of this project was provided by the Texas Legislature in 2019, through SB 500, and in 2021, through SB 1. Moving forward, the GCPD is expected to administer all State funding provided for this project, and revenue generated by the GCPD's taxing authority, if exercised and approved by the residents of the District, can be applied to the PED, construction, and/or operations and maintenance costs of this project. Additional discussions on the obligations associated with the PPA are provided in Chapter 5 of this document.



Velasco Boulevard Bridge in Freeport

Future PPAs which are anticipated to be necessary include:

- A PPA between the GCPD and the USACE for the coastal storm risk management components of the Coastal Texas Program which comprise the Galveston Bay Storm Surge Barrier System. This PPA will be negotiated after execution of a Design Agreement.
- A PPA between the GLO and the USACE for the ecosystem restoration components of the Coastal Texas Program in addition to the South Padre Island Beach Nourishment Project. This PPA will be negotiated after execution of a Design Agreement. The GCPD will have no role in this PPA.

This document will be updated, when appropriate, to reflect the execution of any additional agreements.

## Local Cooperation Agreements

After congressional authorization of the S2G Program and following the passage of SB 2212 and SB 500 in 2019, the GLO executed several Local Cooperation Agreements (LCAs) with the drainage districts involved in the S2G Program. These LCA's facilitated the transfer of funding provided by SB 500 to the drainage districts, in order to meet the cost-share obligations of these projects. Specifically, this includes:

- An LCA with the Velasco Drainage District, signed March 14, 2021,
- An LCA with the Jefferson County Drainage District No. 7, signed October 21, 2019, and
- An LCA with Orange County and the Orange County Drainage District, signed September 16, 2020.

Subsequently, an amended LCA between the GLO and the Jefferson County Drainage District No. 7 was executed on November 15, 2022 to re-allocate and further distribute funding from SB 500 to support the further advancement of the Port Arthur Project.

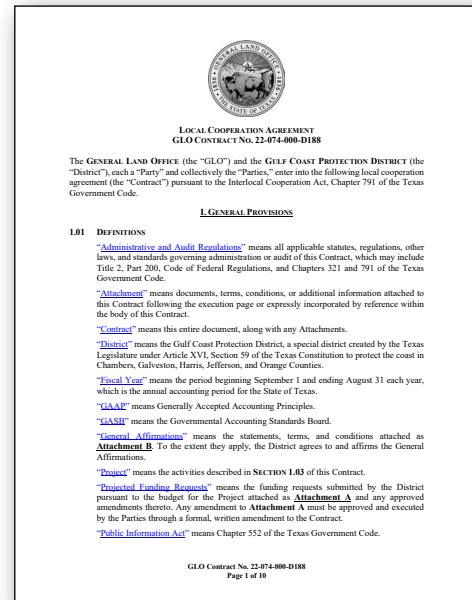
Importantly, the GCPD is not party to these agreements. Upon creation of the GCPD, and execution of new Interlocal Agreements (ILAs), the LCAs between the GLO and Jefferson County Drainage District No. 7 and the Orange County Drainage District are expected to be closed out. In the future, it is anticipated that additional funding provided by the Texas Legislature will be directed to the Jefferson County Drainage District No. 7, Orange County, and the Orange County Drainage District through ILAs with the GCPD.

To distribute and administer funding provided by the Texas Legislature to support the GCPD (and the Coastal Texas Program and the S2G Program), agreements are also employed between the GLO and the GCPD.

On September 13, 2021, the GCPD and the GLO entered into an [agreement](#) to facilitate the creation and start-up of the GCPD.

On November 17, 2022, the GCPD and the GLO [agreed to expand](#) the funding request, further drawing on funds provided by SB 1 for the implementation of the Coastal Texas Program and the S2G Program. Importantly, in addition to supporting the GCPD's direct involvement in the S2G Program, funding will continue to be transferred to Orange County and the Orange County Drainage District to support the Orange County Project. Furthermore, funding is available for the GCPD to prepare for the authorization of the Coastal Texas Program.

Additional agreements between the GLO and the GCPD are expected regularly as new funding is appropriated or program needs change. This document will be updated, when appropriate, to reflect the execution of any additional agreements.



LCA Between GLO and GCPD



Existing Floodwall in Port Arthur

## Interlocal Agreements

To lay out roles and responsibilities and distribute and administer funding provided by the GCPD to local project partners, ILAs are employed between the GCPD and its local project partners. These agreements govern the use, restrictions, and requirements associated with funding provided by the GCPD to these entities.

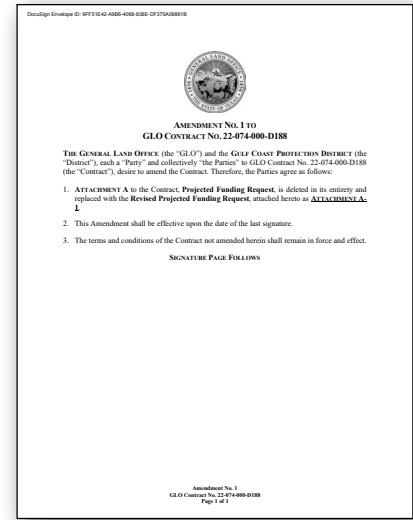
On December 14, 2021, the GCPD, Orange County, and the Orange County Drainage District entered into an [initial ILA](#) to fund and facilitate local participation in the PED phase of the Orange County Project. Both the current ILA (with the GCPD) and the previous LCA (with the GLO) were focused on the distribution and administration of funding provided by the Texas Legislature by SB 500 and SB 1.

On November 9, 2022, the GCPD, Orange County, and the Orange County Drainage District executed [Amendment 1 to the initial ILA](#). This amendment acknowledges GCPD's ascendance to the role of non-federal sponsor for the Orange County Project, as documented in the PPA, and expands the projected funding available to the local partners, drawing on funds provided by SB 500 and SB 1.

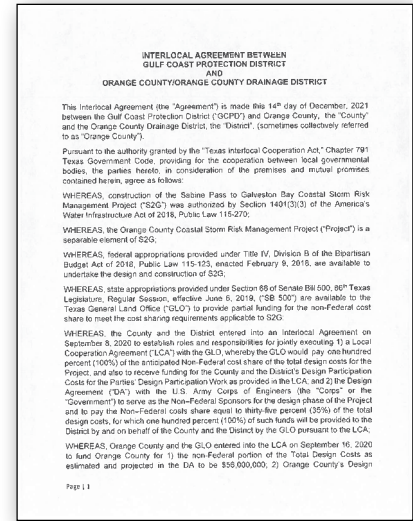
In the future, an ILA is anticipated between the GCPD and Jefferson County Drainage District No. 7. This ILA will be needed to distribute State funding provided to the GCPD to support Jefferson County Drainage District No. 7 in meeting its obligations as the non-federal sponsor for the Port Arthur Project.

To date, no ILAs have been executed related to the Coastal Texas Program. Additional amendments to the ILAs related to the S2G Program are expected to be required over the coming years, with the potential for additional new ILAs as well.

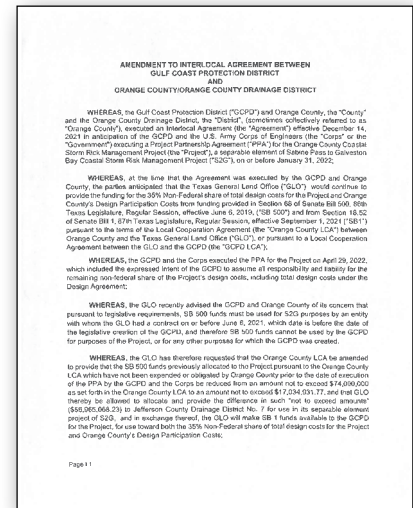
This document will be updated, when appropriate, to reflect the execution of any additional agreements.



