

STATE OF TEXAS

Annual Report

Clean Water State Revolving Fund

www.twdb.texas.gov/financial/programs/CWSRF



SFY 2018

TEXAS WATER DEVELOPMENT BOARD
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COVER PHOTO

Fort Worth Village Creek Reclaim Plant, Pumps at Pump Station Head Works

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- A. Briefing on a pilot initiative to offer assistance to smaller water and wastewater systems
- B. SFY 2018 Annual Financial Report – CWSRF Financial Statements

1 Executive Summary

The purpose of the Texas Clean Water State Revolving Fund (CWSRF) is to provide low-cost financing for a wide range of wastewater, stormwater, reuse, and other pollution control projects. Funding for eligible applicants comes from a combination of state funds and the federal capitalization grant from the Environmental Protection Agency (EPA). Funding through the CWSRF goes towards addressing needs in the areas of primary, secondary, and advanced treatments, recycled water distribution, new collector sewers, and sewer system rehabilitation as set forth in the Clean Water Act (CWA).

The Texas Water Development Board (TWDB) provides this report to summarize the annual activities, achievements of goals, requirements met, and obligations made as set forth in the State Fiscal Year (SFY) 2018 Intended Use Plan (IUP) for the CWSRF program. This report describes the progress made toward short-term and long-term goals, the financial status of the CWSRF, and compliance with federal CWSRF requirements during SFY 2018, which was from September 1, 2017, through August 31, 2018.

The SFY 2018 IUP described the intended uses of the funds available in the CWSRF financial assistance program and detailed how Texas planned to commit available funds. To comply with the federally mandated program requirements of priority ranking, those eligible entities interested in assistance were required to submit a project information form by March 3, 2017, to be added to the Initial Invited Projects List and be included in the first round of invitations for funding. TWDB staff reviewed, scored, and ranked all submissions based on the requirements set forth in TWDB rules and criteria established for SFY 2018. The Initial Invited Projects List was created based upon project ranking and the established criteria.

During this SFY, the TWDB maintained an open IUP throughout the year to enable all interested parties to submit a project information form for inclusion on the Project Priority Lists. Applications from the initial round of invitations were based upon project ranking if the application was submitted by the established deadline. Following the initial round of invitations, all eligible projects were invited to apply for assistance and funding was awarded on a first-come, first-served basis. The interest in the CWSRF program for SFY 2018 was evidenced in the receipt of 149 project information forms from eligible applicants for projects totaling approximately \$1.3 billion.

One of the strongest hurricanes in history to hit Texas made landfall on August 25, 2017. The storm brought damaging winds, storm surge, and dropped over 50 inches of rain in parts of the state. The devastation significantly impacted the local infrastructure,

including many water and wastewater systems. As of August 31, 2018, four systems applied to and subsequently received Emergency Relief financial assistance made available through the CWSRF during the SFY to cover rebuilding efforts and to implement mitigation strategies. We anticipate more projects receiving assistance during SFY 2019.

The Federal Fiscal Year (FFY) 2017 Appropriations authorized a \$60,598,000 federal capitalization grant that was used for the SFY 2018 IUP. The TWDB set the SFY 2018 CWSRF program capacity at \$525,000,000. Applicants for equivalency project funding, those that required compliance with all federal cross-cutter requirements, were able to receive an interest rate subsidy of 165 basis points below market rates. Non-equivalency projects, those that did not need to comply with all the federal requirements, were able to receive an interest rate subsidy of 130 basis points below market rates.

In addition to the EPA capitalization grant, the Texas CWSRF utilizes additional state funding sources to increase the program capacity. The additional available resources include the required state match of 20% of the grant, principal repayments from previous CWSRF loans, interest and investment earnings, and, as necessary, revenue bonds issued by the TWDB to fund project demand in excess of available cash on hand. During SFY 2018, the TWDB made 44 CWSRF commitments totaling over \$321 million.

The TWDB continues to strive to improve our financial assistance programs to ensure applicants have access to the cost savings associated with utilizing these programs to advance safe wastewater infrastructure for all Texas citizens.

2 Goals and Achievements

The primary goal of the CWA and the Texas CWSRF program is to restore and maintain the chemical, physical, and biological integrity of the state's waters by preventing the discharge of pollutants. The CWSRF program strives to prevent the discharge of pollutants from point and nonpoint sources; identify and provide funding for maintaining and/or bringing publicly owned treatment works into compliance with EPA clean water standards; to support affordable and sustainable wastewater treatment processes; and to maintain the long-term financial health of the program.

The Texas CWSRF program is available to provide financial support to achieve these goals. The TWDB provided effective and efficient administration of the CWSRF program, offering below-market interest rates, long-term financing, and principal forgiveness to assist entities in protecting the water quality of the State of Texas. The following

sections detail the TWDB's progress in meeting the short and long-term goals established in the IUP.

Short-Term Goals of the Texas CWSRF Program

1. *Encourage the use of green infrastructure and technologies by offering principal forgiveness for green projects that address water efficiency, energy efficiency, mitigation of stormwater runoff; or encourage sustainable project planning, design, and construction.*

During SFY 2018, Congress required the TWDB to expend at least 10% of the capitalization grant, or \$6,059,800, via a Green Project Reserve to approved green project costs. In order to achieve this goal, the TWDB offered additional subsidy assistance to projects that contained green components equal to or greater than 30% of their total project costs. For more information on projects indentified for Green Project Reserve goals and Green Subsidy amounts, please see Appendix A, Table 1.

2. *Offer terms of up to 30 years for planning, acquisition, design, and/or construction in accordance with TWDB determined guidelines and the CWA.*

Of the closings made during SFY 2018, 17 projects took advantage of terms greater than 20-years. Details on loan terms for these projects may be found in Appendix B.

3. *Provide financing to communities listed in the IUP that are under enforcement orders to meet the deadlines for compliance with the CWA.*

Of the applications submitted during SFY 2018, nine were mitigating issues identified in enforcement orders.

4. *Utilize, if necessary, the strength of the CWSRF to enhance the Drinking Water State Revolving Fund (DWSRF) by cross-collateralizing the programs in accordance with state and federal law.*

During SFY 2015, the TWDB secured approval from the State Legislature during the 84th Legislative Session to cross-collateralize the CWSRF with the DWSRF. On April 26, 2018, the TWDB issued bonds utilizing a cross-collateralization of the CWSRF and DWSRF. The CWSRF received over \$260 million in proceeds from the bond sale, which were deposited into the separate CWSRF program account in accordance with all state and federal laws.

5. *Enhance our current level of outreach on the State Revolving Fund (SRF) programs by hosting regional financial assistance workshops in conjunction with the continued use of social media.*

The TWDB hosted 17 Financial Assistance workshops during SFY 2018. Additionally, staff from the agency's regional project development teams participated in various outreach

opportunities throughout the state at conferences, regional planning meetings, and one-on-one meetings with individual entities/authorities. The topics discussed during the workshops and outreach opportunities covered all TWDB financial assistance programs, the IUP process, the project information form submission, CWSRF federal requirements and program changes, specific project related questions and answers, and general outreach. A map showing workshop locations is included as Appendix A-17.

The TWDB's outreach team continues to conduct additional customer assistance. The use of social media continues to grow at the TWDB with increasing numbers of followers on Facebook, Twitter, LinkedIn, YouTube, and Instagram. TWDB Board members and staff continually share information on various social media sites.

6. *Offer financial assistance with an interest rate of zero percent to projects that qualify for Emergency Relief funding.*

The TWDB began offering Emergency Relief funding to qualifying projects in the form of zero percent interest rate financing. By offering this funding, the objective was to assist communities in the replacement or rehabilitation of essential wastewater treatment facilities that pose an imminent peril to public health, safety, environment, or welfare and threat of failure in response to emergency conditions. During SFY 2018, the TWDB committed funds to four projects meeting these criteria totaling \$1,750,000.

Long-Term Goals of the Texas CWSRF Program

1. *Maintain the fiscal integrity of the CWSRF in perpetuity.*

The fiscal integrity of the fund was monitored through ongoing cash flow and capacity analyses. Efficient and effective use of program resources remained a top priority of the program, especially given the economic pressure of the rising interest rate market. Prepayments are evaluated on a case-by-case basis to determine the best use of the assets to maintain the program for perpetuity. When possible, prepayments were used for new loans, thereby reducing the need for leveraging. At other times, the prepayments were used to call program debt, in line with federal regulations, to maintain high cash flow coverage.

The capability of the CWSRF program to meet future generations' needs is enhanced by the TWDB's AAA credit rating from the three major rating agencies. Staff conducted regular reviews of the credit ratings of the borrowers, their insurers (if any), and the portfolio concentration and makeup, thereby ensuring adequate management of any risks to the program. Interest rates were set at levels below current market rates to promote more affordable projects, yet at a sufficient level necessary to maintain the fiscal integrity of the fund.

2. *Employ the resources of the CWSRF in the most effective and efficient manner to prevent the discharge of pollutants into the state's waters, assist communities in maintaining compliance with EPA's clean water standards, and maintain a strong financial assistance program that is responsive to changes in the state's priorities and needs.*

During SFY 2018, the TWDB funded 19 projects totaling over \$136 million that will assist communities in achieving or maintaining compliance with their discharge permits and EPA's clean water standards. While the program has ample lending capacity to satisfy demand, it has established a priority rating system that directly supports the goals of the CWA. The priority rating system addresses enforcement issues, systems that are nearing their permitted treatment and discharge capacities, projects addressing more stringent standards, the mitigation of water quality issues identified in the Texas Watershed Action Planning Strategy, and other factors that directly improve the state's water quality.

3. *Assist borrowers in complying with the requirements of the CWA by meeting the demands for funding eligible projects by providing financial assistance with interest rates below current market levels and with Additional Subsidization in the form of principal forgiveness.*

The TWDB provided funding commitments during SFY 2018 to all eligible projects that submitted an application for assistance, thereby ensuring those publically owned treatment works within the state achieved or maintained compliance with the CWA. Two nonpoint source pollution projects received funding commitments. No projects were submitted for estuary management.

To encourage use of the CWSRF, reductions from market interest rates on financing were provided to recipients in the form of a 165 basis points reduction for equivalency projects and a 130 basis points reduction for non-equivalency projects. The resulting effects were substantial cost savings for the communities. To provide additional savings to disadvantaged communities and green projects, the TWDB allocated 30% of the capitalization grant as additional subsidy in the SFY 2018 Intended Use Plan. During SFY 2018, 4 projects received commitments totaling over \$14.5 million that included this additional subsidy to further the objectives of the Clean Water Act.

4. *Support the development of POTW and other systems that employ effective utility management practices to build and maintain the level of financial, managerial and technical (FMT) capacity necessary to ensure long-term sustainability.*

The TWDB promotes systems that employ effective utility management practices through our priority rating system by awarding points to wastewater systems that have or will create an asset management plan, train their governing bodies and employees on asset management planning, propose projects that address specific targets, goals, or measures in a water conservation and/or drought contingency plan, and/or address specific goals in a system-wide or plant-wide energy assessment, audit, or optimization study.

The TWDB also started a pilot program to assist small, rural wastewater systems create and implement an asset management plan and other management tools through use of program funds. Further details are available in Program Initiatives, Asset Management Program for Small Systems (AMPSS).

3 Subsidies to Promote Sustainability

According to EPA guidance, among projects with comparable public health and water quality benefits, priority for construction financing subsidies should be given to communities that could not otherwise obtain financing for the following purposes:

- Projects that are based on a “fix it first” approach that focuses on system upgrade and replacement in existing communities;
- Investigations, studies, or plans that improve the technical, financial, and managerial capacity of the assistance recipient to operate, maintain, and replace financed infrastructure; and
- Preliminary planning, alternatives assessment, and eligible capital projects that reflect the full life cycle costs of infrastructure assets, conservation of natural resources, and alternative approaches to integrate natural or “green” systems into the built environment.

During SFY 2018, the TWDB prioritized the use of additional subsidization for those entities that met EPA’s guidance criteria. Disadvantaged communities were allocated the majority of the available subsidy for system upgrades and replacements. The TWDB made available \$13,634,600 of additional subsidy for qualified disadvantaged communities. The other components of this guidance were fulfilled in part by awarding additional points in the project ranking criteria for entities implementing effective management that will contribute to sustainable operations. The EPA’s sustainability strategy, which included financing alternative approaches that integrate a green

component into the existing system, was prioritized through an additional subsidy for green costs. The TWDB made available \$4,544,800 of the amount required in additional subsidy for green projects in the form of principal forgiveness. Applicants with proposed project components that qualified as green were eligible for an additional subsidy in the form of principal forgiveness, described in further detail in Section 4, Green Project Reserve.

Details of the subsidies provided are shown in Appendix A, Table 1.

4 Green Project Reserve

The Green Project Reserve, or GPR, required an amount equivalent to a specified portion of the capitalization grant allotment must be offered to projects that address green infrastructure, water efficiency, energy efficiency, or other environmentally innovative activities. The EPA defined innovative environmental activities as those that demonstrated new or innovative approaches to prevent or remove water pollution in an economically and environmentally sustainable way.

The TWDB designated projects as green in the IUP based upon designation by the entity and a review of the initial information submitted demonstrating their green components. The TWDB developed a green project information worksheet to facilitate a uniform approach to providing the information proving eligibility. The form also counted as a business case. All eligible projects considered as having green components received an invitation to apply for financial assistance.

In order to maximize our efforts to fund green projects, the TWDB's GPR solicitation plan consisted of the following:

- **Subsidy** – To encourage funding of green projects, the TWDB allocated 7.5% of the capitalization grant, or \$4,544,800, as a targeted subsidy for green project costs. Eligible green projects were offered a subsidy in the form of loan forgiveness for 15% of the green project costs, provided the green costs were at least 30% of the total project costs.
- **Priority** – Green projects were prioritized throughout the ranking process. Projects eligible for a green subsidy were listed in the highest priority group in the ranking process. Further, projects that had green component costs were given preference in the ranking over projects without green component costs.
- **Bypass** – The IUP invitation process allowed the TWDB to bypass higher ranked projects in favor of projects containing green component costs. If projects with green components were invited to apply but subsequently failed to proceed, the

TWDB offered the funding to other qualified Green Project Reserve projects on the priority list.

- **Invitations Exceeded the Green Project Reserve** – For the SFY 2018 IUP, the TWDB extended invitations to all eligible green projects within the green categories: energy efficiency, water efficiency, green infrastructure, and environmentally innovative. The TWDB committed to fund \$29,336,372 in green project costs during SFY 2018.

Details of the Green Project Reserve are shown in Appendix A, Table 2.

5 Income from Program Fees

The TWDB assesses fees to recover administrative costs associated with the CWSRF. These fees are placed in a separate account held outside of the program funds. The fees are an assessment of 1.85% of the portion of the CWSRF financial assistance that is to be repaid and is assessed in full at closing. For projects receiving funding under the SFY 2018 IUP, the assessment was reduced to 1.75%.

For SFY 2018, the TWDB collected \$4,925,405 in CWSRF administrative fees. Fees are a source of revenue for financing CWSRF administration expenses. During SFY 2018, no funds were transferred from the fee account to the general fund for operations. The balance of funds within the fee account as of August 31, 2018, was \$63,916,489.36.

6 Method of Cash Draw

Of the available cash draw methods, TWDB utilizes the disbursement of the full amount of State Match first, then draws 100% Federal Funds from the capitalization grant.

The TWDB has demonstrated that the required state match has been deposited and utilized prior to drawing 100% federal funds.

In accordance with statute and the FFY 2017 Capitalization Grant, during SFY 2018, the TWDB deposited \$12,119,600 into the CWSRF on September 28, 2017, to fully meet its requirement to match an amount at least equal to 20 percent of the amount awarded in the capitalization grant. Details of the state match are shown in Appendix A, Table 3.

7 Timely and Expeditious Use of Funds

The FFY 2017 capitalization grant of \$60,598,000 was received during the first quarter of SFY 2018. The full amount of available construction funds (\$56,068,053) were drawn in full by August 2017. Only \$1,318,937.02 of the administration allocation (\$4,529,947) remained by the end of the state fiscal year. Details of fund balances are shown in Appendix A, Table 4.

The TWDB closed on 44 projects totaling \$295,127,019. Additionally, 14 projects totaling \$154,831,066 began work while 5 projects totaling \$15,301,500 were completed. The TWDB has ensured that recipients of financial assistance make sufficient progress so as to reasonably ensure completion of their project within the project period.

During SFY 2018, the TWDB did not need to support either the CWSRF or DWSRF programs with an inter-fund loan or transfer of funds.

8 Program Initiatives

Additional Subsidization

The additional subsidization associated with the FFY 2017 grant that was allocated to closed projects and commitments totaled \$20,655,868 as of August 31, 2018. Details of the additional subsidization are shown in Appendix A, Table 1.

Disadvantaged Communities Funding

In SFY 2018, the TWDB closed on 2 disadvantaged projects totaling \$3,607,419. Two additional disadvantaged projects received commitments totaling \$10,899,100 and are anticipated to close during SFY 2019 bringing the total of funding for disadvantaged community projects to \$14,506,519. A disadvantaged community is a community that meets the CWSRF's Affordability Criteria based upon income, unemployment rates, and population trends. For details on the CWSRF Affordability Criteria, please see the SFY 2018 IUP, Appendix D, Affordability Criteria to Determine Disadvantaged Community Eligibility.

Nonpoint Source Coordination and Projects Funded

The TWDB met quarterly with two other state agencies that offer financial assistance for nonpoint source (NPS) projects under Section 319 of the Clean Water Act: The Texas Commission on Environmental Quality (TCEQ) and the Texas State Soil and Water Conservation Board (TSSWCB). The TCEQ and TSSWCB provided input on NPS funding needs from information gathered during the development of the Integrated Water Quality Report, Total Maximum Daily Loads, and Watershed Protection Plans. The TWDB used this information in the rating process in an effort to focus funding priorities on projects with the greatest environmental benefits.