Amended LCA



Initial ILA with Orange County and the Orange County Drainage District



Amended ILA



## 5. KEY CONSIDERATIONS

Delivery of USACE Civil Works projects is closely governed by USACE policy, federal laws and regulations, and the terms and conditions of any agreements between the USACE and its non-federal sponsor (as reflected in the Design Agreements and/or PPAs referenced in Chapter 4). The following sections discuss several key considerations for the GCPD to be aware of and closely monitor as it advances the Coastal Texas and S2G programs.

### Non-Federal Sponsor Responsibilities / Cost-Sharing

As discussed in Chapter 2, all Civil Works projects must have a non-federal sponsor. Inherently, Civil Works projects are a partnership between the federal government and the local sponsor. The non-federal sponsor may be a state, county, city, town, or any political subdivision of a state that has the legal and financial authority and capability to provide the necessary cash contributions and lands, easements, rights-of-way, relocations, and disposal areas necessary for the project. WRDA 1986, as amended, clarified cost-sharing requirements

for Civil Works projects and established many of the standards still in practice today.

Importantly, it is intended that the non-federal sponsor be a true partner in the delivery of the project. The non-federal sponsor shall participate as part of the Project Delivery Team (PDT), participate in decisions related to the project, contribute to the design of the project, and coordinate and communicate with the community at large, and impacted landowners specifically.

The specific obligations of the non-federal sponsor are detailed in the applicable agreements between the USACE and the non-federal sponsor (either Design Agreement or PPA). While agreements have been executed for the Orange County Project, and therefore specific non-federal obligations are known for the S2G Program, no agreements have been executed yet in furtherance of the Coastal Texas Program. However, as agreements typically follow a “model agreement” employed by the USACE, the obligations of the non-federal sponsor are generally known. However, the non-federal sponsor reserves the right to negotiate the provisions of each agreement.

At the highest level, the most critical obligations of the non-federal sponsor include:

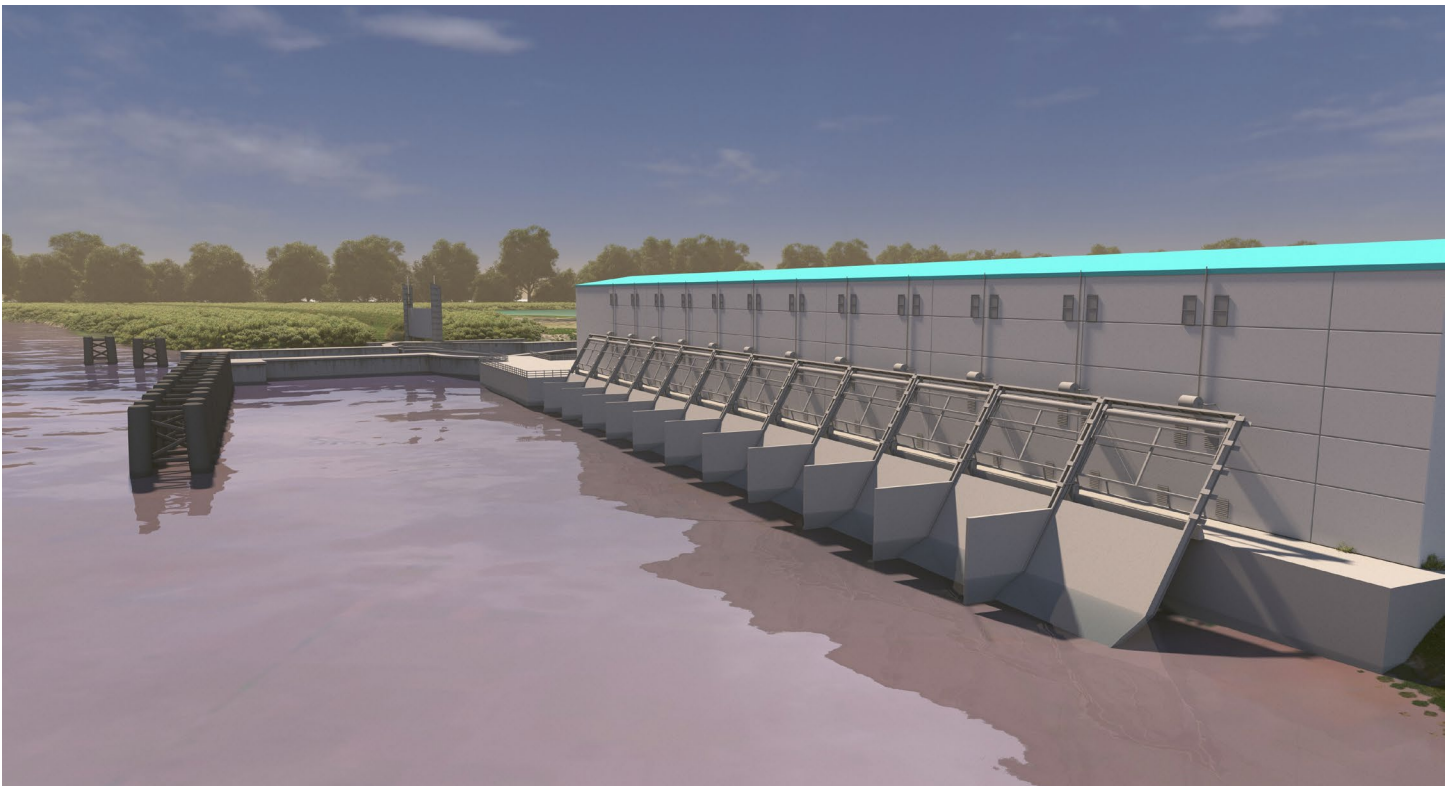
- Comply with all requirements of the applicable federal laws and implementing regulations,
- Contribute 35% of design and construction costs for the project,
- Review and provide comments on contract solicitations, relevant plans and specifications, contract modifications, and contract claims (design review efforts),
- Provide to the federal government all lands, easements, rights-of-way, relocations (including the relocation of utilities within the project footprint), and disposal areas needed for the construction, operation, and maintenance of the project,
- Undertake investigations to identify the existence and extent of any hazardous, toxic, or radioactive waste (HTRW) on or under any real property interests required for the project,
- If property impacted by HTRW is to be provided to the federal government, perform necessary cleanup and response efforts at no cost to the federal government (100% cost-share),
- Operate, maintain, repair, rehabilitate, and replace the project, or such functional portion thereof, at no cost to the federal government (100% cost-share), and
- Participate in and ensure compliance with applicable federal floodplain management and flood insurance programs.

Critically, when determining the cost-share obligations of the non-federal sponsor, the following contributions are generally allowed:

- Cash contributions,
- Work-in-kind contributions, when agreed to by the federal government, representing work that the federal government would have performed otherwise, and
- Credit for the lands, easements, rights-of-way, relocations, and disposal areas provided to the federal government by the non-federal sponsor, subject to the established crediting policies.

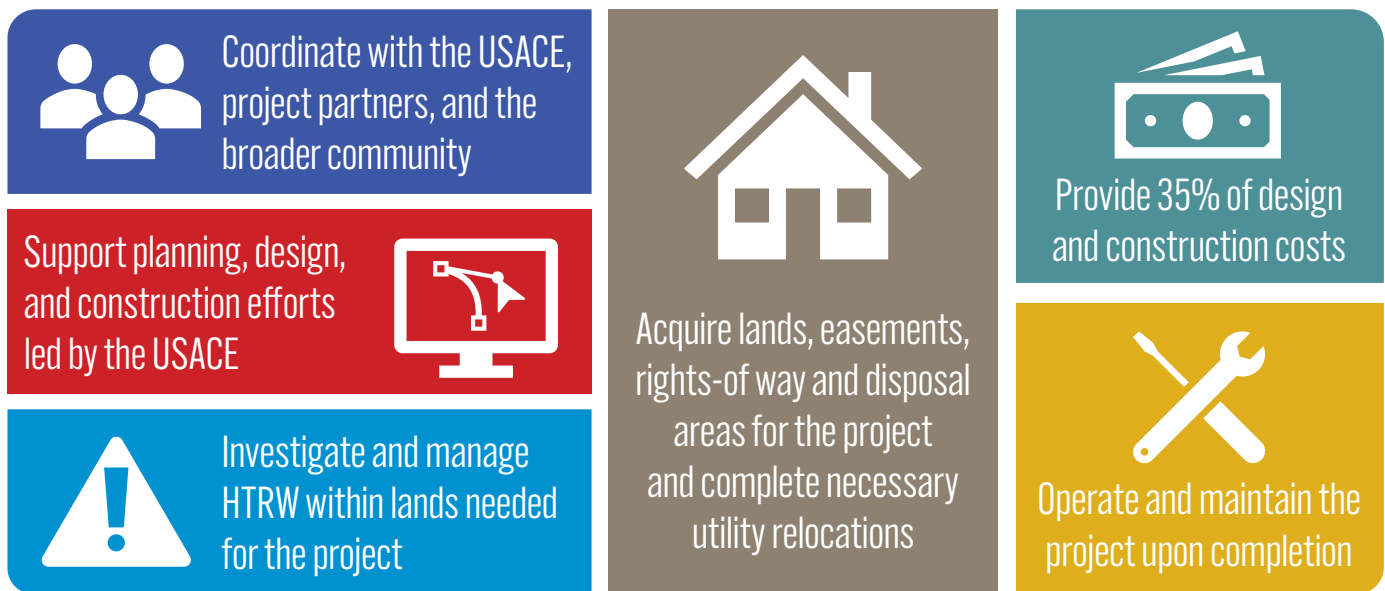
For most Civil Works projects, non-federal cost-share must be provided up front, on an annual basis, to “match” the expected federal expenditure or obligation for the upcoming fiscal year. In this manner, the USACE is only able to proceed ahead with expending federal dollars if corresponding non-federal dollars are also available.

However, in select circumstances, provisions can be made to allow the non-federal sponsor to defer up front payments and to “finance” the non-federal share over a 30-year period, including interest. This specific provision is available to the S2G Program, and is reflected in the PPA between the USACE and GCPD for the Orange County Project. It is not yet known whether a similar provision will be included in any future Coastal Texas Program PPAs.



Example Pump Station Design



**Figure 5.1: Non-Federal Sponsor Responsibilities**

Current cost-share estimates for the S2G Program and the Coastal Texas Program are presented in Chapter 6. However, it should be noted that these estimates reflect current price levels (as if the project were constructed today). Ultimately, cost-share will be based on actual cost at the time of construction, accommodating for inflation, design changes, and other factors.

In summary, the general obligations of the GCPD as non-federal sponsor for the Orange County Project and the Coastal Texas Program are summarized in Figure 5.1.

Of note, each Design Agreement or PPA may include project specific considerations which could impact the split of responsibilities between the federal government and the non-federal sponsor. For example, in order to comply with the Coastal Barrier Resources Act (CBRA), it is anticipated that a select portion of the Coastal Texas Program, specifically the levee tie-in structure associated with the Bolivar Roads Gate System, may need to be constructed by the non-federal sponsor.

## Environmental Compliance

Compliance with all environmental laws and regulations, including NEPA, is required for all USACE Civil Works projects. Accordingly, great emphasis is placed on working with the resource agencies, environmental stakeholders, and the general public to advance these programs in full compliance with established laws and regulations. Preserving, protecting, and enhancing the environmental resources of the Texas gulf coast is of paramount importance to the USACE, GCPD, and GLO.

## Coastal Texas Program

Importantly, the Coastal Texas Program represents the largest ecosystem restoration effort in the history of Texas. Through this program, over 6,610 acres of coastal habitat will be created or improved at eight locations spanning the full Texas coast. This includes creation of approximately 114 miles of breakwaters, 15 miles of bird rookery islands, 2,000 acres of marsh, 12 miles of oyster reef, and almost 20 miles of beaches and dunes.

As discussed in Chapter 3, under the Environmental Impact Statement prepared and the Record of Decision issued as part of the Feasibility Study in 2021, six ecosystem restoration projects are considered "Type 1", meaning all environmental compliance requirements have been met and these projects can move into construction once design is complete, and funding is available.

However, before a project moves into construction, the USACE will determine if changes in site conditions or significant changes in project design may trigger the need for additional environmental evaluation.

Type 1 projects include:

- Bolivar Peninsula and West Bay GIWW Shoreline,
- West Bay and Brazoria GIWW Shoreline,
- Keller Bay Restoration,
- Powderhorn Shoreline Protection and Wetland,
- East Matagorda Bay Shoreline Protection, and
- Redfish Bay Protection and Enhancement.

Under the Environmental Impact Statement prepared and the Record of Decision issued as part of the Feasibility Study, the remainder of the projects are considered “Type 2”, meaning additional environmental analyses and preparation of supplemental NEPA assessments will be required before the projects can move into construction. This process provides additional time for the design to be advanced, for the potential impacts to be better quantified, for a mitigation plan (if necessary) to be prepared or further refined, and for additional agency consultation and public review.

Three projects, the South Padre Island Beach Nourishment Project and two ecosystem restoration projects (Port Mansfield and Follets Island), will require continued coordination and/or formal consultation in relation to proposed sand sources before construction can commence.

All components of the Galveston Bay Storm Surge Barrier System are considered Type 2 projects and will undergo this additional environmental evaluation and review. This is anticipated to include preparation of supplemental NEPA documents and would provide for the opportunity for public review and comment. These projects include:

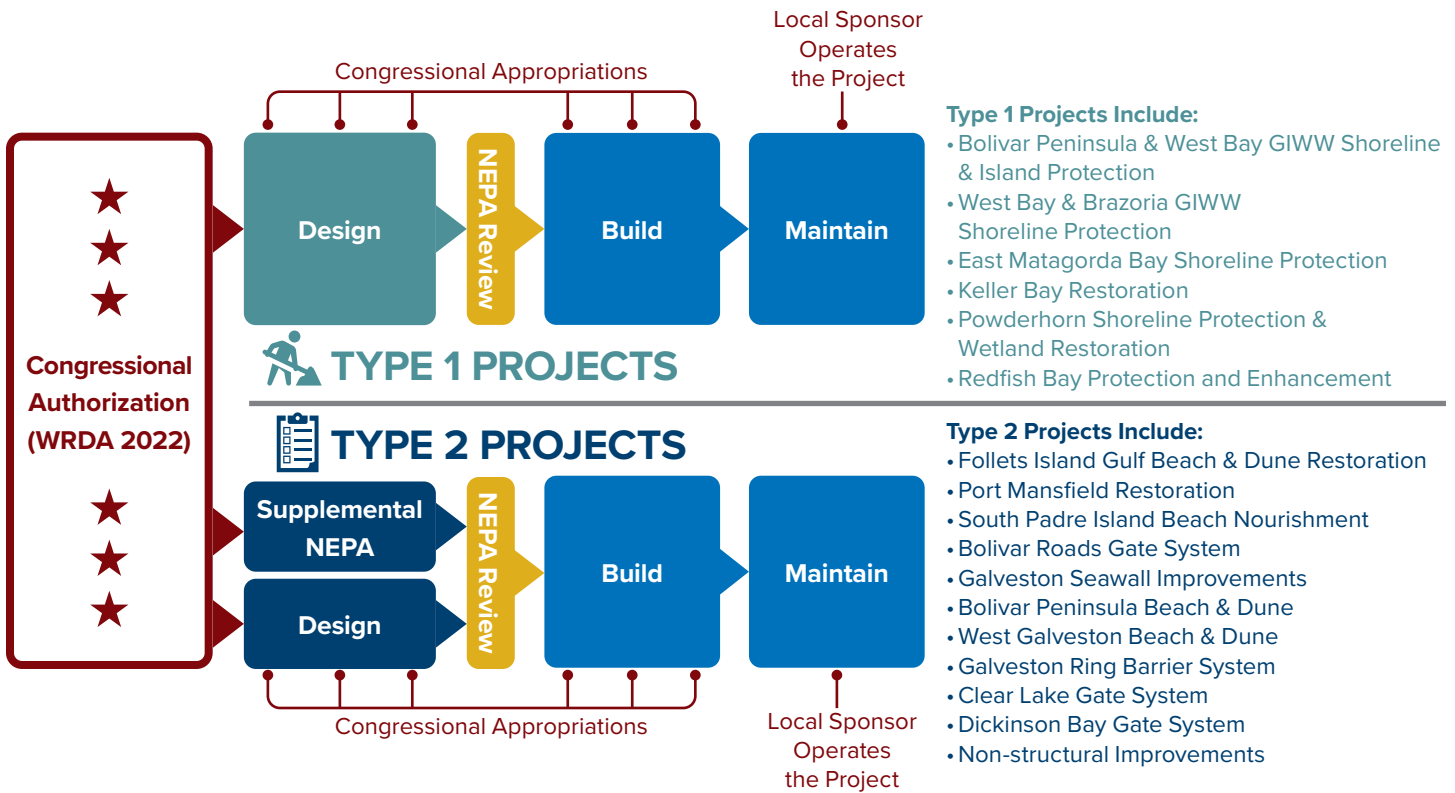
- Bolivar Roads Gate System,
- Bolivar and West Galveston Beach and Dune,
- Galveston Seawall Improvements,
- Galveston Ring Barrier System,
- Clear Lake Gate System,
- Dickinson Bay Gate System, and
- Non-structural measures.