For the SFY 2018 IUP, the TWDB applied separate rating criteria for NPS and estuary management projects. The SFY 2018 IUP reserved 7% of the total funds available, or \$36,750,000, for NPS and estuary management projects. Eleven eligible applicants, with project costs totaling \$126,889,460, were rated using the NPS criteria, were listed under the NPS category in the IUP, and were invited to apply for financing. As of

August 31, 2018, two projects received commitments to fund a NPS project. The TWDB did not receive any interest in estuary management financial assistance.

Application Process

The TWDB continued its invitation process whereby projects are invited in excess of the funding capacity available. The process operated such that limited time was given to applicants to respond to their invitation. This allowed those with projects further down the Project Priority List earlier access to program funds.

The first round of invitations included projects whose total costs exceeded the amount of the capitalization grant, as evidenced by the Initial Invited Projects List within the SFY 2018 IUP. Applications received by the initial deadline were considered in the priority order listed on the Project Priority List. Thereafter, applications received were allocated funding on a first-come, first-served basis.

Additionally, the TWDB utilized an open IUP to allow for the addition of new projects at any time throughout the year. The open IUP encouraged entities with projects that were not on the initial list to apply at any time during the year. Once their project was added to the SFY 2018 IUP Project Priority List, invitations were extended for them to apply for funding.

Bypass of Projects on the Project Priority List

The SFY 2018 IUP, in accordance with CWSRF regulations, included a process to bypass higher ranked projects to ensure that funds available were utilized in a timely manner, and that statutory and capitalization grant requirements were met. Following the application process listed above, higher ranked projects that did not submit an application for financial assistance were bypassed by lower ranked projects that were ready to apply for financial assistance.

American Iron and Steel

To implement the requirements for American Iron and Steel, the TWDB included: (1) advising all CWSRF applicants of the need to comply with the American Iron and Steel requirements during pre-application meetings, via guidance documents, and the agency's website; (2) including a condition in TWDB resolutions requiring recipients of CWSRF financial assistance to comply with the American Iron and Steel requirements; (3) ensuring that all financial assistance agreements contain a clause mandating compliance with American Iron and Steel requirements; and (4) providing recipients with de minimis logs and certification forms.

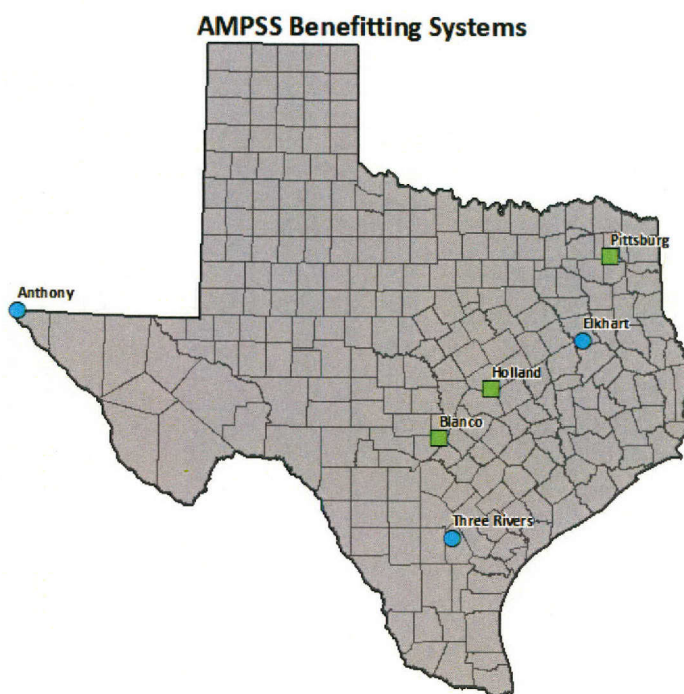
Asset Management Program for Small Systems (AMPSS)

During SFY 2018, the TWDB began implementation of a pilot program for small systems to undertake asset management planning. The pilot program allows qualified contractors to work with six small water and wastewater system providers to create asset management plans including, but not limited to, an inventory of assets with replacement dates and estimated costs, best practices for operation and maintenance, and associated financial plans for obtaining funding to meet future needs. Funding for the pilot was obtained through use of the CWSRF and DWSRF origination fees. A total of \$450,000 was authorized for use. The anticipated completion of the six asset management plans will occur during SFY 2019.

Details regarding the six communities to receive assistance are as follows:

<u>Benefitting Small System</u>	<u>Service Type</u>	<u>Engineer</u>	<u>Max. Amount</u>	<u>Source of Fees for Payment</u>
City of Holland	Wastewater	BSP Engineers, Inc.	\$75,000	CWSRF
City of Elkhart	Water	KSA Engineers, Inc.	\$75,000	DWSRF
City of Three Rivers	Water	LNV, Inc.	\$75,000	DWSRF
City of Blanco	Wastewater	HR Green, Inc.	\$75,000	CWSRF
Town of Anthony	Water	Parkhill, Smith & Cooper, Inc.	\$75,000	DWSRF
City of Pittsburg	Wastewater	KSA Engineers, Inc.	\$75,000	CWSRF

\$450,000



For more information regarding the AMPSS program, review Attachment A, *Briefing on a pilot initiative to offer assistance to smaller water and wastewater systems.*

Efforts to Address Systems Impacted by Hurricane Harvey

On August 25, 2017, Hurricane Harvey made landfall at San Jose Island, just east of Rockport, as a Category 4 hurricane with winds up to 130 mph. The storm lingered along the Texas coast for five days, and in the process, deposited over 50 inches of rainfall across parts of southeastern Texas, including the Houston and Beaumont metropolitan areas. Disaster declarations were issued for counties stretching from Kleberg and Jim Wells counties in the south to San Augustine and Sabine counties in the northeast along the state's central eastern border. Numerous water and wastewater systems received impacts from increase stormwater runoff, flooding, and loss of electrical power, among other issues.

In the wake of destruction, the TWDB joined many other state, federal, and local agencies in aiding the communities impacted. Through the CWSRF's Emergency Relief funding, the TWDB was able to make available principal forgiveness and zero-interest financing for damaged infrastructure. Below is a listing of projects that received CWSRF Emergency Relief assistance to address Harvey's impacts.

Entity Name	Project #	Project Name	Amount Funded (Type)	Funding Status
Brookshire MWD	73797	Urgent Need Replace Failing Clay Wastewater Collection Pipe	\$600,000 (Principal Forgiveness)	Closed on Funding
Beechwood WSC	73803	Disaster Recovery Sanitary Sewer Repairs	\$800,000 (Principal Forgiveness)	Committed CWSRF Funds
Woodloch	73802	Emergency Relief – Stormwater Capacity and Water Quality Restoration	\$800,000 (Principal Forgiveness)	Closed on Funding
Orange County DD	73812	WWTP Cleaning & Manhole Replacement	\$500,000 (Principal Forgiveness)	Committed CWSRF Funds

Financial Indicators

The table below represents key indicators of the financial health of the CWSRF program. The TWDB continues to annually review these indicators to ensure the program is keeping “pace” with the national benchmarks.

Financial Indicators (as of June 30, 2018)						
Financial Indicator						
NIMS Line #	Type	2014	2015	2016	2017	2018
<i>Federal Return on Investment</i>						
306	Annual	184%	151%	238%	558%	443%
307	Cumulative	323%	314%	312%	319%	322%
<i>Executed Loans as a % of Funds Available</i>						
308	Annual	130%	54%	60%	205%	52%
309	Cumulative	94%	92%	91%	93%	91%
<i>Disbursements as a % of Executed Loans</i>						
310	Annual	102%	74%	100%	100%	100%
311	Cumulative	100%	99%	99%	99%	99%
<i>Additional Loans Made Due to Leveraging</i>						
312	Annual	73,102,095	(191,919,801)	(107,632,903)	174,919,429	623,961
313	Cumulative	1,932,270,120	1,740,350,319	1,632,717,416	1,807,636,845	1,808,260,806
314	Cumulative Additional Loans as a % of Contributed Capital	82%	72%	65%	70%	62%
<i>Sustainability (retained Earnings) Excludes Subsidy</i>						
318	Annual	23,996,436	12,203,441	17,436,827	18,086,475	26,970,778
319	Cumulative	441,886,213	454,089,654	471,526,481	489,612,956	516,583,734
320	Cumulative Retained Earnings as a % of Contributed Capital	20.2%	20.0%	20.3%	20.5%	19.1%

9 Performance Evaluation Review Follow-Up

The CWSRF requires that states comply with Title VI, Section 606(e) of the Clean Water Act and 40 CFR 35.3165(c). The EPA conducts an annual Performance Evaluation Review (PER) to evaluate compliance with the program and grant requirements. The SFY 2017 PER onsite review was conducted March 20 – 23, 2018. The review was based upon the TWDB SFY 2017 annual activity. For the review, there were interactive onsite discussions, file reviews, completion of the standardized national EPA checklists of program evaluation questions, and an analysis of the EPA Office of Chief Financial Officer's selected cash transactions. The PER was finalized on August 20, 2018. Overall, EPA found that TWDB is in compliance with Title VI, Section 606(e) of the CWA, 40 CFR 35.3165(c), and the capitalization grant conditions.

10 Compliance Statements

Compliance with FFY 2017 CWSRF Grant Agreement Conditions

The TWDB has complied with all administrative and programmatic conditions in the FFY 2017 CWSRF Capitalization Grant Assistance Agreement (Agreement). The Agreement was adhered to by the TWDB in an appropriate and expeditious manner in compliance with state and federal law. The TWDB understands the terms and conditions as set forth in the Agreement. Any proposed changes or necessary corrections were provided to EPA for appropriate Agreement Amendments.

State Statutes

The TWDB has complied with all applicable state laws pertaining to the TWDB's CWSRF program.

Appendix A: CWSRF SFY 2018 Tables

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Table 1					
Green Project Reserve and Additional Subsidization - 2015 IUP / 2014 Grant					
IUP and/or Grant Targets	GPR: \$		6,408,400	Minimum	\$ 3,487,301
				Maximum	\$ 5,230,952
Recipient	Amount	Green	Green Subsidy	Disadvantaged	
Angelina & Neches RA	\$ 4,996,250	\$ -	\$ -	\$ 3,176,250	-
Eules	2,755,300	2,755,300	375,000	-	-
Kerr County	601,000	-	-	416,000	-
Sequoia ID	2,057,442	-	-	677,442	-
Wimberley	5,498,005	1,620,030	243,005	-	-
Total Closed	\$ 15,907,997	\$ 4,375,330	\$ 618,005	\$ 4,269,692	

Grand Totals	\$ 15,907,997	\$ 4,375,330	\$ 618,005	\$ 4,269,692	
			Total Additional Subsidy: \$ 4,887,697		

Green Project Reserve and Additional Subsidization - 2016 IUP / 2015 Grant					
IUP and/or Grant Targets	GPR: \$		6,375,600	Minimum	\$ -
				Maximum	\$ 19,126,800
Recipient	Amount	Green	Green Subsidy	Disadvantaged	
Arlington	\$ 2,439,700	\$ 2,439,700	\$ 359,700	\$ -	-
Cameron	12,691,538	-	-	691,538	-
Kerr County	16,810,273	-	-	11,700,273	-
McAllen	8,349,567	8,349,567	1,239,567	-	-
North Fort Bend Water Authority	11,052,000	10,880,000	1,632,000	-	-
Vinton	2,710,860	-	-	1,885,860	-
Weatherford	12,770,433	10,531,209	1,550,433	-	-
Total Closed	\$ 66,824,371	\$ 32,200,476	\$ 4,781,700	\$ 14,277,671	

Grand Totals	\$ 66,824,371	\$ 32,200,476	\$ 4,781,700	\$ 14,277,671	
			Total Additional Subsidy: \$ 19,059,371		

Green Project Reserve and Additional Subsidization - 2017 IUP / 2016 Grant					
IUP and/or Grant Targets	GPR: \$		6,106,800	Minimum	\$ 6,106,800
				Maximum	\$ 18,320,400
Recipient	Amount	Green	Green Subsidy	Disadvantaged	
Acton MUD	\$ 644,500	\$ 630,000	\$ 94,500	\$ -	-
Arlington	5,601,861	5,512,408	826,861	-	-
Eastland	7,599,660	5,564,403	834,660	-	-
Fort Worth	16,991,157	6,512,889	946,157	-	-
Grand Prairie	5,741,175	4,305,882	631,175	-	-
Hudson	4,295,908	-	-	560,908	-
Huntington	2,312,025	-	-	1,132,025	-
San Marcos	1,961,821	-	-	961,821	-
San Marcos	5,445,839	5,352,509	685,839	-	-
Vinton	16,731,454	-	-	11,646,454	-
Total Closed	\$ 67,325,400	\$ 27,878,091	\$ 4,019,192	\$ 14,301,208	

Grand Totals	\$ 67,325,400	\$ 27,878,091	\$ 4,019,192	\$ 14,301,208	
			Total Additional Subsidy: \$ 18,320,400		

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Green Project Reserve and Additional Subsidization - 2018 IUP / 2017 Grant					
IUP and/or Grant Targets	GPR: \$ 6,059,800		Minimum		\$ 6,059,800
Recipient	Amount	Green	Green Subsidy	Disadvantaged	Emergency
					\$ 24,239,200
Greater Texoma Utility Authority	234,219	-	-	69,219	-
Arlington	5,470,000	5,375,200	806,300		
Cisco	5,872,700	5,229,785	784,500	3,538,200	
Eules	4,515,000	3,258,300	473,300		
Llano	720,000	720,000	108,000		
Hurst	1,600,000	1,351,662	235,800		
North Fort Bend WA	2,383,000	2,421,800	351,800		
Total Closed	\$ 20,794,919	\$ 18,356,747	\$ 2,759,700	\$ 3,607,419	\$ -
Alamo	11,500,500	7,769,625	1,165,500		
Beechwood WSC	261,949				261,949
Bevil Oaks	500,000				500,000
Brookshire MWD	490,000				490,000
Kerr County	24,638,520			10,096,400	
Orange Co DD	500,000				500,000
San Marcos	3,209,900	3,209,900	472,200	802,700	
Total Unclosed	\$ 41,100,869	\$ 10,979,525	\$ 1,637,700	\$ 10,899,100	\$ 1,751,949
Bridge City	491,000				491,000
China	498,000				498,000
DeKalb	775,000				500,000
Hardin Co WCID #1	438,000				438,000
Nome	500,000				500,000
Rhome	2,500,000	1,450,000	147,400		
Total Uncommitted	\$ 5,202,000	\$ 1,450,000	\$ 147,400	\$ -	\$ 2,427,000
Grand Totals	\$ 67,097,788	\$ 30,786,272	\$ 4,544,800	\$ 14,506,519	\$ 4,178,949
			Total Additional Subsidy:		\$ 23,230,268

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Table 2 Green Project Reserve Details - 2017 IUP / 2016 Grant			
Recipient	Green Category(ies)	Green Amount	Green Project Description
Acton MUD	Water Efficiency	\$ 630,000	Recycling and water reuse to replace potable water with non-potable sources including wastewater effluent reuse systems are considered categorically eligible. Extra treatment and reuse distribution system costs are also categorically eligible. The City intends to replace potable irrigation water with recycled effluent and will complete planning and design.
Arlington	Energy Efficiency	5,512,408	The proposed project will address I&I to reduce the amount of wastewater that is pumped and treated from the selected subbasins. A cost benefit analysis for the City demonstrates the cost effectiveness of the proposed pipeline replacement. Business case eligible.
Eastland	Water Efficiency	5,564,403	Water efficiency under EPA GPR guidance sections. 2.2-6 for reuse and under 2.2-6b for additional treatment and reused distribution system costs.
Fort Worth	Energy Efficiency	6,512,889	Infiltration/Inflow (I&I) correction projects that save energy from pumping and reduced treatment costs and are cost effective, are business case eligible under Part A, Section 3.5-4, Energy Efficiency.
Grand Prairie	Energy Efficiency	4,305,882	Infiltration/Inflow (I&I) correction projects that save energy from pumping and reduced treatment costs and are cost effective, are business case eligible under Part A, Section 3.5-4, Energy Efficiency.
San Marcos	Green Infrastructure	5,352,509	This project is categorically green under TWDB 0161: Green Project Guidance, Part A CWSRF GPR Specific Guidance; 2.0 Water Efficiency; 2.2-6a Gray water, condensate, and wastewater effluent reuse systems.
Totals	6	\$ 27,878,091	

Green Project Reserve Requirement: \$ 6,106,800
457%

Green Project Reserve Details - 2018 IUP / 2017 Grant			
Recipient	Green Category(ies)	Green Amount	Green Project Description
Arlington	Energy Efficiency	5,375,200	Infiltration/Inflow (I&I) correction projects that save energy from pumping and reduced treatment costs and are cost effective, are business case eligible under Part A, Section 3.5-4, Energy Efficiency. The proportional cost of the increase in pipe diameter for some lines is not considered green eligible as it creates additional flow capacity for those lines. This portion is not GPR eligible under Part A, Section 3.5-4a. All Engineering, Financial, and other project related soft costs will be funded by the City with non-TWDB funds. This construction cost is less than the cost of the 1/1 resulting from no action.
Cisco	Energy Efficiency, Water Efficiency	5,229,785	The project includes WWTP improvements to allow for 100% reuse of the plant effluent to allow for 100% reuse of the plant effluent to reduce potable water usage for irrigation. The proposed lift station improvements includes the installation of NEMA premium efficiency pumps and motors to reduce energy consumption due to pumping of wastewater to the City's WWTP.
Eules	Green Infrastructure	3,258,300	Recycled wastewater will be used to replace potable water source irrigation. Project is business case eligible for green classification.
Hurst	Energy Efficiency	1,351,662	The design criteria used for the replacement project is a design life of 50 years. The amount of I/I removed for the period of the service life equates to a cost for transportation and treatment of \$ 1,559,929. The replacement costs is \$ 1,351,662. This construction cost is less than the cost of the I/I resulting from no action.
Llano	Water Efficiency	720,000	The WWTP improvements include a chemical feed system and tertiary filtration allowing the City of Llano to produce Type 1 quality reuse effluent, thereby, allowing it to obtain a reuse permit to use or sell the reuse water within the City.
North Fort Bend WA	Green Infrastructure	2,421,800	This project uses wastewater treatment plant effluent and treats it to Type 1 to be used for irrigation and maintaining amenity lake water levels.
Totals	6	\$ 18,356,747	