Importantly, a mitigation plan has been developed for the Galveston Bay Storm Surge Barrier System to offset the unavoidable direct and indirect impacts of the proposed actions. This plan currently proposes creation or enhancement of over 1,300 acres of habitat as mitigation. Moving forward, for each separable project, mitigation plans will be developed, as necessary, to provide required mitigation for all unavoidable direct and indirect impacts.

As environmental studies and project design continue, it is anticipated that environmental impacts will be reduced compared to those conservatively estimated in the Feasibility Study and Environmental Impact Statement.



**Figure 5.2: Timeline / Environmental Status**



## S2G Program

For the S2G Program, all environmental compliance requirements for each of the three projects were met as part of the Environmental Impact Statement prepared and the Record of Decision issued as part of the Feasibility Study. As such, implementation can move ahead, assuming no significant change in site conditions or project design.

However, in response to significant changes in site conditions or project design, supplemental NEPA evaluations / documents have been determined to be necessary for the Port Arthur Project and the Orange County Project. Specifically, the Port Arthur Project required a Supplemental Environmental Assessment to analyze design changes which occurred post-authorization. In addition, it is anticipated that a Supplemental Environmental Assessment will also be necessary for the Orange County Project.

## Design Refinements / Betterments

Within the USACE’s Civil Works project delivery framework, it is assumed that the design of projects will continue to be refined as a project or program moves through the various phases of

development. Consequently, what has been presented in the Feasibility Report is anticipated to be further refined during the PED phase and may change significantly. This means that the GCPD and interested stakeholders should expect continued modifications and refinements to project design. Design refinement will be focused on advancing best engineering concepts, reducing environmental impact, meeting stakeholder needs, and managing program cost, all while achieving the protection objectives or performance criteria established for the program.

Furthermore, the cost estimates prepared for the Feasibility Study phase are best estimates of project cost, based on the best information available at the time. It is anticipated that project cost may change as the PED phase progresses, incorporating both regular inflation / cost escalation as well as any design changes. Generally, the federal government and the non-federal sponsor will share in any increases in project cost, in accordance with the standard cost-share policy.

Importantly, in the event the non-federal sponsor wishes to provide enhancements or additions to the program, meaning improvements above and beyond that determined to be necessary



and appropriate by the USACE (as defined in the Feasibility Study / Chief's Report), the cost of these “betterments” or “additions” will be 100% the responsibility of the non-federal sponsor. In this manner, Civil Works projects can continue to be enhanced to serve additional purposes beyond those authorized by Congress, but the cost of those enhancements must be carried by the non-federal sponsor.

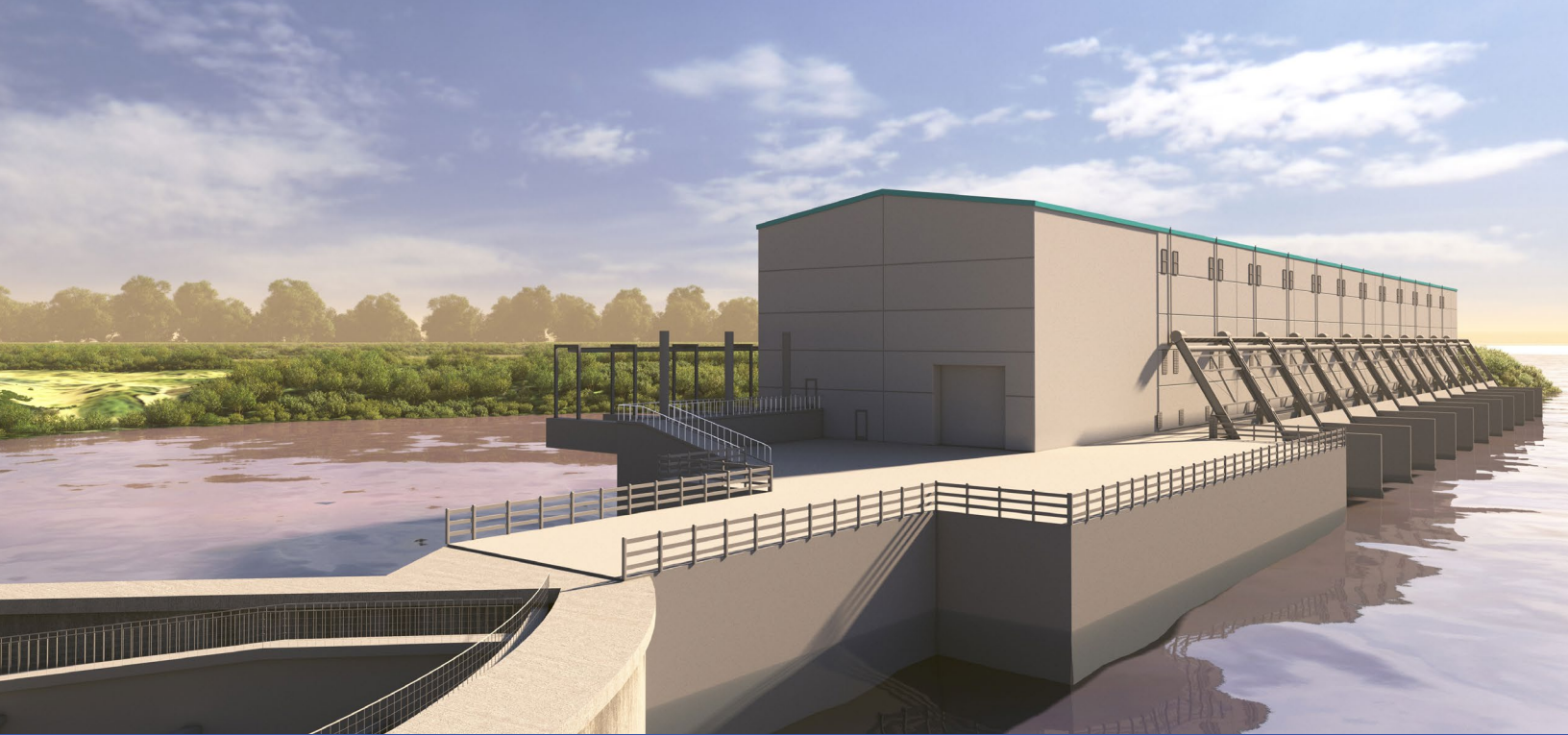
## Programmatic Considerations

The Coastal Texas Program was formulated as a “system of systems,” reflecting the integral role each program component plays in achieving a broader objective, in addition to the role certain components play to strengthen or increase the resiliency of other program components. While the Coastal Texas Program is comprised of over 15 unique projects, to achieve the objective of the program, all projects must be implemented. As such, all efforts must be taken to prevent the selective funding and implementation of certain projects, and to focus on the funding and implementation of the full program.

## Limitations of Authority

Importantly, the GCPD is constrained in several ways by its authorizing legislation. Several important considerations include:

- Local jurisdictions within GCPD territory retain all their existing authority. No local government responsibilities have been transferred to the GCPD. The GCPD and local jurisdictions have overlapping territory, but not overlapping responsibilities.
- The GCPD cannot take on projects outside the umbrella of the S2G and Coastal Texas programs. The GCPD’s authorizing legislation directs the District to perform activities to advance and deliver these two programs.
- While granted the power of eminent domain, certain restrictions apply to the acquisition of state owned land, rail roads, or port authority property through condemnation.
- GCPD is limited in its ability to utilize state funding for HTRW related remediation activities, which may be necessary should it not be possible to avoid acquisition of contaminated parcels.



# 6. PROGRAM COSTS

As detailed in Chapter 5, the non-federal sponsor is generally responsible for providing 35% of total program costs, and 100% of ongoing operations and maintenance costs. It should be noted that program costs are presented at a certain price level (e.g. fiscal year 2023), which is the estimated cost of the project if it were to be constructed in that calendar year. Due to out-year inflation and other factors, the ultimate cost of the program, which will be constructed in stages over a longer period, will be higher. However, it is not possible to provide a firm estimate as the USACE has not yet determined the construction sequencing or schedule and as the rate of future inflation can only be estimated. Of note, the price level of estimates for the S2G Program is Fiscal Year 2018, while the price level of estimates for the Coastal Texas Program is Fiscal Year 2023. Moving forward, program costs are anticipated to be updated by the USACE on an annual basis to reflect current price levels and the current status of design and construction. Estimates of fully funded project cost, considering proposed sequencing and schedule in addition to out-year inflation and design refinement, will also be provided in subsequent updates and documents.

Table 6.1 summarizes the current program costs for the S2G and Coastal Texas programs. This includes total cost and non-federal share. Note that due to certain crediting provisions, the non-federal share is not always exactly 35%.

**Table 6.1: Summary Program Cost**

Program	Total Cost	Price Level	Non-federal Share
S2G	\$3.96B*	FY18	\$1.39B**
Coastal Texas	\$34.38B*	FY23	\$13.00B**

\* Program cost estimates are currently being updated by USACE. Program cost will be increasing to reflect inflation and ongoing design and construction efforts.

\*\* Cost-share requirements are currently being updated by USACE. Cost-share will be increasing to reflect inflation and ongoing design and construction efforts.



These totals are further subdivided in Table 6.2, which presents the detailed program costs.

**Table 6.2: Detailed Program Cost**

Program Component	Total Cost*	Price Level	Non-federal Share**	Non-federal Sponsor
<b>S2G: Orange County</b>	<b>\$2.39B</b>	<b>FY18</b>	<b>\$837M</b>	<b>GCPD</b>
<b>S2G: Port Arthur</b>	<b>\$863M</b>	<b>FY18</b>	<b>\$302M</b>	<b>DD7 / GCPD</b>
<b>S2G: Freeport</b>	<b>\$704M</b>	<b>FY18</b>	<b>\$246M</b>	<b>VDD</b>
<b>Coastal Texas: GBSSBS</b>	<b>\$31.20B</b>	<b>FY23</b>	<b>\$11.79B</b>	<b>GCPD</b>
West Galveston Beach and Dune	\$1.89B	FY23		
Bolivar Beach and Dune	\$2.49B	FY23		
Bolivar Roads Gate System	\$19.03B	FY23		
Galveston Ring Barrier System (including Seawall Improvements)	\$4.16B	FY23		
Clear Lake Gate System	\$1.91B	FY23		
Dickinson Bay Gate System	\$1.10B	FY23		
Nonstructural Improvements	\$482M	FY23		
Mitigation	\$136M	FY23		
<b>Coastal Texas: Ecosystem Restoration</b>	<b>\$3.10B</b>	<b>FY23</b>	<b>\$1.16B</b>	<b>GLO</b>
Bolivar Peninsula and West Bay GIWW	\$1.08B	FY23		
Follets Island	\$68.3M	FY23		
West Bay and Brazoria GIWW	\$927.5M	FY23		
Keller Bay	\$88.9M	FY23		
Powderhorn	\$123.7M	FY23		
East Matagorda Bay	\$327.2M	FY23		
Redfish Bay	\$404.0M	FY23		
Port Mansfield	\$75.6M	FY23		
<b>Coastal Texas: South Padre Island</b>	<b>\$81.8M</b>	<b>FY23</b>	<b>\$50.7M</b>	<b>GLO</b>

\* Program cost estimates are currently being updated by USACE. Program cost will be increasing to reflect inflation and ongoing design and construction efforts.

\*\* Cost-share requirements are currently being updated by USACE. Cost-share will be increasing to reflect inflation and ongoing design and construction efforts.

The estimated cost share total for each non-federal sponsor is provided in Table 6.3. Of note, for the GCPD this includes cost share for the S2G Orange County Project, the S2G Port Arthur Project (in coordination with Jefferson County Drainage District No. 7), and the Coastal Texas Galveston Bay Storm Surge Barrier System.

Note: program costs shown in this chapter are estimates, based on the best planning/engineering information currently available. These estimates are subject to change as design and construction progresses. Furthermore, as discussed above, these estimates present first costs reflective of the price level listed, not considering out-year inflation over the anticipated construction period. Actual fully funded project costs will be higher than those listed here. This document will be updated when the USACE prepares updated cost estimates for each program.

**Table 6.3: Estimated Cost Share by Partner**

Non-federal Sponsor	Total Share	Price Level
GCPD	\$12.66B	FY18/FY23
GLO	\$1.21B	FY23
DD7 / GCPD	\$302M	FY18
VDD	\$246M	FY18



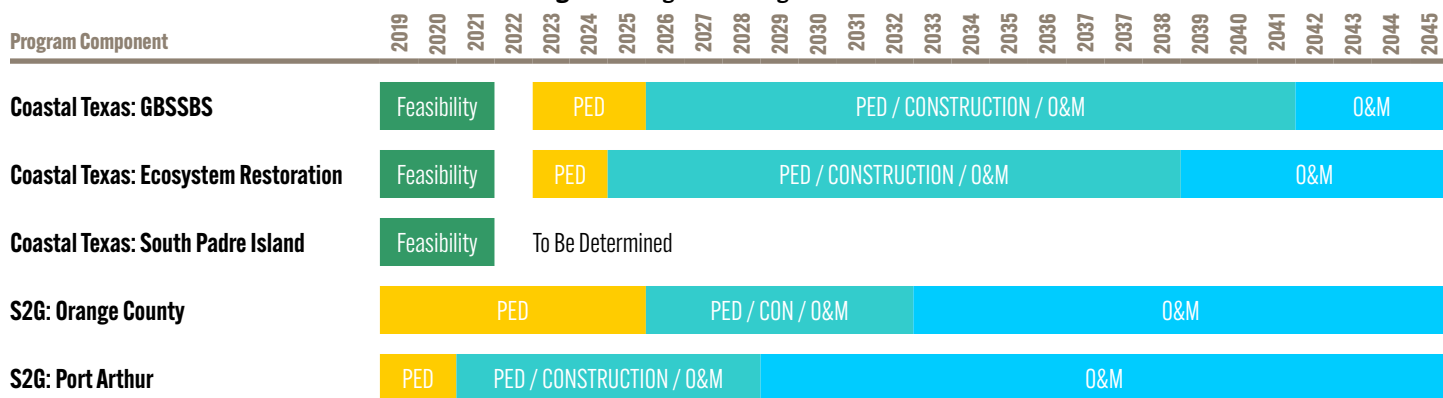
# 7. PROGRAM TIMELINES

The following chapter summarizes the currently estimated schedules for each of the programs and projects under the jurisdiction of the GCPD. All schedules presented are preliminary, approximate, and subject to change. The pace of project advancement will be contingent on the following primary factors, among others:

1. Pace and scale of congressional appropriations (for projects which have not been fully funded),
2. Speed of design and environmental compliance activities, and
3. Efficiency of construction activities.