Green Project Reserve Requirement: \$ 6,059,800
303%

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Table 3 – Grants and Match Funds

IUP Year	Grant Award #	SRF Grant	Required State Match	State Match Provided	In-Kind
1988					
1989	N-480001-88	\$ 105,190,250	\$ 21,038,050	\$ 21,037,500	\$ -
1990	CS-480001-89	82,691,538	16,538,308	32,452,673	-
1990	CS-480001-90	72,843,855	14,568,771	28,760,000	-
1991	CS-480001-90	1,466,749	293,350	-	-
1991	CS480001-91	96,302,005	19,260,401	-	-
1991	CS480001-91	1,900,000	380,000	-	-
1992	CS480001-92	92,254,341	18,450,868	-	-
1993	CS480001-93	98,743,594	19,748,719	10,000,000	-
1994	CS480001-94	57,750,000	11,550,000	18,030,000	-
1995	CS480001-95	56,296,944	11,259,389	20,552,574	-
1996	CS480001-96	97,216,124	19,443,225	12,000,000	-
1997	CS480001-97	28,485,864	5,697,173	17,000,000	-
1998	CS480001-98	61,546,617	12,309,323	25,000,000	-
1999	CS480001-99	61,551,864	12,310,373	-	-
2000	CS-48000201	63,343,000	12,668,600	25,000,000	-
2001	CS-48000201	60,797,781	12,159,556	-	-
2002	CS-48000202	60,933,213	12,186,643	13,000,000	-
2003	CS-48000203	60,537,213	12,107,443	13,000,000	-
2004	CS-48000204	61,080,444	12,216,089	12,500,000	-
2005	CS-48000205	49,252,104	9,850,421	10,000,000	-
2006	CS-48000206	40,024,512	8,004,902	4,000,000	-
2007	CS-48000208	61,564,429	12,312,886	11,988,141	168,000
2008	CS-48000209	31,103,000	6,220,600	6,240,247	96,875
2009	CS-48000210	31,101,800	6,220,368	6,220,368	150,000
2010	No Grant	-	-	-	-
2011	CS-48000210	93,126,000	18,625,200	18,625,200	-
2012	CS-48000211	67,492,000	13,498,400	13,498,400	400,000
-	Toward Prior Grants	-	-	13,953	-
2013	CS-48000212	64,597,000	12,919,400	12,919,400	-
2014	CS-48000213	61,021,000	12,204,200	12,204,200	492,000
2015	CS-48000214	64,084,000	12,816,800	12,816,800	-
2016	CS-48000215	63,756,000	12,751,200	12,835,000	-
2017	CS-48000216	61,068,000	12,213,600	12,129,800	-
2018	CS-48000217	60,598,000	12,119,600	12,119,600	-
Totals		\$ 1,969,719,241	\$ 393,943,856	\$ 393,943,856	\$ 1,306,875

IUP Year	Grant Award #	SRF Grant	Required State Match	State Match Provided	In-Kind
ARRA	2W-96692401	\$ 179,121,900	\$ -	\$ -	\$ -
2014	CS-48000213	100,000,000	-	-	-
Grand Totals		\$ 2,248,841,141	\$ 393,943,856	\$ 393,943,856	\$ 1,306,875

Note: State Match is provided from GO Bonds.

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Table 4 – Capitalization Grant Draws			
	Beginning Balance	Expended	Balance - 08/31/2018
CS-48000217 FY 2017			
Construction	\$ 56,068,053.00	\$ 56,068,053.00	\$ -
Administration	4,529,947.00	3,211,009.98	1,318,937.02
	\$ 60,598,000.00	\$ 59,279,062.98	\$ 1,318,937.02
Grand Totals	\$ 60,598,000.00	\$ 59,279,062.98	\$ 1,318,937.02

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Table 5 – Binding Commitments Summary

IUP	Recipient	Project ID	Commitment #	Type	Commitment Date	Status	Closing Date	Amount	Required Binding Commitments	Total Commitments per Quarter	% of Required			
(1988-2017)	Previous SFY's							\$ 8,374,911,265	\$ 2,471,523,164	\$ 8,374,911,265	338.86%			
2017	Blanco	73763	L1000632	EQ	09/07/2017	Active	10/24/2017	\$3,150,000	2,542,362,044	\$ 8,428,011,265	331.50%			
2017	Savoy	73767	L1000669	EQ	09/28/2017	Active	03/22/2018	\$2,755,000						
2017	Houston	73756	L1000676	Non-EQ	10/17/2017	Active	09/14/2018	\$47,195,000						
2016	Abilene	73768	L1000671	EQ	12/07/2017	Commitment			2,542,362,044	\$ 8,474,831,365	333.34%			
2017	Abilene	73769	L1000759	EQ	12/07/2017	Withdrawn		\$18,370,000						
2018	Greater Texoma UA	73775	L1000682	EQ	12/07/2017	Active	03/27/2018	\$2,300,000						
2018	Llano	73779	L1000685	EQ	01/11/2018	Active	06/20/2018	\$3,390,000						
2017	Cypress Creek UD	73770	L1000680	EQ	01/22/2018	Active	05/16/2018	\$2,970,000						
2018	Llano	73780	L1000686	EQ	01/22/2018	Active	06/20/2018	\$630,000						
2018	Llano	73780	LF1000734	EQ	01/22/2018	Active	06/20/2018	\$108,000						
2018	Arlington	73788	L1000728	EQ	02/15/2018	Active	05/17/2018	\$4,650,000						
2018	Arlington	73788	LF1000729	EQ	02/15/2018	Active	05/17/2018	\$806,300						
2018	Del Rio	73785	L1000687	EQ	02/15/2018	Commitment		\$2,000,000						
2018	Del Rio	73786	L1000689	EQ	02/15/2018	Commitment		\$10,000,000						
2018	Hurst	73784	L1000730	EQ	02/15/2018	Active	06/07/2018	\$1,360,000						
2018	Hurst	73784	LF1000731	EQ	02/15/2018	Active	06/07/2018	\$235,800						
2018	Acton MUD	73745	L1000727	EQ	03/01/2018	Active	05/15/2018	\$8,210,000				2,542,362,044	\$ 8,646,554,665	340.10%
2018	Amarillo	73663	L1000693	Non-EQ	03/01/2018	Active	07/19/2018	\$12,500,000						
2018	Eules	73771	L1000737	EQ	03/01/2018	Active	04/12/2018	\$2,785,000						
2018	Eules	73771	LF1000738	EQ	03/01/2018	Active	04/12/2018	\$473,300						
2018	Cisco	73773	L1000717	EQ	03/21/2018	Active	06/27/2018	\$1,550,000						
2018	Cisco	73773	LF1000718	EQ	03/21/2018	Active	06/27/2018	\$4,322,700						
2018	Farwell	73768	L1000758	Non-EQ	03/21/2018	Active	07/18/2018	\$1,500,000						
2018	Stephenville	73744	L1000715	EQ	03/21/2018	Active	07/10/2018	\$17,030,000						
2018	Sunbelt FWSD	73787	L1000753	EQ	03/21/2018	Active	09/27/2018	\$8,265,000						
2018	Valley MUD # 2	73793	L1000702	EQ	03/21/2018	Active	06/27/2018	\$3,730,000						
2018	Alamo	73738	L1000694	EQ	04/05/2018	Active	10/04/2018	\$10,335,000						
2018	Alamo	73738	LF1000735	EQ	04/05/2018	Active	10/04/2018	\$1,165,500						
2018	Brookshire MWD	73797	LF1000786	EQ	04/16/2018	Active	07/25/2018	\$490,000						
2018	Houston	73774	L1000776	EQ	04/16/2018	Commitment		\$64,685,000						
2018	Alba	73795	L1000782	Non-EQ	05/03/2018	Active	08/01/2018	\$990,000						
2018	North Fort Bend WA	73781	L1000739	EQ	05/03/2018	Active	08/23/2018	\$2,070,000						
2018	North Fort Bend WA	73781	LF1000760	EQ	05/03/2018	Active	08/23/2018	\$351,800						
2018	San Juan	73796	L1000749	EQ	05/03/2018	Active	08/23/2018	\$1,270,000						
2018	Sienna Plantation MUD # 1	73766	L1000775	Non-EQ	05/03/2018	Active	05/29/2018	\$30,000,000						
2018	San Marcos	73783	L1000688	EQ	06/11/2018	Active	10/30/2018	\$1,935,000	2,542,362,044	\$ 8,696,875,965	342.08%			
2018	San Marcos	73783	LF1000779	EQ	06/11/2018	Active	10/30/2018	\$1,274,900						
2018	Kerr County	10366	L1000681	EQ	06/21/2018	Commitment		\$4,330,000						
2018	Kerr County	10366	LF1000748	EQ	06/21/2018	Commitment		\$10,096,400						
2018	Orange Co DD	73802	LF1000818	EQ	07/09/2018	Active	10/30/2018	\$500,000						
2018	Falfurrias	73800	L1000801	EQ	07/26/2018	Commitment		\$415,000						
2018	McAllen	73633	L1000747	EQ	07/26/2018	Active	11/06/2018	\$7,000,000						
2018	Harris Co MUD # 50	73706	L1000802	EQ	08/14/2018	Commitment	12/07/2018	\$2,770,000						
2018	Ingleside	73782	L1000699	EQ	08/14/2018	Commitment		\$22,000,000						
SFY Totals			44					\$321,964,700						

Note: Binding commitments represent a Board approval to award funding to a proposed project through a financial assistance agreement.

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Table 6 - Federal Funds Drawn	
SFY	Amount
1989	\$ 105,187,501
1990	123,845,098
1991	137,906,475
1992	173,641,705
1993	55,626,699
1994	64,406,219
1995	52,785,020
1996	56,951,258
1997	36,514,636
1998	46,924,306
1999	77,571,747
2000	114,761,727
2001	17,818,655
2002	23,134,356
2003	6,032,064
2004	5,389,732
2005	9,408,387
2006	15,495,249
2007	169,701,730
2008	63,249,011
2009	18,761,712
2010	21,024,776
2011	21,786,661
2012	172,714,061
2013	61,601,034
2014	159,777,092
2015	67,494,804
2016	67,234,650
2017	61,068,000
2018	59,279,063
Total	\$ 2,067,093,428

ARRA Funds - Completed SFY 2013	
SFY	Amount
2010	\$ 47,060,500
2011	96,433,621
2012	29,360,745
2013	6,267,034
Total	\$ 179,121,900

Base Total	\$ 2,067,093,428
ARRA Total	179,121,900
Grand Total	\$ 2,246,215,328

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Table 7 – Grant Payments by Quarter					
	SFY 1988 - SFY 2017	SFY 2018			
	Total	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
GRANT PAYMENTS					
All Previous Grants (including ARRA)	\$ 2,188,243,141	\$ -	\$ -	\$ -	\$ -
CS-48000217		-	60,598,000	-	-
QUARTERLY TOTAL		\$ -	\$ 60,598,000	\$ -	\$ -
CUMULATIVE EPA PAYMENTS					
	\$ 2,188,243,141	\$ 2,188,243,141	\$ 2,248,841,141	\$ 2,248,841,141	\$ 2,248,841,141
REQUIRED BINDING COMMITMENTS	SFY 1988 - SFY 2018	SFY 2019			
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
REQUIRED BINDING COMMITMENTS (Within One Year)	\$ 2,625,891,769	\$ 2,625,891,769	\$ 2,698,609,369	\$ 2,698,609,369	\$ 2,698,609,369
LESS Administration	83,529,726	83,529,726	85,953,646	85,953,646	85,953,646
REQUIRED BINDING COMMITMENTS - Amounts (Excluding Administration) Within One Year	\$ 2,542,362,044	\$ 2,542,362,044	\$ 2,612,655,724	\$ 2,612,655,724	\$ 2,612,655,724

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Table 8 - Administrative Costs						
SFY	Federal Funds				State Funds	Total Administration Expended
	4% Administration	Banked Administration	Other	Total Federal Funds		
1991	\$ 2,212,581	\$ -	\$ -	\$ 2,212,581	\$ -	\$ 2,212,581
1992	1,806,072	-	1,500,674	3,306,746	-	3,306,746
1993	-	-	4,259,370	4,259,370	-	4,259,370
1994	-	-	4,578,753	4,578,753	-	4,578,753
1995	-	-	5,077,507	5,077,507	-	5,077,507
1996	-	-	4,069,387	4,069,387	700,000	4,769,387
1997	-	-	-	-	5,166,713	5,166,713
1998	-	-	-	-	5,157,083	5,157,083
1999	-	-	-	-	5,175,910	5,175,910
2000	-	-	-	-	5,035,877	5,035,877
2001	-	-	-	-	4,795,878	4,795,878
2002	-	-	-	-	5,026,804	5,026,804
2003	-	-	-	-	4,957,912	4,957,912
2004	-	-	-	-	4,513,673	4,513,673
2005	-	-	-	-	4,882,643	4,882,643
2006	-	-	-	-	5,366,376	5,366,376
2007	2,443,218	202,727	-	2,645,945	2,026,297	4,672,242
2008	1,600,980	2,761,882	-	4,362,862	181,452	4,544,314
2009	2,294,578	2,866,919	-	5,161,497	-	5,161,497
2010	2,485,401	3,240,999	-	5,728,410	-	5,728,410
2011	3,725,040	1,633,184	-	5,358,224	-	5,358,224
2012	1,734,298	1,664,673	-	3,398,971	-	3,398,971
2013	949,382	1,140,784	-	2,090,166	-	2,090,166
2014	2,583,880	1,258,344	-	3,842,224	-	3,842,224
2015	-	2,914,528	-	2,914,528	-	2,914,528
2016	3,248,068	-	-	3,248,068	-	3,248,068
2017	2,442,720	-	-	2,442,720	-	2,442,720
2018	3,211,010	-	-	3,211,010	-	3,211,010
Totals	\$ 30,737,228	\$ 17,684,040	\$ 19,485,691	\$ 67,908,970	\$ 52,986,618	\$ 120,895,588
ARRA Funds						
2010	\$ 2,222,875	\$ -	\$ -	\$ 2,222,875	\$ -	\$ 2,222,875
2011	1,153,259	-	-	1,153,259	-	1,153,259
2012	1,632,755	-	-	1,632,755	-	1,632,755
2013	2,155,987	-	-	2,155,987	-	2,155,987
Totals	\$ 7,164,876	\$ -	\$ -	\$ 7,164,876	\$ -	\$ 7,164,876
Base	\$ 30,737,228	\$ 17,684,040	\$ 19,485,691	\$ 67,908,970	\$ 52,986,618	\$ 120,895,588
ARRA	7,164,876	-	-	7,164,876	-	7,164,876
Grand Totals	\$ 37,902,104	\$ 17,684,040	\$ 19,485,691	\$ 75,073,846	\$ 52,986,618	\$ 128,060,464

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CWSRF FFY 2018 MBE/WBE Procurement Activity						
	MBE Goals	MBE Actual	% of Procurement	WBE Goals	WBE Actual	% of Procurement
Construction	12.94%	\$4,542,697.35	4.68%	8.72%	\$2,607,351.17	2.69%
Supplies	9.68%	\$393,314.69	0.41%	9.34%	\$539,275.99	0.56%
Equipment	7.12%	\$8,500.00	0.01%	5.39%	\$15,000.00	0.02%
Services	10.84%	\$879,336.95	0.91%	5.72%	\$578,310.84	0.60%
Totals		\$5,823,848.99	6.00%		\$3,739,938.00	3.85%

Total Procurements in the CWSRF: \$97,089,866.42
Overall DBE Procurements: 9.85%

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Table 10 – Sources and Uses of Funds (Cash Basis)

Cash Available:	\$ 262,038,605.48
 SOURCES:	
Federal Grants Drawn	\$ 59,279,062.98
State Match Deposited	12,119,600.00
Principal Repayments	275,478,800.00
Interest Repayments	57,189,473.96
Investment Earnings on Funds	5,362,595.03
CWSRF Revenue Bond Proceeds	260,016,640.21
Refunding Bond Proceeds Used to Pay Debt	-
TOTAL SOURCES:	\$ 669,446,172.18
 USES:	
<u>Administration</u>	
Administration Drawn/Expended	\$ 3,211,009.98
Total Administration:	\$ 3,211,009.98
 <u>Projects Funded</u>	
Funds Disbursed	\$ 295,127,019.00
Total Projects Funded:	\$ 295,127,019.00
 <u>Debt Service</u>	
Revenue Bonds - Principal Paid	\$ -
Senior Lien	-
Subordinate - Variable Rate	-
Subordinate - Fixed Rate	164,010,000.00
Match General Obligation Bonds - Principal Paid	15,983,337.70
Interest Paid	17,648,115.84
Total Debt Service:	\$ 197,641,453.54
 TOTAL USES:	\$ 495,979,482.52
 NET SOURCES (USES):	\$ 173,466,689.66
 Cash - Ending Balance (8/31/2018)	\$ 435,505,295.14

Fees are not deposited into the Fund; therefore, based on EPA guidance they are not included in the Sources and Uses of Funds.

Revenue Bond Proceeds are net of cost of issuance.