The information presented in Figure 7.1 represents a simplified schedule summarizing the anticipated phases of work for each project/program. Importantly, for the purpose of this graphic, PED is defined as upfront design and environmental work performed prior to the award of the first construction contract. After this, design and construction, and ultimately operations and maintenance activities, will be performed concurrently as individual program components are advanced in a sequential manner. The USACE aims to complete construction activities for the S2G Program in the 2030-2035 timeframe. Assuming sufficient appropriations from Congress, the USACE aims to complete construction activities for the Coastal Texas Program in the 2040-2050 timeframe. Note: this conceptual schedule assumes immediate appropriation of funds to the Coastal Texas Program, at the level requested by the USACE. Actual funding may differ, and delays in funding will shift schedules to the right. Accordingly, this schedule should be considered an aggressive and optimistic scenario, assuming immediate funding at significant scale.

**Figure 7.1: High Level Program Timelines**



Note: Durations are preliminary, approximate, and subject to change.



Contractors conducting geotechnical investigations on the Port Arthur Project

## Coastal Texas Program

The Coastal Texas Program was authorized by Congress in 2022, but as of December 2022 no federal funding has been appropriated to the program. Upon funding, the program will shift into the PED phase. As it relates to the coastal storm risk management projects under the GCPD's jurisdiction, initial efforts are slated to be focused on the Bolivar Roads Gate System and/or the Bolivar Peninsula and West Galveston Beach and Dune systems. Up front environmental and design efforts for the Bolivar Roads Gate System are anticipated to take between 5 to 8 years before construction can begin.

Other components of the program will also be designed and constructed concurrently, on differing schedules. This includes immediate advancement of the Follets Island ecosystem restoration project, which is anticipated to be the first component of the Coastal Texas Program to enter into construction. Critically, once the first construction contract is awarded, the entire Coastal Texas Program can shift from accessing "General Investigation" funds to "Construction" funds, which is a larger tranche of money. This will aid in securing funding for the remainder of design and construction activities. An additional ecosystem restoration feature which may be accelerated into the

first few years, pending appropriation of funding, is the Bolivar Peninsula and West Bay GIWW Shoreline project.

As mentioned above, in addition to the Bolivar Roads Gate System, the GCPD is also working to accelerate the delivery of other components of the Galveston Bay Storm Surge Barrier System. Recognizing how long it will take to construct the Bolivar Roads Gate System (estimated at 12+ years currently), interim benefit could be provided by completing select other program components earlier. Components which could be accelerated into the first few years, pending appropriation of funding, include the Bolivar and West Galveston Beach and Dune systems.

In total, the USACE anticipates that all construction should be complete in the 2040-2050 timeframe. Note: as funding for the Coastal Texas Program has not yet been secured, all schedule forecasts are preliminary and are entirely subject to the availability of funding. Should funding be provided more aggressively, these schedules could shift to the left. However, if funding is delayed or scaled back, these schedules will shift to the right. Additional detail on the proposed Coastal Texas Program schedule will be provided in subsequent revisions to this document.



# Orange County Project

The Orange County Project was authorized and funded in 2018, with design work beginning in 2019. Design work is anticipated to continue through 2026, concurrent with the procurement of two separate Early Contractor Involvement (ECI) contractors, one for gates and pump stations and the other for levees and floodwalls.

Construction work is anticipated to begin in 2026, for both ECI contractors and will be completed incrementally through various options/segments as segments are environmentally cleared, right-of-way is acquired, and utility relocations are completed. Construction activities for the Orange County Project are anticipated to conclude in the 2030-2035 timeframe. However, note that schedules are tentative and subject to

change. Additional detail on the proposed Orange County Project schedule will be provided in subsequent revisions to this document.

# Port Arthur Project

The Port Arthur Project was authorized and funded in 2018, with design work beginning in 2019. Construction began on the first segment of the project in 2021, with additional construction contracts to be issued sequentially over the coming years. The USACE anticipates completing all design activities in the 2025 / 2026 timeframe and completing all construction activities prior to 2030. The following graphic shows the currently estimated schedule for each anticipated construction contract. Note that schedules are tentative and are subject to change.

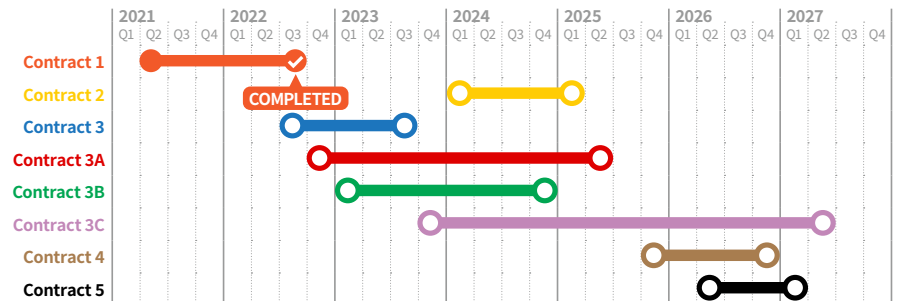
**Figure 7.2: Port Arthur Project Timeline**

- Contract 1 Components:**
  - Existing earthen levee raise
- Contract 2 Components:**
  - Floodwall replacement
  - Existing earthen levee raise
  - Levee/floodwall tie-in structure
  - Railroad closure structure replacement
  - At-grade road/levee crossing
- Contract 3 Components:**
  - Floodwall replacement
  - New road closure structures
  - Road and railroad closure structure replacement
- Contract 3A Components:**
  - Levee/floodwall tie-in structure replacement
  - Fronting protection for existing pump stations
  - Road closure structure replacement
- Contract 3B Components:**
  - Floodwall replacement
  - New floodwall
  - New earthen levee
  - Levee/floodwall tie-in structures
  - At-grade road/levee crossing
  - Road closure structure replacement
  - New road and railroad closure structures
- Contract 3C Components:**
  - Floodwall replacement
  - Existing earthen levee raise
  - Levee/floodwall tie-in structures
  - Fronting protection for existing pump stations
  - At-grade road/levee crossing
- Contract 4 Components:**
  - Floodwall replacement
  - Existing earthen levee raises
  - Levee/floodwall tie-in structures
  - Fronting protection for existing pump stations
- Contract 5 Components:**
  - Floodwall replacement
  - Existing earthen levee raises
  - New earthen levee
  - Fronting protection for existing pump stations
  - Levee/floodwall tie-in structures
  - Road and railroad closure structure replacement



## Construction Timeline

\*Construction schedules are tentative and subject to change.





## 8. DISTRICT OPERATING STRATEGY

**This Master Plan envisions the GCPD employing an evolving structure which surges initially inside the engineering services / program department, but transitions primarily to an operations and maintenance district over time.**

The GCPD faces the unique challenge of needing to stand up a substantial organization from the ground up, over a very short period of time, to support delivery of over \$30B of infrastructure projects. Initially, efforts must be focused on developing, designing, and constructing the Orange County Project and the Coastal Texas Program. However, as projects are completed, the focus will shift to operations and maintenance. As such, this Master Plan envisions the GCPD employing an evolving structure which surges initially inside the engineering services / program department, but transitions primarily to an operations and maintenance District over time. Meaning that over time, engineering support services will shift from capital project development to engineering support for infrastructure maintenance and infrastructure renewal.

### **Key initial considerations and priorities for the District include:**

- Establishment of an in-house senior management team, in sync with the Board of Directors and fully responsible for District management and program delivery
- Ability to access full-service, multi-disciplinary, highly skilled engineering support teams through a contracted Program Management structure.
- Ability to scale up capabilities on short notice, as program components are funded and added into the work-flow.

At the top of the organization is the Board of Directors, who has ultimate oversight of the activities of the District. Immediately below the Board of Directors is the executive leadership team, currently consisting of an Executive Director. As the organization matures, additional executive roles will likely be added.

Administrative functions of the District include legal, finance and accounting, human resources, information technology, and communications. These services support the overall District, and span across all projects and programs. Currently, these services are being provided by contractors / consultants. However, over time some of these services may move in-house.

Recognizing the scale of efforts, and the anticipated sequencing in of these programs/projects over time, it is envisioned that a robust engineering and project development team will be necessary. Anticipated components include:

- **The Orange County Project**, which is already underway and represents an approximately \$2.4B total effort (2018 price level). This project is anticipated to transition into construction in 2026 or shortly thereafter and be complete in the 2030-2035 timeframe.
- **The Coastal Texas Program**, which is envisioned to include multiple phases each encompassing a multi-billion dollar infrastructure project or set of projects. Initial phases are anticipated to begin in the 2023 to 2024 timeframe, and will sequence in as federal funding is appropriated.

The GCPD will also be responsible for ongoing operations, maintenance, repair, rehabilitation, and replacement of the Orange County and Coastal Texas projects. It is anticipated the teams will be stood up by project or by geography as projects are initiated. It will be critical to build operational capacity during the design and initial construction phases of each project, such that the GCPD is ready to take on operational responsibilities as soon as the first segments or portions of work are completed. Emphasis shall be placed in coming years on determining

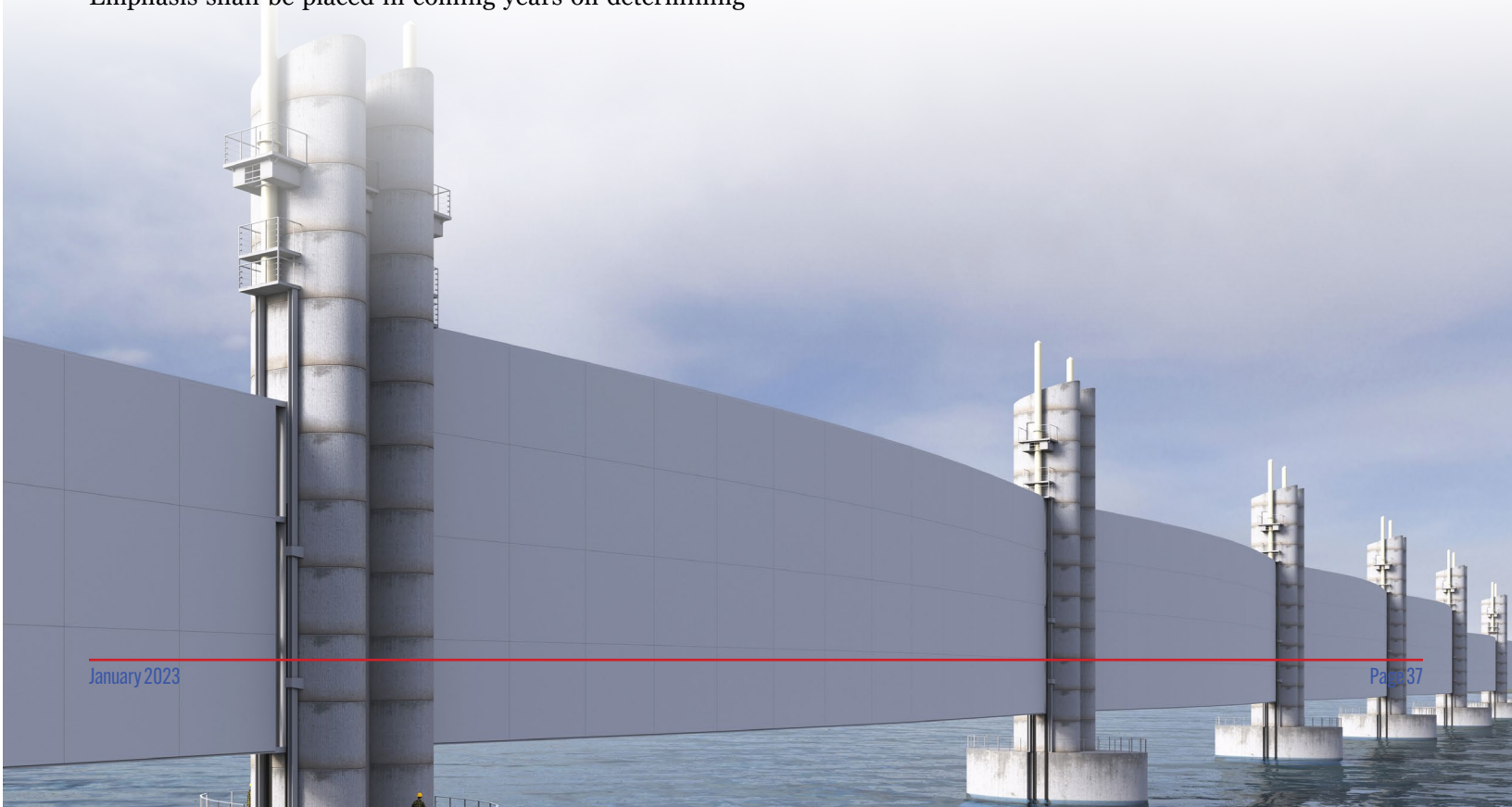
recommended strategies and structures for complying with all operations, maintenance, repair, rehabilitation, and replacement responsibilities moving forward.

## Organizational Evolution

The GCPD has already made significant progress in building out the organization. Key hires have already been made and contractors procured to meet the current needs of the District to date. Moving forward, a subsequent set of key hires and procurements is anticipated to be necessary in the 2023 and 2024 timeframe to prepare the District to advance the Coastal Texas Program. Importantly, the continued expansion of the GCPD structure will be contingent on the funding and advancement of the Coastal Texas Program. Delays in funding will also result in delays in expanding the capabilities of the District.

Recognizing that organizational structures are intended to evolve and change over time, the GCPD will continually revisit the envisioned structure of the organization, focusing on ensuring that the requisite capabilities are available in the most cost-effective and responsive manner to meet the needs of the District. Specific emphasis will be placed on deciding which services to provide or shift in-house, which services to contract, and which services to partner with other governmental entities to provide.

This document will be updated, when appropriate, to reflect the most current District operating strategy.





# 9. HUMAN/PHYSICAL RESOURCES PLAN

As a newly created governmental entity, rapidly expanding the human and physical resources of the District is key to the advancement District’s capabilities and its ability meet its obligations as a special purpose district and as the non-federal sponsor for the Coastal Texas and S2G programs. The following sections summarize progress to date and projected plans for the acquisition of human resources (employees, contractors) and physical resources (offices, equipment) necessary to deliver on the District’s obligations.