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Operational Minimum DSC: 1.10
Lowest Total DSC: 3.22

**PROJECTED ANNUAL CASH FLOW
COVERAGE¹ AS OF AUGUST 31, 2018**

Fiscal Year (2)	Balance & Loan Receipt		Balance & Pledged Principal & Non-Pledged		Revenue Bond		Total		Annual Excess Revenue
	Interest 7/1 - 6/30 (3)	Debt Service for Match (4)	Match Excess	Loan Receipts 7/1 - 6/30 (5)	Revenue Bond Debt Service (6)	Debt Service Coverage (7)	Total Debt Service	Total Debt Service Coverage (8)	
2019	\$44,696,662	\$21,479,438	\$23,217,224	\$78,367,937	\$16,749,479	6.06	\$38,228,917	3.22	\$84,835,682
2020	52,184,721	20,522,539	31,662,182	111,769,158	16,747,500	8.56	37,270,039	4.40	126,683,841
2021	50,762,930	20,502,268	30,260,662	113,768,013	16,749,700	8.60	37,251,968	4.42	127,278,975
2022	49,151,265	20,306,653	28,844,612	115,918,117	16,749,950	8.64	37,056,603	4.45	128,012,779
2023	47,338,546	15,595,481	31,743,064	117,562,092	16,747,450	8.92	32,342,931	5.10	132,557,706
2024	45,345,693	15,370,514	29,975,179	118,278,576	16,746,450	8.85	32,116,964	5.09	131,507,305
2025	43,186,317	13,678,645	29,507,672	119,993,830	16,750,950	8.92	30,429,595	5.36	132,750,552
2026	40,848,389	13,708,776	27,139,613	120,381,672	16,749,700	8.81	30,458,476	5.29	130,771,585
2027	38,362,165	11,325,890	27,036,275	121,083,089	16,746,950	8.84	28,072,840	5.68	131,372,414
2028	35,726,593	9,576,366	26,150,227	122,080,931	16,746,700	8.85	26,323,066	6.00	131,484,457
2029	32,942,385	7,286,527	25,655,858	123,790,730	16,747,700	8.92	24,034,227	6.52	132,698,888
2030	29,621,456	6,972,747	22,648,710	147,434,502	16,748,700	10.16	23,721,447	7.46	153,334,511
2031	25,913,421	4,747,359	21,166,062	145,866,252	16,748,450	9.97	21,495,809	7.99	150,283,864
2032	22,214,409	2,529,809	19,684,600	145,291,985	16,750,700	9.85	19,280,509	8.69	148,225,885
2033	18,608,218	1,559,309	17,048,908	141,161,517	16,748,950	9.45	18,308,259	8.73	141,461,475
2034	15,785,950	874,957	14,910,993	92,855,033	16,746,950	6.43	17,621,907	6.17	91,019,076
2035	13,693,841	-	13,693,841	87,119,533	16,748,200	6.02	16,748,200	6.02	84,065,174
2036	11,776,888	-	11,776,888	79,192,828	16,751,400	5.43	16,751,400	5.43	74,218,315
2037	9,984,075	-	9,984,075	78,266,109	16,747,000	5.27	16,747,000	5.27	71,503,183
2038	8,220,654	-	8,220,654	74,065,381	16,747,500	4.91	16,747,500	4.91	65,538,534
2039	6,599,608	-	6,599,608	64,447,446	-	-	-	-	71,047,054
2040	5,230,856	-	5,230,856	56,219,496	-	-	-	-	61,450,352
2041	4,081,387	-	4,081,387	50,887,340	-	-	-	-	54,968,727
2042	3,078,154	-	3,078,154	44,946,173	-	-	-	-	48,024,326
2043	2,198,712	-	2,198,712	39,711,000	-	-	-	-	41,909,712
2044	1,460,708	-	1,460,708	29,512,000	-	-	-	-	30,972,708
2045	941,905	-	941,905	24,132,000	-	-	-	-	25,073,905
2046	536,803	-	536,803	17,933,000	-	-	-	-	18,469,803
2047	262,737	-	262,737	11,603,000	-	-	-	-	11,865,737
2048	87,183	-	87,183	6,100,000	-	-	-	-	6,187,183
2049	14,213	-	14,213	1,140,000	-	-	-	-	1,154,213
2050	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-
	\$660,856,842	\$186,037,279	\$474,819,564	\$2,600,878,736	\$334,970,379		\$521,007,658		\$2,740,727,920

- (1) This cash flow coverage provides a presentation of only the CWSRF, and identifies the portion of outstanding debt designated for state match that is to be repaid only from interest earnings, as required by the EPA. This is distinct from and not reflective of the pledge portrayed in the cash flow coverage provided under SRF Revenue Bond offering documents.
- (2) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
- (3) Represents debt service fund balances designated for state match repayments, pledged loan interest repayments received from July 1st through August 31st from the previous fiscal year, and pledged loan interest repayments from September 1st through June 30th.
- (4) Represents debt service requirements on GO State Match Bonds, and the portion of SRF Revenue Bonds designated for state match.
- (5) Represents debt service fund balances not designated for state match repayments, pledged loan principal repayments and non-pledged principal and interest repayments received from July 1st through August 31st from the previous fiscal year, pledged loan principal and non-pledged principal and interest repayments from September 1st through June 30th.
- (6) Represents debt service requirements on SRF Revenue Bonds not designated for state match.
- (7) Represents debt service coverage ratio for SRF Revenue Bonds not designated for state match.
- (8) Total revenue to debt ratio. Total revenue includes beginning debt service fund balances, and loan repayments for the 12 month period ending on June 30th of the Fiscal Year noted.

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PROJECTED SOURCES OF REVENUES
AS OF AUGUST 31, 2018

Fiscal Year (1)	Loan Receipts		Loan Receipts Principal 9/1 - 6/30 (2)	Loan Receipts Interest 9/1 - 6/30 (2)	Total Non-Pledged	Total Projected Income to Pay Debt Service (4)
	Principal From 7/1 - 8/31 (2)	Interest From 7/1 - 8/31 (2)			Annual Loan Receipts 7/1 - 6/30 (3)	
2019	\$31,386,000	\$13,141,939	\$73,871,000	\$39,948,103	\$124,333	\$113,943,437
2020	32,616,000	12,793,075	80,244,000	39,042,782	139,158	163,953,879
2021	33,446,000	12,380,071	81,001,000	37,969,855	151,013	164,530,943
2022	34,316,000	11,910,952	82,325,000	36,771,194	147,117	165,069,382
2023	34,336,000	11,389,531	83,103,000	35,427,594	143,092	164,900,638
2024	35,361,000	10,833,589	83,804,000	33,956,162	138,576	163,624,269
2025	36,111,000	10,240,194	84,543,000	32,352,728	89,830	163,180,147
2026	37,291,000	9,598,909	84,183,000	30,608,196	87,672	161,230,061
2027	37,781,000	8,909,621	83,731,000	28,763,256	61,089	159,445,254
2028	39,657,000	8,125,519	84,240,000	26,816,972	59,931	157,807,523
2029	66,813,000	7,258,558	84,075,000	24,816,866	58,730	156,733,115
2030	70,206,000	5,973,133	80,564,000	22,362,898	57,502	177,055,958
2031	71,476,000	4,657,436	75,604,000	19,940,288	56,252	171,779,673
2032	70,942,000	3,410,373	73,756,000	17,556,973	59,985	167,506,394
2033	22,522,000	2,254,189	70,161,000	15,197,845	58,517	159,769,735
2034	16,513,000	1,780,032	70,276,000	13,531,761	57,033	108,640,983
2035	9,623,000	1,389,292	70,546,000	11,913,809	60,533	100,813,374
2036	9,288,000	1,148,774	69,511,000	10,387,596	58,828	90,969,715
2037	7,879,000	922,772	68,921,000	8,835,301	57,109	88,250,183
2038	5,944,000	726,599	66,126,000	7,297,882	60,381	82,286,034
2039	4,855,000	589,847	58,445,000	5,873,009	58,446	71,047,054
2040	3,320,000	470,825	51,303,000	4,641,009	61,496	61,450,352
2041	3,421,000	379,443	47,508,000	3,610,562	59,340	54,968,727
2042	2,966,000	286,302	41,468,000	2,698,710	57,173	48,024,326
2043	1,762,000	199,120	36,745,000	1,912,410		41,909,712
2044	1,792,000	136,015	27,750,000	1,261,589		30,972,708
2045	1,718,000	79,148	22,340,000	805,890		25,073,905
2046	973,000	38,470	16,215,000	457,655		18,469,803
2047	710,000	15,081	10,630,000	224,267		11,865,737
2048	400,000	5,135	5,390,000	72,102		6,187,183
2049			740,000	9,078		1,154,213
2050						
2051						
2052						
2053						
	\$725,424,000	\$141,043,942	\$1,869,119,000	\$515,064,342	\$1,963,132	\$3,252,614,416

- (1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
- (2) Represents scheduled repayments on \$2,594,543,000 of outstanding pledged Political Subdivision Bonds as of August 31, 2018.
- (3) Represents scheduled repayments on \$1,418,330 of outstanding non-pledged Political Subdivision Bonds as of August 31, 2018.
- (4) Reflects that for projecting revenue available to pay debt service due within a fiscal year, revenues received for the period ending 6/30 in the same fiscal year are used.

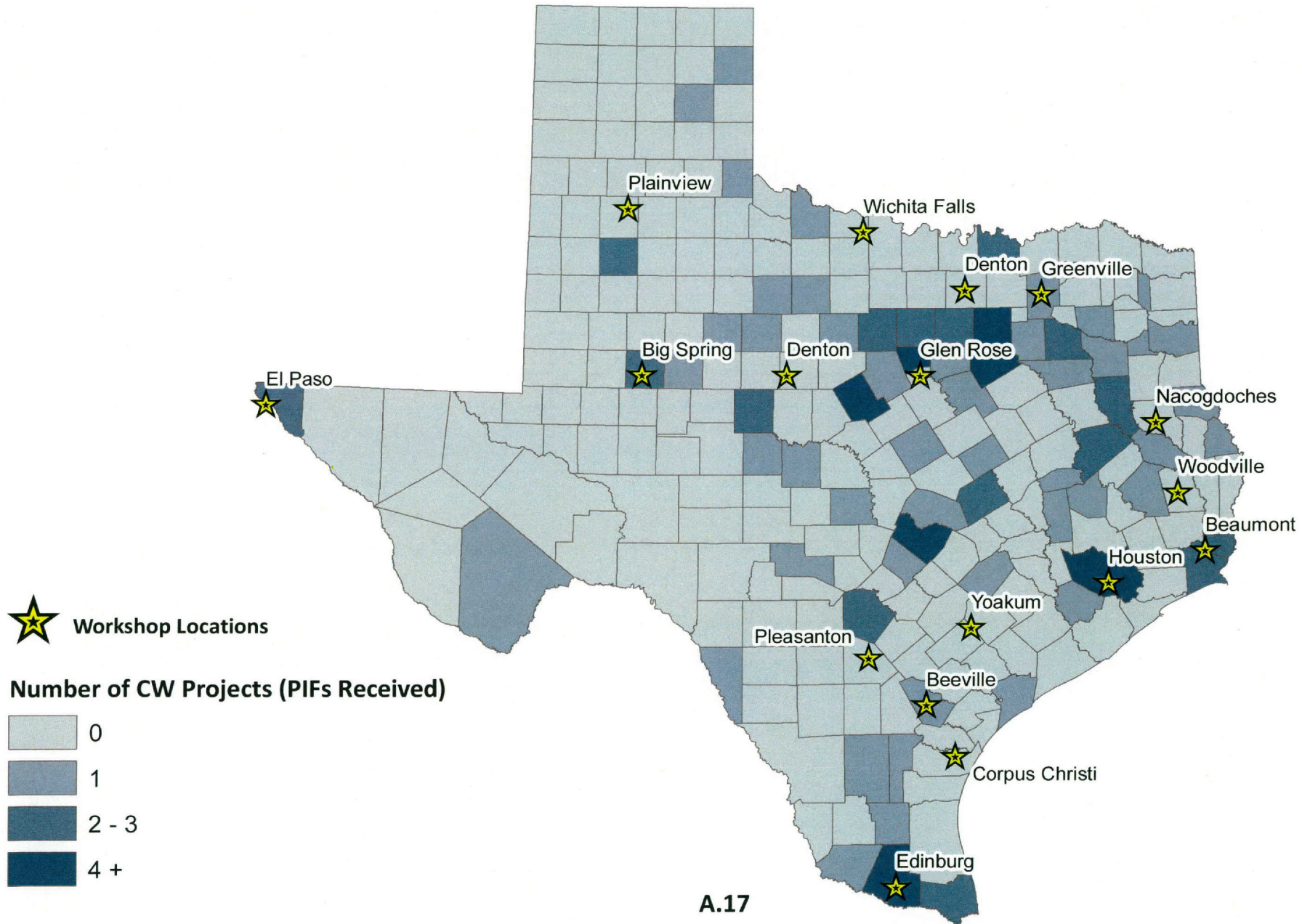
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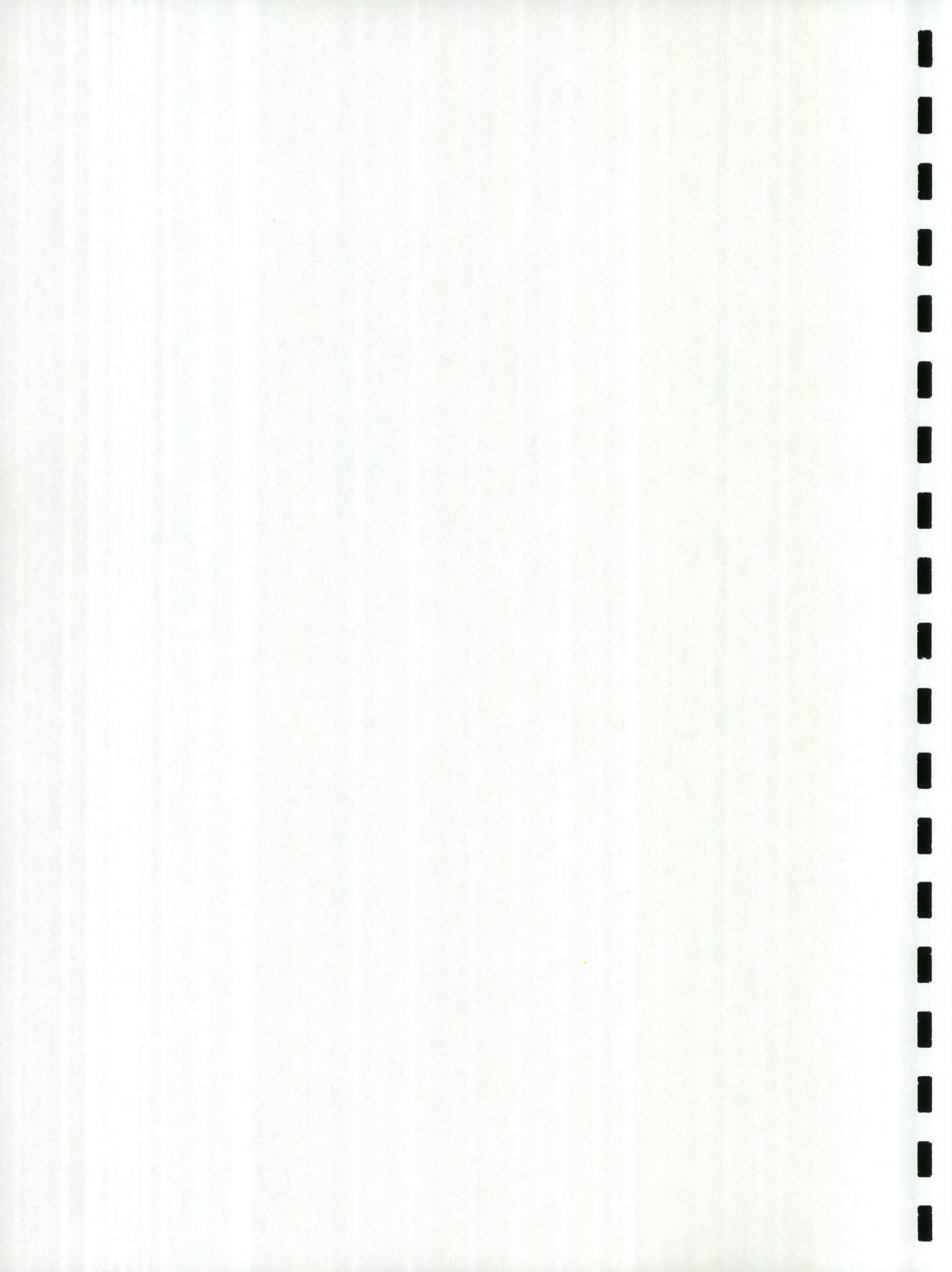
DEBT SERVICE ON OUTSTANDING BONDS
AS OF AUGUST 31, 2018

Fiscal Year (1)	Revenue Bonds			Revenue Bonds (Match Portion) (2)			State Match Bonds (2)			Total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2019	\$4,000,000	\$12,749,479	\$16,749,479	\$1,220,000	\$1,073,800	\$2,293,800	\$13,879,192	\$5,306,446	\$19,185,638	\$38,228,917
2020	6,820,000	9,927,500	16,747,500	1,495,000	800,800	2,295,800	13,417,323	4,809,416	18,226,739	37,270,039
2021	7,095,000	9,654,700	16,749,700	1,555,000	741,000	2,296,000	13,882,036	4,324,232	18,206,268	37,251,968
2022	7,450,000	9,299,950	16,749,950	1,630,000	663,250	2,293,250	14,210,634	3,802,769	18,013,403	37,056,603
2023	7,820,000	8,927,450	16,747,450	1,710,000	581,750	2,291,750	10,049,741	3,253,990	13,303,731	32,342,931
2024	8,210,000	8,536,450	16,746,450	1,795,000	496,250	2,291,250	10,246,405	2,832,860	13,079,264	32,116,964
2025	8,625,000	8,125,950	16,750,950	1,885,000	406,500	2,291,500	8,991,772	2,395,373	11,387,145	30,429,595
2026	9,055,000	7,694,700	16,749,700	1,980,000	312,250	2,292,250	9,397,789	2,018,737	11,416,526	30,458,476
2027	9,505,000	7,241,950	16,746,950	2,080,000	213,250	2,293,250	7,417,614	1,615,026	9,032,640	28,072,840
2028	9,980,000	6,766,700	16,746,700	2,185,000	109,250	2,294,250	6,008,168	1,273,948	7,282,116	26,323,066
2029	10,480,000	6,267,700	16,747,700	-	-	-	6,290,074	996,453	7,286,527	24,034,227
2030	11,005,000	5,743,700	16,748,700	-	-	-	6,271,885	700,861	6,972,747	23,721,447
2031	11,555,000	5,193,450	16,748,450	-	-	-	4,344,120	403,239	4,747,359	21,495,809
2032	12,135,000	4,615,700	16,750,700	-	-	-	2,331,134	198,675	2,529,809	19,280,509
2033	12,740,000	4,008,950	16,748,950	-	-	-	1,463,232	96,077	1,559,309	18,308,259
2034	13,375,000	3,371,950	16,746,950	-	-	-	841,588	33,369	874,957	17,621,907
2035	14,045,000	2,703,200	16,748,200	-	-	-	-	-	-	16,748,200
2036	14,610,000	2,141,400	16,751,400	-	-	-	-	-	-	16,751,400
2037	15,190,000	1,557,000	16,747,000	-	-	-	-	-	-	16,747,000
2038	15,950,000	797,500	16,747,500	-	-	-	-	-	-	16,747,500
2039	-	-	-	-	-	-	-	-	-	-
2040	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-	-
	\$209,645,000	\$125,325,379	\$334,970,379	\$17,535,000	\$5,398,100	\$22,933,100	\$129,042,708	\$34,061,471	\$163,104,179	\$521,007,658

(1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.
(2) GO State Match Bonds and SRF Revenue Bonds designated for state match are paid only from interest repayments.

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 Map of Workshops Conducted in SFY 2018





Appendix B: CWSRF SFY 2018 Projects

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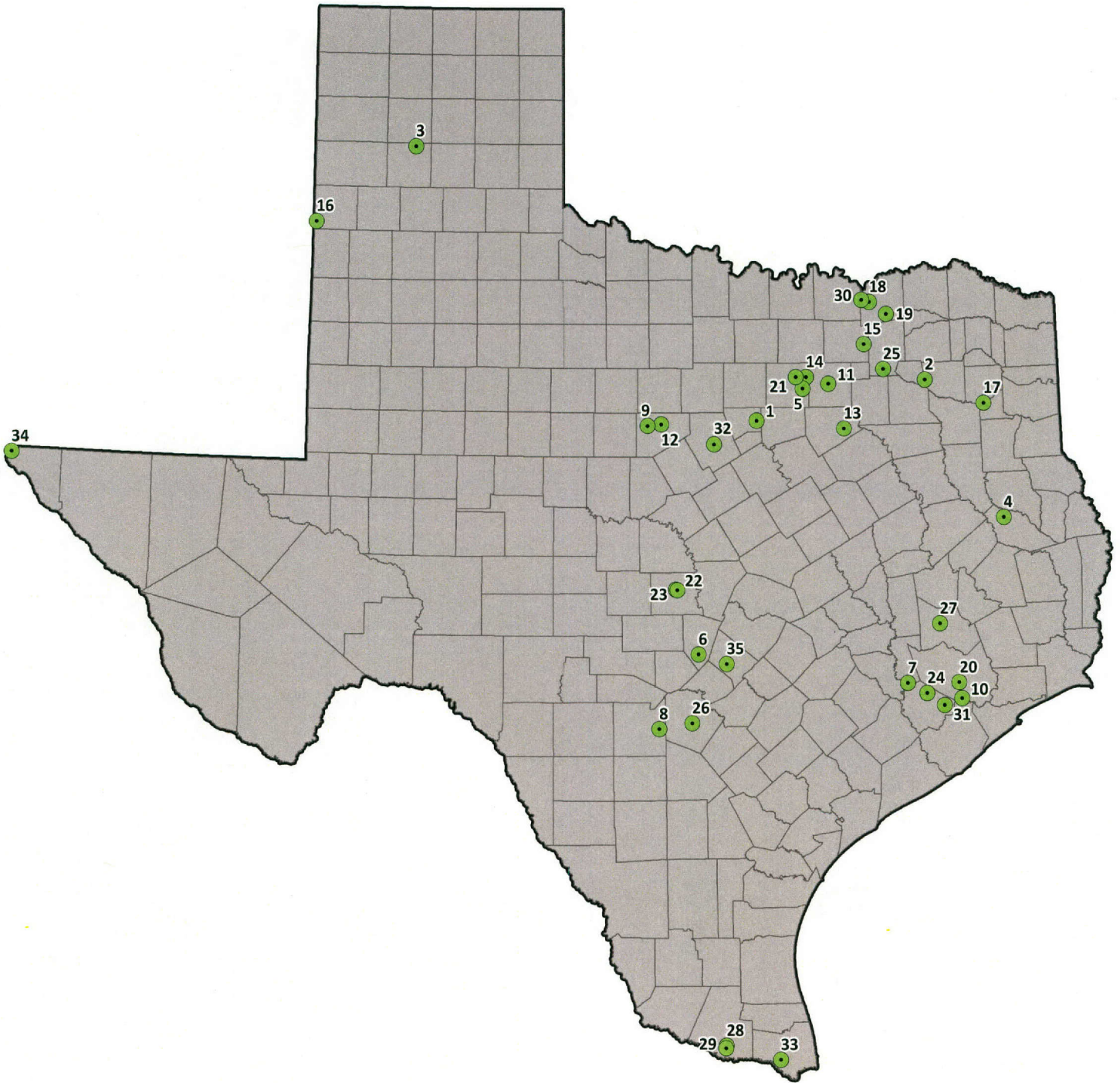
Commitments Closed												
Map ID	Entity	Commitment #	Loan Amount	Principal Forgiven	Total Committed	Equivalency	First Principal Payment	Last Principal Payment	Interest Rate	IUP Year	Small Community	
1	Acton MUD	L1000727	\$ 8,210,000		\$ 8,210,000	EQ	05/01/2019	05/01/2038	0.90%	2018		
2	Alba	L1000782	990,000		990,000	Non-EQ	08/15/2019	08/15/2048	2.23%	2018	Yes	
3	Amarillo	L1000693	12,500,000		12,500,000	Non-EQ	04/01/2019	04/01/2038	1.12%	2018		
4	Angelina & Neches RA	L1000622	1,400,000		1,400,000	EQ	10/01/2018	10/01/2047	1.84%	2015	Yes	
5	Arlington	L1000728	4,650,000		4,650,000	EQ	06/01/2019	06/01/2037	0.70%	2018		
5	Arlington	LF1000729		806,300	806,300	EQ				2018		
6	Blanco	L1000632	3,150,000		3,150,000	EQ	08/15/2019	08/15/2047	0.88%	2017	Yes	
7	Brookshire MWD	LF1000786		490,000	490,000	EQ				2018	Yes	
8	Castroville	L1000613	1,500,000		1,500,000	EQ	08/01/2018	08/01/2047	0.88%	2015	Yes	
9	Cisco	L1000717	1,550,000		1,550,000	EQ	02/15/2020	02/15/2049	1.91%	2018	Yes	
9	Cisco	LF1000718		4,322,700	4,322,700	EQ				2018	Yes	
10	Cypress Creek UD	L1000680	2,970,000		2,970,000	EQ	09/01/2019	09/01/2047	1.88%	2017	Yes	
11	Dallas	LM17067	22,000,000		22,000,000	EQ	10/01/2019	10/01/2047	1.02%	2017		
12	Eastland	L1000619	6,765,000		6,765,000	EQ	02/15/2018	02/15/2037	0.56%	2017	Yes	
12	Eastland	LF1000647		834,660	834,660	EQ				2017	Yes	
13	Ennis	L1000641	4,500,000		4,500,000	EQ	02/01/2019	02/01/2038	1.02%	2017		
14	Eules	L1000737	2,785,000		2,785,000	EQ	07/15/2019	07/15/2038	0.93%	2018		
14	Eules	LF1000738		473,300	473,300	EQ				2018		
15	Farmersville	L1000631	5,845,000		5,845,000	EQ	06/15/2019	06/15/2037	1.18%	2017	Yes	
16	Farwell	L1000758	1,500,000		1,500,000	Non-EQ	02/15/2019	02/15/2038	1.90%	2018	Yes	
17	Gladewater	L1000636	3,900,000		3,900,000	Non-EQ	08/15/2018	08/15/2037	1.03%	2017	Yes	
18	Greater Texoma UA	L1000617	480,000		480,000	Non-EQ	10/01/2018	10/01/2047	1.79%	2017	Yes	
19	Greater Texoma UA	L1000682	2,300,000		2,300,000	EQ	08/15/2019	08/15/2038	1.52%	2018	Yes	
20	Houston	L1000603	64,680,000		64,680,000	EQ	11/15/2019	11/15/2047	1.25%	2017		
21	Hurst	L1000730	1,360,000		1,360,000	EQ	08/15/2019	08/15/2038	1.02%	2018		
21	Hurst	LF1000731		235,800	235,800	EQ				2018		
22	Llano	L1000685	3,390,000		3,390,000	EQ	09/15/2019	09/15/2038	1.23%	2018	Yes	
23	Llano	L1000686	630,000		630,000	EQ	09/15/2019	09/15/2038	1.22%	2018	Yes	
23	Llano	LF1000734		108,000	108,000	EQ				2018	Yes	
24	North Fort Bend WA	L1000739	2,070,000		2,070,000	EQ	12/15/2020	12/15/2040	1.22%	2018	Yes	
24	North Fort Bend WA	LF1000760		351,800	351,800	EQ				2018	Yes	
25	Quinlan	L1000618	1,675,000		1,675,000	Non-EQ	02/15/2018	02/15/2037	1.55%	2017	Yes	
26	San Antonio River Authority	L1000621	9,500,000		9,500,000	Non-EQ	01/01/2019	01/01/2038	1.32%	2017		
27	San Jacinto RA	L1000635	42,895,000		42,895,000	EQ	10/01/2019	10/01/2042	1.07%	2017		
28	San Juan	L1000620	2,285,000		2,285,000	EQ	01/01/2019	01/01/2047	1.52%	2017		
29	San Juan	L1000749	1,270,000		1,270,000	EQ	01/01/2019	01/01/2048	1.69%	2018		
30	Savoy	L1000669	2,755,000		2,755,000	EQ	08/15/2019	08/15/2048	1.91%	2017	Yes	
31	Sienna Plantation MUD # 1	L1000775	25,010,000		25,010,000	Non-EQ	11/01/2019	11/01/2048	2.17%	2018		
32	Stephenville	L1000715	17,030,000		17,030,000	EQ	02/15/2020	02/15/2039	0.94%	2018		

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Commitments Closed											
Map ID	Entity	Commitment #	Loan Amount	Principal Forgiven	Total Committed	Equivalency	First Principal Payment	Last Principal Payment	Interest Rate	IUP Year	Small Community
33	Valley MUD # 2	L1000702	3,730,000		3,730,000	EQ	02/15/2021	02/15/2048	1.58%	2018	Yes
34	Vinton	L1000589	5,085,000		5,085,000	EQ	08/15/2019	08/15/2048	1.49%	2017	Yes
34	Vinton	LF1000664		11,646,454	11,646,454	EQ				2017	Yes
35	Wimberley	L1000394	5,255,000		5,255,000	EQ	08/01/2019	08/01/2046	1.63%	2015	Yes
35	Wimberley	LF1000502		243,005	243,005	EQ				2015	Yes
Totals		44	\$ 275,615,000	\$ 19,512,019	\$ 295,127,019						

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Map of Project Locations of Closings



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Descriptions of Closed Projects

Acton MUD WWTP #1 (De Cordova Bend Estates) Expansion Project # 73745			
Commitment Amount	\$8,210,000	Closing Date	05/15/2018
Commitment Code(s)	L1000727	Map Location	1
<p>Project Need: Acton Municipal Utility District's (District) De Cordova Bend Estates Wastewater Treatment Plant (WWTP) needs to be rehabilitated and upgraded to improve treatment and capacity. The De Cordova Bend WWTP currently operates between 75 and 90 percent of permitted capacity with an estimated 740 existing on-site sewage facilities (OSSF) in need of centralized collection and treatment to address elevated levels of bacteria around Lake Granbury. Texas Commission on Environmental Quality (TCEQ) required the District to begin planning for additional treatment capacity when their existing plant reached 75 percent of its permitted capacity. The District received a planning and design commitment in March 2017 and is requesting construction phase funding to complete the improvements.</p> <p>Project Description: The District is seeking funding to construct improvements to their existing De Cordova Bend Estates Wastewater Treatment Plant (WWTP). The District received planning and design phase funding in March 2017 and is ready to proceed to construction. Many plant components will be rehabilitated and expanded to provide efficient treatment meeting permit parameters, reuse, and to meet capacity requirements. The existing bullseye treatment unit will be converted to a Sequencing Batch Reactor (SBR) unit and two new SBR treatment units will be constructed. A new laboratory, electrical, and controls building will be constructed, and a new emergency generator will be installed. A new Supervisory Control and Data Acquisition (SCADA) system will be installed linking the District's lift stations and wastewater treatment plant operations together.</p>			
Alba Mockingbird St. and Quitman Rd. Sanitary Sewer Line Replacement. Project # 73795			
Commitment Amount	\$990,000	Closing Date	08/01/2018
Commitment Code(s)	L1000782	Map Location	2
<p>Project Need: The existing sanitary sewer lines proposed for replacement currently serve approximately half of the City's wastewater collection system. The existing lines are old and deteriorating resulting in large amounts of inflow and infiltration (I&I). If the line(s) were to collapse, there would be a great impact to the City's operations. The City currently has no method of repairing or replacing these lines due to their excessive depth.</p> <p>Project Description: The project will include the design and construction of sanitary sewer line replacements associated with Mockingbird St. and Quitman Rd. This includes up to approximately 4,000 Linear Feet of new sanitary sewer line, concrete manholes, service re-connections, pavement repair, and all necessary appurtenances to the sewer line.</p>			
Amarillo LS 32 & Georgia Street Sewer Projects Project # 73663			
Commitment Amount	\$12,500,000	Closing Date	07/19/2018
Commitment Code(s)	L1000693	Map Location	3
<p>Need: Based on a previous study, the existing Lift Station #32 has been determined to be beyond its useful life and the City of Amarillo is looking to relocate and install a new lift station north of the existing lift station. In addition, The Georgia Street Gravity Main Sewer project that was initiated in 2006 which consisted of removing three old lift stations has not been completed; therefore, the City of</p>			

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Amarillo is seeking funding to complete the final phase of the proposed project.

Project Description: The City is looking to install a new lift station north of existing Lift Station #32. The project includes the design of 1,400 linear feet of 18-inch force main and demolition of the existing Lift Station #32 facilities. The Georgia Street Gravity Main Sewer proposed project will consist of installing approximately 2,600 linear feet of 36-inch gravity sewer, approximately 830 feet of 8-inch gravity sewer along SW 28th Avenue, the demolition of the existing Lift Station #7 within Austin Park and the abandonment of 750 linear feet of 12-inch force main.

Angelina & Neches RA

Redland Estates & Angelina County FWSD 1 Sewer Systems

Project # 73677

Commitment Amount	\$1,400,000	Closing Date	09/08/2017
Commitment Code(s)	L1000622	Map Location	4

Need: The Redland Estates Wastewater Treatment Facility originally provided wastewater treatment for the Redland Estates Subdivision. The plant has been out of service for approximately 20 years, which has allowed raw untreated sanitary sewer flows from existing homes to discharge directly into an unnamed tributary of the Angelina River. A Public Health Threat has been issued by both the Texas Commission on Environmental Quality and the Angelina County and Cities Health District. The Angelina and Neches River Authority (Authority) received a commitment for planning, acquisition, and design for this project in January 2014 and construction in January 2015. The authority opened bids on the project in October 2016. The low bid was \$1,015,700.00 over the available funds to complete the project.

Project Description: The Authority is seeking additional construction phase funding for wastewater system project that will provide first time sewer service to approximately 105 connections within the Angelina County Fresh Water Supply District No. 1's service area, including the Redland Estates subdivision and additional homes along the proposed sewer line route. The project will include elimination of existing on-site sewer facilities, provide service through a proposed sanitary sewer collection system, and modify the Authority's North Angelina County Regional Wastewater Treatment Facility to handle the additional flow.

Arlington

2018 Wastewater Treatment

Project # 73788

Commitment Amount	\$5,456,300	Closing Date	05/17/2018
Commitment Code(s)	L1000728, LF1000729	Map Location	5

Project Need: The City of Arlington's project includes the replacement or rehabilitation of approximately 4,050 linear feet of existing 24" ductile iron that is the Lake Arlington Gold Course interceptor pipeline and 2,516 linear feet of 8"-15" aerial crossings of local creeks in five locations throughout the city. A condition assessment of the Lake Arlington Golf Course interceptor has revealed that the cause of recent line collapses and SSOs is due to the deteriorated condition of the interceptor. Sharp changes in pipeline grade cause the release of hydrogen sulfide which has resulted in corrosion of the pipeline and manholes. An engineering evaluation of the pipeline will determine if rehabilitation is feasible or if replacement is required. All property is owned by the City eliminating the need for easement acquisition. A total of five aerial crossings have been determined to be at risk of failure and must be replaced with crossings that are designed to take into consideration the hydraulic characteristics of each creek.