## Human Resources Plan

Since its inception in 2021, the District has made significant progress in standing up critical components of the District’s organizational structure and leadership team. Critical accomplishments as of December 2022 include:

- Appointment and formation of the Board of Directors
- Hiring of an Executive Director
- Hiring of an Administrative Assistant

In addition, through an ILA with the GCPD, Orange County and the Orange County Drainage District serve as the Representative Liaison of the GCPD on the Orange County Project, and participate in providing design participation work, and in interaction with the USACE in the current design phase of the Orange County Project. Furthermore, Orange County and the Orange County Drainage District are providing a representative to serve, in effect, as the Project Executive for the Orange County Project.

Furthermore, in line with the District operating strategy, the GCPD has executed contracts with consultants to provide the following services:

- Legal Services
  - » General Counsel: Allen Boone Humphries Robinson LLP
  - » USACE Contracts: Best Best & Krieger
- Bookkeeping / Accounting Services:
  - » Municipal Accounts & Consulting, L.P.
- Communications Services:
  - » Hollaway Environmental + Communications Services, Inc.
  - » Touchstone District Services
- S2G: Orange County Program Management Services:
  - » DE CORP (DEC)
- Auditing Services:
  - » McCall Gibson Swedlund Barfoot PLLC

Moving forward, the GCPD intends to continue to build out its organizational structure over the 2023/2024 timeframe through additional key hires and procurement of additional contractors, as appropriate.

## Facilities Plan

To deliver on its responsibilities, the GCDP will need to lease or construct a series of facilities to support its administrative and operations related activities. These facilities are anticipated to be phased in over time as each project within the GCPD’s portfolio is completed. Additional information will be provided in subsequent updates to this document.



# 10. FINANCIAL PLAN

As a purpose-built entity focused on advancing the Coastal Texas and S2G programs, from a financial perspective, the GCPD’s primary responsibility is to provide the financial resources necessary to keep these programs moving forward annually.

## Expenses / Funding Needs

In general, the GCPD’s expenditures will fall into three primary categories:

- **District Operating Expenses:** this includes all non-creditable expenses associated with managing the District on a day-to-day basis and complying with all state and federal laws and regulations. Examples of these expenses include employee salaries, benefits, office space, contracted legal services, Board Meeting expenses, etc.
- **Cost-Share Expenses:** this includes all creditable expenses associated with complying with the District’s cost-share obligations (e.g. 35%) of each program. This would be comprised of cash contributions to the USACE, creditable work-in-kind (including program management services), and creditable provision of lands, easements, rights-of-way, relocations, and disposal areas (LERRDS).

- **Operations and Maintenance Expenses:** this includes all expenses associated with the operation, maintenance, repair, rehabilitation, and replacement of completed projects. Typically, the non-federal sponsor is responsible for 100% of these expenses.

Over the start-up and design and construction periods of each program, the District’s cost-share expenses will dwarf the District’s operating expenses. The District’s cost-share obligations (at the stated price level) are summarized as follows. Note that program costs will increase due to inflation and other factors, meaning the ultimate cost-share obligation will be higher.

**Table 10.1: Cost-Share Obligations**

Program/Project	GCPD Share	Price Level
S2G: Orange	\$873M	2018
S2G: Port Arthur	\$302M	2018
Coastal Texas: GBSSBS	\$11.79B	2023
<b>TOTAL</b>	<b>\$12.97B</b>	<b>Mixed</b>

Projected District operating expenses and long-term operations and maintenance expenses will be further refined as part of GCPD strategic planning efforts to be conducted in 2023. Cost-share obligations will also be projected, on a year-by-year basis, as part of this upcoming strategic planning effort and as required by the District annual report to the Texas Legislature and other parties. Once this strategic planning exercise is completed, this document will be updated with relevant summary information.

In general, year-by-year cost-share requirements will be dependent on the USACE's funding and proposed expenditure plan. Looking forward to the biennium covered by the 88th Texas legislative session (2024 and 2025), the USACE has projected a potential cost-share obligation as detailed below in Table 10.2, inclusive of projected District operating expenses. Importantly, continuing to provide cost-share equivalent to the 35% cost-share requirement will prevent the GCPD from incurring interest expenses and will allow these programs to move forward at the fastest pace possible.

**Table 10.2: Projected Funding Needs, 2024-2025**

Program/Project	2024-2025 Cost Share
District Operating Expenses	\$10M
S2G: Orange	\$146M
S2G: Port Arthur	\$144M
Coastal Texas: GBSSBS	\$200M
<b>TOTAL</b>	<b>\$500M</b>

Recognizing the scale of the Coastal Texas Program in comparison to the S2G Program, projecting funding needs for the Coastal Texas Program over the full implementation period will be critical. Table 10.3 presents a conceptual expenditure schedule for the ramp-up and execution of the Coastal Texas Program. Note that all projections are conceptual and subject to change. The actual funding needs will be dependent on the scale and pace of appropriations and/or funding received by the USACE to advance the Coastal Texas Program. As it currently stands (December 2022), funding has not yet been appropriated to or budgeted for the USACE to advance this program. However, as indicated in Table 10.3, cost-share obligations have the potential to increase dramatically in the coming years. These funding needs will have to be discussed further with the 88th Texas Legislature, and through consideration of other alternative funding means.

**Table 10.3: Projected Coastal Texas Funding Needs**

Timeline	Projected Federal Expenditures	Approximate Non-fed Cost-Share*	Price Level
Year 1	\$100M	\$54M	2023
Year 2	\$500M	\$270M	2023
Year 3 - End	\$2.5B/yr	\$1.35B/yr	2023

\*Non-federal cost-share is split between the GCPD and GLO, depending on program component



## Revenue / Funding Plan

To date, all revenue for the District has been provided by the Texas Legislature, as detailed in Chapter 1 of this document. Specifically, the following funding has been legislatively directed to the District and/or its projects:

- **SB 500 (86th Legislative Session):** \$200M, to support for the S2G projects.
- **SB 1 (87th Legislative Session):** \$200M, to support the GCPD, the S2G Orange, the S2G Port Arthur, and the Coastal Texas projects.

Table 10.4 details the GCPD’s proposed distribution / use of the funding directed to date for use by the District and for its projects.

**Table 10.4: Funding Allocations**

Category	Approximate Allocation
GCPD Expenses	\$6M
S2G: Orange County Project	\$54M
S2G: Port Arthur Project	\$293M
S2G: Freeport Project*	\$20M
Coastal Texas Program	\$27M
<b>TOTAL</b>	<b>\$400M</b>

*\*GCPD has no responsibility for the S2G: Freeport project*

Moving forward, the District has requested funding from the 88th Texas Legislature to continue its activities and to remain current on all cost-share obligations. As discussed above, the projected funding requirement, and consequently the GCPD legislative appropriation request, for 2024 and 2025 is approximately \$500M. If and when the 88th Texas Legislature allocates additional funding to the GCPD, this document will be updated.

Critical to the District’s ability to meet all financial obligations moving forward, in the most equitable manner, is the development of a more robust and diversified funding strategy. Over the coming years, the GCPD will be refining proposed funding strategies for the District and its programs. This includes consideration of the following potential funding and cost reduction strategies.

**Table 10.5: Potential Funding Strategies**

Federal Funding	State Funding	Local Funding	Alternative Funding
<ul style="list-style-type: none"> <li>• Appropriations</li> <li>• Reduction on match</li> <li>• Reduction in interest</li> <li>• Grants/eligible federal money</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriations</li> <li>• Grants/state programs</li> <li>• In-kind donation (property)</li> </ul>	<ul style="list-style-type: none"> <li>• Tax revenue</li> <li>• Fees</li> <li>• In-kind work</li> </ul>	<ul style="list-style-type: none"> <li>• Resilience financing</li> <li>• Private dollars</li> </ul>

In summary, the GCPD has multiple options for generating the local cost share required for the Coastal Texas and S2G programs and will work with local and state leaders over the coming years to secure this funding in the most appropriate manner. As discussed in Chapter 1, the District does not have the authority to impose an ad valorem tax unless approved by the voters, and there are no current plans for calling such an election.



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