Project Description: The City of Arlington's project includes the replacement or rehabilitation of approximately 4,050 LF of existing 24" ductile iron that is the Lake Arlington Golf Course interceptor pipeline and 2,516LF of 8"-15" aerial crossings of local creeks in five locations throughout the city.

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Blanco
New WWTP
Project # 73763

Commitment Amount	\$3,150,000	Closing Date	10/24/2017
Commitment Code(s)	L1000632	Map Location	6

The City of Blanco received a Texas Water Development Board loan commitment in September 2017 for the construction of a new 225,000 gallons per day conventional wastewater treatment plant to replace the City's existing lagoon system. Construction started in December 2017 and is 70 percent complete. Due to higher than expected construction costs from the bids received and additional construction cost overruns, the City needs additional funding to complete the construction of the project. The additional costs are attributable to higher demand for supplies and materials due to Hurricane Harvey and items added at the design stage.

The City is constructing a new 225,000 gallons per day conventional wastewater treatment plant to replace the City's existing lagoon system.

Brookshire MWD
Urgent Need Replace Failing Clay Wastewater Collection Pipe
Project # 73797

Commitment Amount	\$490,000	Closing Date	07/25/2018
Commitment Code(s)	LF1000786	Map Location	7

Need: Brookshire Municipal Water District's (District) sanitary sewer clay pipe is failing which, during storm events, causes a 40% increase in flow into the wastewater treatment plant, manhole overflows to surface waters and sand and gravel deposits which plug the sanitary sewer lines. Since Hurricane Harvey, the District has experienced additional clay pipe failures resulting in backflow of sewage onto customers' property and failure of equipment.

Description: The District originally proposed to replace failing 8-inch diameter clay sanitary sewer collection pipe with 12-inch diameter high density polyethylene pipe (HPDE) utilizing pipe bursting techniques, replace seven aging manholes, and reconnect customers to the new sanitary sewer line. As a result of Hurricane Harvey, the District has experienced a complete failure of the failing clay pipe as well as collection system components. The District currently proposes to use the loan funds to replace the originally planned 8-inch clay pipe and manholes as well as additional 8-inch sanitary sewer lines along FM 1489, 850 LF of failed 6-inch sanitary sewer pipe along Sixth Street, three lift station pumps, a control panel at Lift Station Number 3, and components at the wastewater treatment plant including two Gorman Rupp T3 pumps, the Protech Communications Security System, alarm dialer, two motors, and the lab building.

Castroville
WWTP Capacity Expansion
Project # 73707

Commitment Amount	\$1,500,000	Closing Date	09/21/2017
Commitment Code(s)	L1000613	Map Location	8

Project Need: More stringent permit limits set forth in the new Texas Commission on Environmental Quality (TCEQ) discharge permit and an increase in wastewater flows have necessitated improvements and expansion of the City of Castroville's (City) wastewater treatment plant. The more stringent effluent limits are in conjunction with the ability to discharge to the river.

Project Description: The City currently has an existing Clean Water State Revolving Fund loan committed in 2015 for \$9,050,000 to expand the capacity of the wastewater treatment plant from 0.35 million gallons per day (MGD) to 0.9 MGD. The plant will be designed to meet more stringent discharge limits set forth in the new TCEQ discharge permit. The improvements will also allow for modulation between the new and old facilities as necessary for the treatment of flows and for the diversion of plant effluent to either reuse irrigation or discharge to the river. The City is requesting additional financial assistance in the amount of \$1,500,000 for the

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construction phase of improvements to and expansion of the wastewater treatment plant. Higher than expected costs associated with the construction of the plant have created a need for additional funding.

Cisco
2018 CWSRF Improvements - Construction
Project # 73773

Commitment Amount	\$5,872,700	Closing Date	06/27/2018
Commitment Code(s)	L1000717, LF1000718	Map Location	9

The City of Cisco (City) needs to upgrade to both its collection system and wastewater treatment plant (WWTP). Two of the City's lift stations have reached the end of their useful life and are in severely deteriorated condition, and the City's WWTP has experienced ongoing difficulty in complying with its Texas Pollutant Discharge Elimination System (TPDES) permit limits.

The City is proposing to construct two new lift stations to replace the severely deteriorated Humble Town and main influent lift station at the wastewater treatment plant. A new screen will be installed in the existing influent channel. The City is also proposing to construct a new membrane bioreactor wastewater treatment plant capable of producing Type I reuse effluent. The planning and design phases of this project were funded under TWDB project number 73668.

Cypress Creek UD
Sanitary Sewer Rehabilitation - Norchester Sections 1, 2, & 3
Project # 73770

Commitment Amount	\$2,970,000	Closing Date	05/16/2018
Commitment Code(s)	L1000680	Map Location	10

Sanitary sewer lines within Cypress Creek Utility District (District) were constructed around 1970. The majority of the existing pipe material appears to be concrete and has reached the end of its service life. The project is necessary to reduce rainwater infiltration and prevent line collapse.

The District plans to replace the northerly portion of the District's sanitary sewer lines. This includes Norchester Section 2 and a portion of Norchester Section 1. The condition of sanitary manholes will also be assessed and repaired as needed to maintain the integrity of the manhole structures and reduce infiltration.

Dallas
Collection System Improvements (5 Year)
Project # 73757

Commitment Amount	\$22,000,000	Closing Date	05/14/2018
Commitment Code(s)	LM17067	Map Location	11

Project Need: Dallas Water Utilities' wastewater replacement program appropriates \$20,000,000 per year for the rehabilitation or replacement of aging wastewater infrastructure. The purpose of the program is to maintain integrity of the wastewater collection system and reduction of inflow and infiltration, as well as reduced sanitary sewer overflows resulting from collapsed or broken pipes.

Project Description: The City of Dallas will utilize TWDB CWSRF multiyear funding program to rehabilitate or replace small diameter wastewater mains (less than 18-inch) totaling approximately 20 miles per year.

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Eastland
2017 Collection System & WWTP Improvements
Project # 73755

Commitment Amount	\$7,599,660	Closing Date	10/05/2017
Commitment Code(s)	L1000619, LF1000647	Map Location	12

Need: The City (City) of Eastland needs to make improvements within their sanitary sewer collection and treatment system to address capacity and treatment issues. Many components of the City's wastewater treatment plant (WWTP) have reached the end of their useful life and need to be replaced or upgraded. Several lift stations within the City have structural and equipment deficiencies that limit their operation and allow excess inflow and infiltration (I/I) into the system. Many areas of the collection system piping have reached the end of their design life and need to be replaced to address the excessive I/I.

Project Description: The City is proposing to construct new Sequencing Batch Reactors (SBR) at the highest elevation within the existing WWTP site and repurpose existing clarifiers, aeration and oxidation basins for flow equalization and storage. To address excessive I/I, the City is proposing to reconstruct lift stations and replace deteriorated collection system components. Reducing I/I will help the City's WWTP remain within permitted limits by reducing excess flows that minimize treatment and allow sludge to wash out of treatment basins. Emergency electrical power generation will be added to the WWTP and major lift stations within the City's collection system. The City is also proposing to plan and implement treatment improvements to allow continued use of their WWTP effluent for reuse to replace potable water for irrigation.

Ennis
Downtown Sewer Line Improvements 2
Project # 73765

Commitment Amount	\$4,500,000	Closing Date	07/18/2018
Commitment Code(s)	L1000641	Map Location	13

The City of Ennis owns and operates a deteriorating collection system resulting in excessive inflow and infiltration. In addition, the City of Ennis owns and operates a wastewater treatment plant that is experiencing breaches and surcharges creating a health risk, including a risk of surface water contamination. Also, the wastewater treatment plant experiences sludge overloading, spalling concrete, including old and unsafe electrical components, also an inoperable sludge thickener, along with other substandard features.

The City of Ennis owns and operates a wastewater treatment plant that require improvements and modifications needed to properly treat the wastewater. Improvements and modifications include replacement of an influent lift station, installation of aerated storage for sludge, and installation of thickening facilities. The City of Ennis owns and operates a deteriorating collection system requiring replacement of sewer mains and appurtenances within the City's sanitary sewer collection system. Also, includes preparation and implementation of Asset Management Plan to optimize the useful life of the sewer facilities.

Eules
Eules Bear Creek Reclaimed Water System Phase 3
Project # 73771

Commitment Amount	\$3,258,300	Closing Date	04/12/2018
Commitment Code(s)	L1000737, LF1000738	Map Location	14

Need: The City of Eules intends to continue with the expansion of the existing Village Creek Reclaimed Water system to address increased demands on the existing water infrastructure and reduce per capita potable water usage.

Project Description: The City proposes to construct Phase 3 of the reclaimed water program. Phase 3 will extend the reclaimed waterline along Bear Creek Parkway to extend reclaimed irrigation services to additional commercial and residential customers. Implementation of the proposed reclaimed water project will eliminate the use of potable water for irrigation at these locations and

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therefore, reduce the City's demand for potable water. The most recent expansion of the system (phase 2) was funded under CWSRF Project #73701.

Farmersville
New WWTP #3 and WW Interceptor
Project # 73761

Commitment Amount	\$5,845,000	Closing Date	09/21/2017
Commitment Code(s)	L1000631	Map Location	15

The City of Farmersville (City) is currently under a Texas Commission Environmental Quality Agreed Order to address excessive inflow and infiltration during frequent rainfall events. The frequent rain events are causing sanitary sewer overflows (SSO) within the collection system and at the existing Wastewater Treatment Plants (WWTP) No. 1 and 2. The wastewater facilities need to be upsized to properly discharge current and future wastewater flows.

Rehabilitate existing wastewater treatment Plant (WWTP) #1 & #2 to achieve optimal operational practices. Design and construct collection system to service 4 new regional lift stations to eliminate infiltration and inflow. The collection system will consist of approximately 2,160 LF of gravity sewer main, and approximately 4,050 LF of force main. Install supervisory control and data acquisition (SCADA) at 6 existing lift stations to monitor infiltration and inflow. City recently purchased a ten-acre site for a new regional 0.5 MGD WWTP with plans to eliminate the existing WWTP #1 and #2 as soon as the regional 0.5 MGD WWTP becomes operational. Funding request is to design the new 0.50 MGD regional WWTP with phased increase capabilities to 1, 4 and 10 MGD, and design 5.2 miles of collection system to intercept flows at the existing WWTPs. The interceptor main will discharge south approximately 5.2 miles into the new regional WWTP. The design of the new WWTP includes backup generators to maintain operation during extended power outages.

Farwell
New WWTP
Project # 73768

Commitment Amount	\$1,500,000	Closing Date	07/18/2018
Commitment Code(s)	L1000758	Map Location	16

The City of Farwell's (City) wastewater treatment plant (WWTP) has been in operation since 1986. The plant consists of three facultative ponds and one holding pond, and parts have exceeded their useful life and are severely deteriorated. The system is currently operating under a conditional permit from TCEQ. There are concerns regarding the integrity of the pond liners, but due to the age of the plant and the inability to drain the ponds individually to test the liners, the integrity of the liners cannot be verified. The proposed project will construct a new holding pond with liners that meet current regulations along with a treatment process to treat the wastewater to required standards.

This project is intended to replace the existing, aging wastewater treatment plant in Farwell, Texas. The existing plant consisting of three facultative ponds and one holding pond, has been in operation since 1986. The plant's effluent is used for irrigation on land adjacent to the plant, and the new treatment plant design will include this reuse component. The proposed project will either replace the existing pond system with a package-type extended aeration/activated sludge plant or construct a new facultative lagoon system with liners that meet current regulations along with a treatment process to treat the wastewater to required standards. Effluent from the plant would still be used for irrigation, and no changes are expected to the permit requirements for the effluent.

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Gladewater
Rehabilitation and Improvements at WWTP
Project # 73762

Commitment Amount	\$3,900,000	Closing Date	09/29/2017
Commitment Code(s)	L1000636	Map Location	17

Project Need: The City has had problems with WWTP discharges above the permit levels. The upgrades will replace decayed and non-functioning items and return the WWTP to working order to allow compliance with regulatory criteria. The project also includes smoke testing and sewer line replacement.

Project Description: The project will address deficiencies within the Wastewater collection system and at the existing wastewater treatment plant. Replacements will be made to decayed and inoperable equipment at the WWTP. The project will include smoke testing and condition assessment of major sewer lines and known areas of I&I within the collection system. The project includes replacement of a sewer main within an existing easement from Gay Ave to Hwy 80, as well as targeted repairs based on the results of the assessment. The project also includes preparation and implementation of an Asset Management Plan.

Greater Texoma UA
Wastewater Treatment Plant Rehabilitation
Project # 73758

Commitment Amount	\$480,000	Closing Date	09/19/2017
Commitment Code(s)	L1000617	Map Location	18

Need: The City of Ector needs to upgrade the existing wastewater treatment plant to comply with more stringent discharge parameters imposed under their TPDES permit. The existing disinfection process, pond residence time, does not comply with the new E. coli permit parameters update. Additionally, the existing stabilization pond needs equipment repairs.

Description: The City of Ector proposes to rehabilitate its existing wastewater treatment plant to bring it into compliance with the updated TPDES permit. The Greater Texoma Utility Authority on behalf of the City of Ector is requesting planning, design, and construction funds to upgrade the City's WWTP disinfection process. The rehabilitation includes ultraviolet (UV) disinfection system, piping and earthwork, electrical, installation of a power generator, and concrete work. The City also intends, if funds become available, to use remaining funds from a previous Water Development Fund loan commitment to address stabilization pond equipment repairs.

Greater Texoma UA
GTUA/City of Gunter Wastewater System Improvements
Project # 73775

Commitment Amount	\$2,300,000	Closing Date	03/27/2018
Commitment Code(s)	L1000682	Map Location	19

Project Need: The City of Gunter (City) has recently come under a Texas Commission on Environmental Quality (TCEQ) directive for more stringent discharge parameters at its wastewater treatment plant which become effective October 1, 2021. The City's existing pond system is unable to consistently meet the effluent requirements of TCEQ's new discharge parameters. The residence time in the existing pond is not an effective way to reduce the E. coli bacteria and cannot meet the new Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD) requirements.

Project Description: The City will utilize the funds to construct a new activated sludge wastewater treatment plant with a new disinfection system, decommission the old plant, and install new appurtenances. The City will also perform an inflow and Infiltration study of its wastewater system and develop an asset management plan.

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Houston
Collection System Rehabilitation 2017
Project # 73742

Commitment Amount	\$64,680,000	Closing Date	04/11/2018
Commitment Code(s)	L1000603	Map Location	20

Need: The City of Houston was previously under an Agreed Order with Texas Commission on Environmental Quality (TCEQ), and as part of the agreement the City had to renew 600,000 liner feet of sanitary sewer collection system pipelines per year to reduce sanitary sewer overflow. Although the Agreed Order has ended, there is a pending Consent Decree with Environmental Protection Agency (EPA), and the City will continue to rehabilitate sanitary sewer at the same rate as under the Agreed Order until the Consent Decree is in place.

Description: Citywide renewal/replacement sanitary sewer collection system pipelines by utilizing "point" repairs, slip lining, pipe bursting and "Cured-in Place" methods.

Hurst
Valley View Interceptor Replacement from SH10 to Redbud
Project # 73784

Commitment Amount	\$1,595,800	Closing Date	06/07/2018
Commitment Code(s)	L1000730, LF1000731	Map Location	21

Project Need: The City of Hurst (City) sewer pipeline system is deteriorated and lack sufficient capacity to handle the existing peak wet weather wastewater flows without significant surcharging. The current system is at risk of experiencing sanitary sewer overflows. The recommended replacement pipelines will provide adequate capacity to handle the existing peak wet weather wastewater flows, and in addition to the projected 2040 peak wet weather flows.

Project Description: The City proposes to replace approximately 2,700 linear feet of existing 15, 18, and 28--inch diameter wastewater pipeline lying between State Highway 10 and Redbud Drive. Installation of the 28- inch diameter HDPE wastewater pipeline will utilize a combination of trenchless methods where possible.

Llano
Main Street Trunk Line Replacement
Project # 73779

Commitment Amount	\$3,390,000	Closing Date	06/20/2018
Commitment Code(s)	L1000685	Map Location	22

Project Need: In June 2016 the City of Llano (City) experienced a gravity sewer main collapse, which cause sewage backup along Oatman Street and East Haynie Street. The collapsed section of the main was replaced but was not installed at a proper grading. The City needs to regrade and replace portions of the sewer main pipe and replace 30 wastewater manholes.

Project Description: The City plans to regrade and replace over 7,000 feet of sewer main pipe and replace 30 wastewater manholes. The project will result in increased system reliability through the replacement of deteriorating concrete piping, replacement of a brick manhole, and the upsizing of lines that do not meet current system demand. The project will also reduce the occurrence of inflow and infiltration in the City's collection system. The project will be constructed simultaneously with the Sandstone AC Line Replacement project (TWDB Project No. 62766).

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Llano
WWTP Filtration System
Project # 73780

Commitment Amount	\$738,000	Closing Date	06/20/2018
Commitment Code(s)	L1000686, LF1000734	Map Location	23

Project Need: The City of Llano's (City) existing wastewater treatment plant (WWTP) has an irrigation permit for three irrigation storage ponds that do not meet Texas Commission on Environmental Quality (TCEQ) pond lining requirements. Due to this violation and the prohibitive costs of re-lining the storage ponds, in July 2017 the City obtained a Texas Pollutant Discharge Elimination System discharge permit with the TCEQ to change their plant permit from an irrigation permit to a discharge permit.

Project Description: To meet the effluent quality requirements of a discharge permit the City proposes to install an alum chemical feed system and tertiary filtration system at the WWTP. With higher quality effluent the City can continue to use their existing three irrigation ponds with the options to discharge the effluent, use it for irrigation or reuse or sell it.

North Fort Bend WA
Fort Bend MUD County MUD 146/194 Reclaimed Water System Waterlines
Project # 73781

Commitment Amount	\$2,421,800	Closing Date	08/23/2018
Commitment Code(s)	L1000739, LF1000760	Map Location	24

Need: Established by the Texas Legislature in May 2005, the North Fort Bend Water Authority (Authority) was created to assist in converting the region within its boundaries from using groundwater to predominantly surface water to combat subsidence. The Authority acquires, develops and delivers a long-term supply of potable surface water to users in the fast-growing area. The Authority is responsible for reducing dependence on groundwater by converting total water usage to 30 percent alternative water by 2024. The proposed project will replace 100 percent of the potable water, 0.26 MGD, currently used by Fort Bend County MUD's 146 and 194 for green space irrigation and amenity lake level management with cost effective and sustainable reuse water.

Description: The Authority is seeking financial assistance for construction phase funding of the Fort Bend County Municipal Utility Districts (MUD) Nos. 146 and 194 reclaimed water systems. The proposed project will use Type I effluent from the Fort Bend County MUD No. 146's wastewater treatment plant (WWTP) and distribute it to Fort Bend County MUD Nos. 146 and 194 for irrigation and amenity lake level management throughout the Districts. Approximately 38,000 linear feet of purple pipe ranging in size from 2 to 12 inches will be installed. A disk filter will be added as tertiary treatment to the WWTP to treat effluent to Type I standards. Installation of ground storage tanks and hydropneumatic tanks are also proposed. The Authority will own the transmission lines, i.e. purple pipe, tertiary treatment, and reuse water.

Quinlan
WWTP and Collection System Rehabilitation
Project # 73759

Commitment Amount	\$1,675,000	Closing Date	09/19/2017
Commitment Code(s)	L1000618	Map Location	25

Project Need: The City of Quinlan (City) is currently under a Texas Commission on Environmental Quality (TCEQ) Sanitary Sewer Overflow (SSO) Agreement due to the extreme amount of inflow & infiltration (I/I) in the collection system. The City's wastewater treatment plant has also been cited for exceeding 75% of its peak flow permit. The City is currently conducting a SSO study on its collection system to prioritize areas needing rehabilitation. The study will also evaluate the lift stations, pumps, and sludge beds.

Project Description: The proposed project will be based on the outcome of the SSO study which will determine which part of the system will need major rehabilitation. These areas will include the sanitary sewer mains, lift stations, pumps and sludge beds.

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San Antonio River Authority
Martinez IV WWTP and Outfall
Project # 73760

Commitment Amount	\$9,500,000	Closing Date	11/13/2017
Commitment Code(s)	L1000621	Map Location	26

Project Need: The San Antonio River Authority's (Authority) Martinez III Wastewater Treatment Plant (WWTP) has a capacity of 0.150 million gallons per day (MGD), serves 683 customers, and treats 60,000 gallons of wastewater per day on average. By 2019, the WWTP is expected to serve approximately 2,400 customers. This population growth will surpass 75% capacity of the WWTP by 2018. The Authority needs to increase the WWTP capacity to keep up with the increased demand.

Project Description: The Authority is proposing to replace the WWTP and construct a new 0.250 MGD WWTP to accommodate the increased demand. The proposed WWTP is permitted by the Texas Commission on Environmental Quality (TCEQ) for an average flow of 0.250 MGD (initial) to 2.0 MGD (final). In addition, a new wastewater collection line will be constructed for residential areas in the southeastern section of the service area that are not currently being served by the Authority.

San Jacinto RA
The Woodlands Wastewater System Improvements
Project # 73764

Commitment Amount	\$42,895,000	Closing Date	11/07/2017
Commitment Code(s)	L1000635	Map Location	27

Project Need: As existing infrastructure deteriorates and moves past the end of its useful life; the Authority has identified several wastewater projects to be implemented in the next several years to renew or replace existing infrastructure to ensure capacity for current and future needs.

Project Description: The Authority is requesting financial assistance for the design and construction of wastewater system improvements including: the replacement of approximately two miles of a gravity sewer interceptor line which ranges in diameter from 42-inch to 72-inch utilizing trench-less construction methods, the replacement of the solids processing building and two aeration basins at Wastewater Treatment Facility #1.

San Juan
Collection System Extension II
Project # 10441

Commitment Amount	\$2,285,000	Closing Date	09/26/2017
Commitment Code(s)	L1000620	Map Location	28

Need: The City of San Juan (City) has seven colonia areas within City boundaries that have no centralized sanitary sewer system. Residents in these colonia areas rely on inadequate on-site septic systems and pit latrines, for disposal of sewer waste, which can lead to unsanitary conditions and health issues.

Project Description: The City plans to expand its existing sanitary sewer collection system to provide first time sewer service to approximately 114 existing homes in seven colonia areas. The Project will include the installation of sanitary sewer lines, sewer yard lines, and decommission of existing septic tanks.

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San Juan
Wastewater Treatment Plant Improvements
Project # 73796

Commitment Amount	\$1,270,000	Closing Date	08/23/2018
Commitment Code(s)	L1000749	Map Location	29

Need: The City of San Juan (City) must rehabilitate and replace its wastewater treatment plant (WWTP) equipment to meet minimum requirements of the Texas Commission on Environmental Quality as well as bring the plant up to newer, more modern treatment standards.

Description: The project will repair, replace, and rehabilitate worn or currently nonfunctional equipment at the WWTP, including headworks, aeration motors, gravity thickener equipment, lift stations, clarifiers, reuse water equipment, disinfection equipment, electrical controls, and metering equipment.

Savoy
WWTP Improvements
Project # 73767

Commitment Amount	\$2,755,000	Closing Date	03/22/2018
Commitment Code(s)	L1000669	Map Location	30

Need: The City of Savoy operates an aging and deteriorating Wastewater Treatment Plant that experiences periodic violations of permitted effluent limits.

Project Description: The City of Savoy is seeking funding from the CWSRF for the Planning, Design and Construction for the rehabilitation of a dual train activated sludge treatment plant, including new head works, two aeration basins, two clarifiers and one chlorine contact chamber. The existing stabilization unit will be cleared and converted to a sludge digester, a new sludge drying facility will be constructed, and construction of other plant improvements as needed.

Sienna Plantation MUD # 1
Regional Wastewater Improvements
Project # 73766

Commitment Amount	\$25,010,000	Closing Date	05/29/2018
Commitment Code(s)	L1000775	Map Location	31

Project Need: Several municipal utility districts (MUD) near Missouri City are currently served by a collection of temporary package wastewater treatment plants (WWTP) which already have or will soon exceed their design lives. The service areas for these MUDs have been experiencing significant development, and the need for a more permanent solution has been realized.

Project Description: The District is requesting financial assistance for the design and construction of a new regional WWTP in the south service area and constructing a new regional lift station to divert flows to the City of Missouri City regional WWTP for the north service area. The new regional WWTP will utilize MBR technology treating the effluent to a Type I reuse standard. Additionally, the project includes the construction of a storage and pressurization system for the reclaimed water.

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Stephenville
Eastside Sewer Project
Project # 73744

Commitment Amount	\$17,030,000	Closing Date	07/10/2018
Commitment Code(s)	L1000715	Map Location	32

Project Need: Current sanitary sewer collection system on eastern side of the City is undersized for handling flows from the City's Business Park area and Tarleton State University. The City has had documented sewer overflows and currently has a Sanitary Sewer Overflow Initiative Agreement with TCEQ.

Project Description: The project's first phase would construct a lift station at the wastewater treatment plant (WWTP), a sewer trunk line from the WWTP to a load transfer point that would transfer approximately 30% of existing City's flows, new segments of collector lines along the eastside of the City, and a non-potable reuse line for irrigation service and process water for potential commercial and industrial use. A second phase would extend an additional trunk line from the WWTP toward the City airport. The third phase would extend a trunk line along the U.S. Highway 281 corridor. First phase will be structured as a base bid, with other phases being alternate bids to be completed if construction costs allow. The project includes funding for easement acquisition.

Valley MUD # 2
Wastewater Collection Rehabilitation Project
Project # 73793

Commitment Amount	\$3,730,000	Closing Date	06/27/2018
Commitment Code(s)	L1000702	Map Location	33

Need: The existing wastewater collection system, originally installed in the 1970s, has shifted over time, altering the original designed slope and resulting in flat, shallow, or reverse grades that do not meet TCEQ minimum slop requirements. This causes system backups, low-velocity flow rates, and high rates of inflow and infiltration during rainfall events, which have led, in some cases, to peak flows that are over 100% higher than daily averages. As a result, the repair and treatment costs increase due to the additional load on the collection and treatment systems.

Description: The project will replace approximately 20,000 linear feet of deteriorated collection system lines and rehabilitate approximately 64 manholes.

Vinton
New Centralized WW Collection System
Project # 73704

Commitment Amount	\$16,731,454	Closing Date	10/17/2017
Commitment Code(s)	L1000589, LF1000664	Map Location	34

Need: The Village depends on septic systems for their wastewater treatment and disposal. These systems are dilapidated and failing resulting in health and safety enforcement actions by the appropriate agencies.

Project Description: The Village requires financial assistance to plan and design a new centralized wastewater collection system. The project consists of planning, acquisition, design, and construction of a new centralized wastewater collection system, including lift stations and force main connection to a proposed El Paso Water Utilities regional wastewater conveyance facility.

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Wimberley
Downtown Wastewater System
Project # 73653

Commitment Amount	\$5,498,005	Closing Date	10/26/2017
Commitment Code(s)	L1000394, LF1000502	Map Location	35

Need: Recently, elevated E. coli and fecal coliform bacteria levels have been detected in the City of Wimberley (City)'s local waterways, particularly Cypress Creek, which winds through the City's central business district. The source of the pollutants is believed to be failing septic systems on certain business properties which line the creek. Most residences and businesses in the City, on the east side of Cypress Creek, rely on private septic systems for wastewater service; many of the systems are deteriorating and pose a threat to surface and ground water quality in the subject area.

Project Description: The City seeks CWSRF funding to plan and design a collection system in their problematic service area to mitigate the threat posed to water quality. The City also requests CWSRF funding to plan and design an upgrade and expansion of the existing waste water treatment plant (WWTP) from a 15,000 GPD plant to 75,000 GPD plant to provide wastewater service to approximately 170 properties in the adjacent central Wimberley area. The City intends to beneficially reuse the WWTP's Type I effluent to irrigate the park site and other irrigation sites, therefore, minimizing the need for discharges into a local stream.

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Project Funding Considered "Equivalency" - SFY 2018					
Recipient	Project ID	Commitment #	Amount	Commitment Date	Closing Date
Abilene	73769	L1000671	\$ 18,370,000	12/07/2017	N/A
Acton MUD	73745	L1000727	8,210,000	03/01/2018	05/15/2018
Alamo	73738	LF1000735	1,165,500	04/05/2018	10/04/2018
Alamo	73738	L1000694	10,335,000	04/05/2018	10/04/2018
Arlington	73788	L1000728	4,650,000	02/15/2018	05/17/2018
Arlington	73788	LF1000729	806,300	02/15/2018	05/17/2018
Beechwood WSC	73803	LF1000871	297,000	09/06/2018	N/A
Blanco	73763	L1000883	2,550,000	10/30/2018	N/A
Brookshire MWD	73797	LF1000786	490,000	04/16/2018	07/25/2018
Cisco	73773	LF1000718	4,322,700	03/21/2018	06/27/2018
Cisco	73773	L1000717	1,550,000	03/21/2018	06/27/2018
Del Rio	73785	L1000687	2,000,000	02/15/2018	N/A
Del Rio	73786	L1000689	10,000,000	02/15/2018	N/A
Dublin	73799	L1000795	2,900,000	09/20/2018	N/A
Eules	73771	L1000737	2,785,000	03/01/2018	04/12/2018
Eules	73771	LF1000738	473,300	03/01/2018	04/12/2018
Falfurrias	73800	L1000801	415,000	07/26/2018	N/A
Gatesville	73776	L1000691	10,000,000	09/20/2018	N/A
Greater Texoma UA	73775	L1000682	2,300,000	12/07/2017	03/27/2018
Harris Co MUD # 50	73706	L1000802	2,770,000	08/14/2018	12/07/2018
Houston	73774	L1000776	64,685,000	04/16/2018	N/A
Hurst	73784	LF1000731	235,800	02/15/2018	06/07/2018
Hurst	73784	L1000730	1,360,000	02/15/2018	06/07/2018
Ingleside	73782	L1000699	22,000,000	08/14/2018	N/A
Kerr County	10366	L1000681	4,330,000	06/21/2018	N/A
Kerr County	10366	LF1000748	10,096,400	06/21/2018	N/A
Laguna Madre WD	73730	L1000879	5,425,000	09/20/2018	N/A
Llano	73779	L1000685	3,390,000	01/11/2018	06/20/2018
Llano	73780	L1000686	630,000	01/22/2018	06/20/2018
Llano	73780	LF1000734	108,000	01/22/2018	06/20/2018
McAllen	73633	L1000747	7,000,000	07/26/2018	11/06/2018
North Fort Bend WA	73781	LF1000760	351,800	05/03/2018	08/23/2018
North Fort Bend WA	73781	L1000739	2,070,000	05/03/2018	08/23/2018
Orange Co DD	73802	LF1000818	500,000	07/09/2018	10/30/2018
San Juan	73796	L1000749	1,270,000	05/03/2018	08/23/2018
San Marcos	73783	LF1000779	1,274,900	06/11/2018	10/30/2018
San Marcos	73783	L1000688	1,935,000	06/11/2018	10/30/2018
Stephenville	73744	L1000715	17,030,000	03/21/2018	07/10/2018
Sunbelt FWSD	73787	L1000753	8,265,000	03/21/2018	09/27/2018
Terrell	73807	L1000882	24,550,000	10/30/2018	N/A
Valley MUD # 2	73793	L1000702	3,730,000	03/21/2018	06/27/2018
Totals	41		\$ 266,626,700		

"Equivalency" funding as defined in the SFY 2018 Intended Use Plan.

Amount of Grant (2017 Appropriations): \$ 60,598,000
Percentage: 440%

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CWSRF Project Starts					
Entity	Commitment #	Project #	Closing Date	Completion Date	Net Amount
Arlington	L1000576	73752	05/02/2017	01/16/2018	\$ 5,601,861
Blanco	L1000632	73763	10/24/2017	12/11/2017	3,150,000
Breckenridge	LF1000092	73647	04/11/2013	03/01/2018	353,461
Houston	L1000508	73719	02/15/2017	01/17/2018	65,750,000
Jefferson	L1000526	73729	07/25/2016	05/29/2018	1,630,000
Kerr County	G120007	10366	09/25/2012	09/01/2017	1,290,000
Kerr County	L1000484	10366	06/21/2016	09/01/2017	5,110,000
Kerr County	L120022	10366	09/25/2012	09/01/2017	570,000
Kerr County	LF1000495	10366	06/21/2016	09/01/2017	11,700,273
Kirbyville	L1000332	73693	02/26/2015	06/18/2018	1,370,000
Kirbyville	LF1000333	73693	02/26/2015	06/18/2018	1,342,466
Los Fresnos	L070108	72160	04/29/2009	03/01/2018	4,975,000
Memorial Point UD	L1000533	73728	08/25/2016	09/05/2017	2,045,000
River Oaks	L1000575	73749	05/04/2017	04/27/2018	7,000,000
San Antonio RA	L1000621	73760	11/13/2017	12/21/2017	9,500,000
San Juan	L1000620	10441	09/26/2017	12/19/2017	2,285,000
Sienna Plantation MUD # 1	L1000775	73766	05/29/2018	06/25/2018	25,010,000
Wimberley	L1000152	73653	09/20/2013	02/26/2018	650,000
Wimberley	L1000394	73653	10/26/2017	02/26/2018	5,255,000
Wimberley	LF1000502	73653	10/26/2017	02/26/2018	243,005
Totals		14	unique projects		\$ 154,831,066

CWSRF Project Completions					
Entity	Commitment #	Project #	Closing Date	Completion Date	Net Amount
Center	L110070	73623	04/26/2012	03/23/2018	\$ 2,070,000
Comanche	L1000170	73661	11/21/2013	03/27/2018	755,000
Comanche	LF1000171	73661	11/21/2013	03/27/2018	316,500
Fort Bend Co FWSD # 1	L100027	71742	03/30/2010	02/23/2018	5,285,000
Keller	L110057	73608	02/16/2012	12/21/2017	5,835,000
Roscoe	L1000205	73666	12/19/2013	10/24/2017	1,040,000
Totals		5	unique projects		\$ 15,301,500

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Clean Water Benefits Reporting (CBR) Summaries

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CW Benefits Summary Loan List for Texas

System Number	Recipient	Tracking Number	Assistance Amount	Initial Agreement
TX0105163	Acton MUD	73745 - L1000727	8,210,000	5/15/2018
TX0022489	Alba	73795 - L1000782	990,000	8/1/2018
TX0123293	Amarillo	73663 - L1000693	12,500,000	7/19/2018
TX0056154	Angelina Neches RA	73677 - L1000622	1,400,000	9/8/2017
TXS000301	Arlington	73788 - L1000728	5,456,300	5/17/2018
TX0068497	Blanco	73763 - L1000632	3,150,000	10/24/2017
TX0025046	Brookshire MWD	73797 - LF1000786	490,000	7/25/2018
TX0129364	Castroville	73707 - L1000613	1,500,000	9/21/2017
TX0053716	Cisco	73773 - L1000717	5,872,700	6/27/2018
TX 5E+07	Cypress Creek UD	73770 - L1000680	2,970,000	5/16/2018
TX0047848	Dallas	73757 - LM17067	22,000,000	5/14/2018
TX0024007	Eastland	73755 - L1000619, LF1000647	7,599,660	10/5/2017
TX0047261	Ennis	73765 - L1000641	4,500,000	7/18/2018
TXR040211	Eules	73771 - L1000737, LF1000738	3,258,300	4/12/2018
TX0129402	Farmersville	73761 - L1000631	5,845,000	9/21/2017
TX 5E+07	Farwell	73768 - L1000758	1,500,000	7/18/2018
TX0002089	Gladewater	73762 - L1000636	3,900,000	9/29/2017
TX 4E+07	Greater Texoma UA	73758 - L1000617	480,000	9/19/2017
TX 5E+07	Greater Texoma UA	73775 - L1000682	2,300,000	3/27/2018
TX0101460	Houston	73742 - L1000603	64,680,000	4/11/2018
TXR040039	Hurst	73784 - L1000730	1,595,800	6/7/2018
TX0135968	Llano	73779 - L1000685	3,390,000	6/20/2018
TX0135968	Llano	73780 - L1000686	738,000	6/20/2018
TX 5E+07	North Fort Bend WA	73781 - L1000739	2,421,800	8/23/2018
TX0022331	Quinlan	73759 - L1000618	1,675,000	9/19/2017
TX0053074	San Antonio RA	73760 - L1000621	9,500,000	11/13/2017
TX0091715	San Jacinto RA	73764 - L1000635	42,895,000	11/7/2017
TXR040167	San Juan	10441 - L1000620	2,285,000	9/26/2017
TXR040167	San Juan	73796 - L1000749	1,270,000	8/23/2018
TX0023299	Savoy	73767 - L1000669	2,755,000	3/22/2018
TX0115185	Sienna Plantation MUD # 1	73766 - L1000775	25,010,000	5/29/2018
TX0024228	Stephenville	73744 - L1000715	17,030,000	7/10/2018
TXR040537	Valley MUD # 2	73793 - L1000702	3,730,000	6/27/2018
TXR040615	Vinton	73704 - L1000589, LF1000664	16,731,454	10/17/2017
TX0135445	Wimberley	73653 - L1000394, LF1000502	5,498,005	10/26/2017
All Dates from 9/1/2017 thru 8/31/2018		Total for all 35 Loans	295,127,019	

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Texas CW Benefits Summary Report for Projects with Water Uses Reported

	Loans		Projects			Borrowers		
	Assistance Dollars (millions)	Loan Count	Assistance Dollars (millions)	Subsidy Dollars (millions)	Project Count	Facility Population (millions)	Facility Flow (MGD)	Borrower Count
Total Records	295.1	35	295.1		35	4.7	0	32
Records with Benefits Data	218.0	19	218.0	166.9	19	4.0	0	19
Impacting Human Health	129.2	11	129.2	102.2	11	2.3	0	11
	59%	58%	59%		58%	17,802	People Served per \$million	58%
With Impaired Waterbody			76.7	50.1	7	0.2	0	7
			35%		37%	2,477	People Served per \$million	37%
With Waterbody Meeting Standards			13.5	9.7	2			
To Improve Water Quality			41.9	24.6	8			
To Maintain Water Quality			42.9	30.2	1			
To Achieve Compliance			58.5	39.9	9			
To Maintain Compliance			50.4	36.5	3			

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**Texas Program Performance Measures for CW Benefits
All Primary and Secondary Uses**

	Number of Projects	Assistance Dollars (Millions)	Measure (Projects per Million \$)
Waterbodies Protected			
Protected and Restored	3	98.1	0.031
Protected but Not Restored	14	151.8	0.092
All Protected	17	249.9	0.068
Waterbodies Restored			
Restored and Protected	2	81.4	0.025
Restored but Not Protected	7	13.3	0.525
All Restored	9	94.7	0.095

All Dates from 9/1/2017 thru 8/31/2018

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Reported Needs Categories for Texas

Needs Category	Number of Projects	Total Amount	
CWT - Advanced Treatment	12	39,787,081	13.5%
CWT - Infiltration/Inflow	9	23,532,930	8.0%
CWT - New Collector Sewers	5	15,516,783	5.3%
CWT - New Interceptors	3	25,586,088	8.7%
CWT - Secondary Treatment	9	62,996,110	21.3%
CWT - Sewer System Rehabilitation	14	117,045,056	39.7%
Other - Planning and Assessments	3	260,258	0.1%
Water Conservation - Water Reuse	5	10,402,713	3.5%
All Dates from 9/1/2017 thru 8/31/2018		295,127,019	

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Special Appropriations Act Program

The Special Appropriations Act Program (SAAP) provides funding for water and wastewater projects. Financial Assistance funds are distributed directly to the recipients by the EPA with construction management and program oversight being performed by the TWDB. The TWDB receives 3% of the project's total costs to monitor construction and provide construction/administration assistance for the Texas projects.

The TWDB has assisted the EPA with 37 projects under this program. A few of the SAAP projects have received additional funding from TWDB Financial Assistance Programs. As of August 31, 2018, 34 projects have been completed.

The TWDB's duties include; attendance and participation in pre-construction conferences; comparing completion percentages and milestones with the approved project schedule; conducting interim inspections; reviewing bid documents, change orders and reimbursement requests; and providing recommendations and construction progress reports to EPA Region 6.

Below is a list of the current Texas SAAP projects:

Project Name	Project #	Estimated Completion Date
Fort Bend Co FWSD 1 CWSRF-GR-SAAP	21524	01/19/2021
Joshua Mountain Valley/Village Creek Drainage Improvements	80036	03/17/2020
Temple SAAP Little Elm Trunk Sewer	80035	03/01/2019

Attachment A: Briefing on a pilot initiative to
offer assistance to smaller water and
wastewater systems

Texas Water Development Board

P.O. Box 13231, 1700 N. Congress Ave.
Austin, TX 78711-3231, www.twdb.texas.gov
Phone (512) 463-7847, Fax (512) 475-2053

TO: Board Members

THROUGH: Jeff Walker, Executive Administrator
Jessica Zuba, Deputy Executive Administrator
Todd Chenoweth, General Counsel
Rebecca Trevino, Chief Financial Officer
David Carter, Director, Support Services & Contract Administration

FROM: Mark Wyatt, Director, Program Administration & Reporting

DATE: June 14, 2017

SUBJECT: Briefing on a pilot initiative to offer assistance to smaller water and wastewater systems.

ACTION REQUESTED

Briefing on a pilot initiative to offer assistance to smaller water and wastewater systems.

BACKGROUND

Under a pilot initiative, the Texas Water Development Board (TWDB) proposes to assist smaller water and wastewater utilities by providing funding for the entity to create a comprehensive plan for managing their systems in a financially and technically sustainable manner. To develop the program, the agency will solicit qualified contractors to evaluate smaller systems and create asset management plans, along with other management tools, in accordance with the guidelines created by the Texas Commission on Environmental Quality's (TCEQ) Small Business and Governmental Assistance Section. The asset management plans that the TWDB-procured contractors develop are intended to become the planning basis for system sustainability by identifying replacement dates and estimated costs, developing best practices for operation and maintenance, and developing associated financial plans for obtaining funding for future needs.

The water and wastewater systems selected for this pilot initiative will receive the following tangible assistance:

- a. Asset Management Plans
- b. Sustainability Plan
- c. System Operations and Maintenance Manual
- d. Training for system management and staff

Our Mission : Board Members

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas : Bech Bruun, Chairman | Kathleen Jackson, Board Member | Peter Lake, Board Member
: Jeff Walker, Executive Administrator

- e. Compliance Manuals
- f. Installation of all tools that were developed on the entity's computer system

SUMMARY OF PROPOSED PROGRAM

Funding - Administrative Costs

The Executive Administrator is recommending a total of \$450,000 be made available for the pilot initiative. The funds to cover the contracted services for these smaller systems would come from origination fees from the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF). The services offered are considered administrative costs of the respective programs. The benefit to wastewater systems would be covered through CWSRF origination fees while projects that benefit water systems would be covered through DWSRF origination fees. (For systems providing both water and wastewater, each program would cover 50 percent of the costs.) The Chief Financial Officer has verified that the funds are available for this initiative.

- a. The TWDB funding will not exceed more than \$75,000 per project for systems that have not had an inventory of assets conducted within the previous five years, nor exceed \$50,000 per project for systems that have had an inventory of assets conducted within the previous five years. The maximum amounts were established based on consultation with TCEQ's Small Business and Governmental Assistance Section. The total TWDB expenditures for this initiative will not exceed \$450,000, which is based on \$75,000 for six projects. The total amount TWDB pays under this initiative could be less if one or more of the systems already had an acceptable inventory of assets or the size of the system warrants a lower amount.
- b. Match - There is no match requirement for the program; however, the system will be required to contribute 80 hours of staff time to participate in the development of the plan. (TWDB may reduce or waive the contribution requirement if the TWDB determines it would constitute a serious hardship on the operations of a system with only a few or no full-time staff.)

System Eligibility

Eligible systems are defined for the purpose of this program as (a) having 5,000 service connections or less or (b) an entity that has a population equal to or less than 10,000 and one that is not located within the boundaries of any municipality with a population over 10,000 or its extra-territorial jurisdiction.

Selection of Contractors

The TWDB may select multiple contractors according to qualifications that are specified in the Request for Qualifications (RFQ). The procurement process will follow all applicable procurement laws and requirements.

Selection of Systems to Receive Assistance:

For the pilot phase, the TWDB will request recommendations from TCEQ of potential candidates in each of the six project implementation team regions that would benefit from

this assistance. As part of the request, TCEQ will include candidates that are in full compliance with TCEQ regulations. If the program proceeds in the future, TWDB anticipates developing an application process.

- a. WSI-Program Administration staff will score the water and wastewater systems using the following prioritization criteria.
 - Size - number of service connections for the system; with smaller systems receiving more points.
 - Rural area - whether the systems serves only rural areas. TWDB will use the U.S. Census definition of an urban area to establish rural areas. All areas not in an urban area (urbanized areas and urban clusters) will be considered rural.
 - Income of the service area - Annual Median Household Income; with systems serving residents with lower incomes receiving more points
 - Operations - Texas Commission on Environmental Quality (TCEQ) violations; awarding points only if the small system has had no TCEQ violations in the previous three years as of the date of that application being submitted to the TWDB.
- b. TWDB will rank systems and then select the highest scoring system in each of the six Regional Water Project Development team regions with the following provision: once the TWDB has selected three water or wastewater systems, the remaining selections must be from the other system-type. For example, once three water applications have been selected, any remaining applications to be selected must be wastewater systems. This process is to ensure that a mixture of both water and wastewater systems are selected for the pilot phase.
- c. The selected small systems in each of the six regions will make their own selection from the TWDB pre-qualified contractor list, in rank order based on the number of service connections, with the system with fewest number of service connections selecting first. Depending on the number of pre-qualified contractors and the number of systems that select a particular contractor, TWDB may, in its discretion, limit the total number of projects per contractor.

Scope of Work to be Performed by Contractors for Selected Systems

The work must meet the following requirements:

- a. Asset Management
 - Conduct a system evaluation (asset identification, location, and date of service or approximate age), as needed, resulting in an inventory of the system and prioritization of assets,
 - develop a comprehensive plan for managing system assets,
 - develop a budget for managing system assets,
 - develop an implementation plan, including a time schedule, for implementing and updating the asset management plan, and
 - determine whether a rate study is necessary.

The resulting asset management plan must fulfill the general requirements of a Fiscal Sustainability Plan as outlined in the Federal Water Pollution Control Act.

Further, in the section of the asset management plan that discusses funding sources, it must identify current TWDB financial assistance programs, including the CWSRF and DWSRF programs as applicable, that may be utilized to meet the system's needs. The asset management plan must include an analysis of whether current utility rates would provide adequate revenue to meet future system needs but it does not have to include a full rate study that establishes a new rate structure.

- b. For Water Systems: Source Assessment and Planning - Identify the utility's drinking water source, develop any appropriate best management practices for sustaining the source (at a minimum develop or update the system's conservation and drought contingency plans), and, if needed, identify options for alternative sources. It will discuss plans for water conservation and detecting and minimizing water loss.

For Wastewater Systems: Sustainable Systems - Create a plan to manage the system more efficiently by conducting an energy assessment of the system and including recommendations for energy-efficiency improvements, and potential public-participation programs.

- c. Operations and Maintenance - Create an operations and maintenance manual for the utility that includes a plan for scheduling and performing preventative and general maintenance. The plan may identify other resources available to the system such as TCEQ's financial, managerial, and technical assistance.
- d. Compliance - Train the utility's management and staff on monitoring, reporting, and record-keeping requirements, the TCEQ's investigation and enforcement process (including an enforcement scenario), and develop a compliance manual that includes copies of all required reports, compliance checklists and tables for keeping track of State and/or Federal requirements. The compliance manual may be incorporated into the Operations and Maintenance manual.
- e. Other Requirements - As part of the project, all tools that are developed, such as spreadsheets and manuals, shall be nonproprietary and will be installed on the system's computer system and key staff members will be trained sufficiently to implement the plan. The TWDB-procured contractor must coordinate development activities, including the training of key system staff members, with the utility's management. The utility's management and the TWDB must be kept informed quarterly of the status of the project while it is under development and be provided an opportunity to provide ample input on the development of plans.

The project activities conducted by the TWDB-procured contractor must include at least one presentation to the system's governing body or owner that provides an overview of the

developed plans, the benefits to the system of implementing the plans, and any recommendations.

The TWDB-procured contractor must return to the system between 12 months and 18 months after delivery of the final plans to assess the system's implementation progress and provide TWDB and the system's governing body or owner a written analysis of the system's implementation of the plans.

Proposed Timeline

TWDB staff is planning to issue a RFQ for contractors as soon as possible.

Incentives

The TWDB is considering proposing in future CWSRF and DWSRF Intended Use Plans an increase in the percentage weight that asset management will have in the prioritization scoring. This will increase their overall ranking in the CWSRF and DWSRF programs and therefore, if eligible for any principal forgiveness funding option, it could increase the probability of receiving the subsidy.

Measuring Long-term Success

TWDB will assess the long-term benefits of this assistance through:

- TWDB Site visits - The TWDB's Regional Water Project Development team associated with the entity will perform at least one site visit to confirm that the entity has continued to maintain and use the plans. The TWDB's Outreach team may assist as warranted in conducting the site visits. This will be the best indicator of the success of the initiative. The TWDB site visits could be coordinated to coincide with the contractor's visit or be conducted separately.
- TWDB Survey form - the system can provide feedback on the benefits of the developed plans. This feedback will assist TWDB in refining the initiative.
- TCEQ Small Business and Local Government Assistance staff can visit the site to offer assistance and assess the services provided, if invited by the system. The TCEQ staff would be encouraged to share the information and make suggestions to the TWDB.
- Another measure of success is the system submitting a request for financial assistance from one of the TWDB's programs, including the CWSRF or DWSRF, based on the forecasted needs included in the asset management plan.

RECOMMENDATION

The Executive Administrator requests feedback on the proposed pilot program to assist smaller water and wastewater systems. The Executive Administrator proposes to modify the proposal as necessary with respect to the Board's comments and publish an RFQ for

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qualified contractors. The results of the RFQ will be presented to the Board at a later date for approval to execute the contracts.

Attachment: 1.) Prioritization Criteria for Selection of Systems to Receive Assistance

Prioritization Criteria for Selection of Systems to Receive Assistance

Prioritization Criteria

TWDB will use the following prioritization criteria to establish the score.

Size - Number of Service Connections for System	Points
Number of Service Connections less than or equal to 500	5
Number of Service Connections is greater than 500 but not more than 1,000	4
Number of Service Connections is greater than 1,000 but not more than 2,000	3
Number of Service Connections is greater than 2,000 but not more than 3,000	2
Number of Service Connections is greater than 3,000 but not more than 4,000	1
Number of Service Connections is greater than 4,000	0

Rural area - provides service only to rural areas	Points
The system serves only rural areas. (TWDB will use the U.S. Census definition of an urban area to establish rural areas. All areas not in an urban area, whether urbanized areas or urban clusters, will be considered rural.)	4

Income - Annual Median Household Income (AMHI) of the service area compared to the State of Texas AMHI	Points
Service Area AMHI is less than or equal to 63% of State AMHI	4
Service Area AMHI is greater than 63% but not more than 75% of State AMHI	3
Service Area AMHI is greater than 75% but not more than 90% of State AMHI	2
Service Area AMHI is greater than 90% but not more than 117% of State AMHI	1
Service Area AMHI is greater than 117% of State AMHI	0

Operations - Texas Commission on Environmental Quality (TCEQ) violations	Points
System has had no TCEQ violations in the previous 36 months as of the date the TWDB considers the system.	2

Maximum of 15 points

Tiebreaker - (1 point) - the system with the fewest number of service connections

Attachment B: SFY 2018 Annual Financial
Report – CWSRF Financial Statements

Texas Water Development Board

**CLEAN WATER
STATE REVOLVING FUND**

Annual Financial Report

For the Year Ended
August 31, 2018

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General Purpose Financial Statements:

- Exhibit I – Combined Statement of Net Position
- Exhibit II – Combined Statement of Revenues, Expenses, and Changes in Net Position
- Exhibit III – Combined Statement of Cash Flows

Notes to the Financial Statements

Combining Statements:

- Exhibit F-1 – Combining Statement of Net Position
- Exhibit F-2 – Combining Statement of Revenues, Expenses, and Changes in Net Position

Schedule 1 – Loans and Contracts

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Clean Water State Revolving Fund
 Exhibit I - Combined Statement of Net Position - Proprietary Funds
 August 31, 2018

	<u>Total Enterprise Funds (Exhibit F-1)</u>
ASSETS	
Current Assets:	
Cash and Cash Equivalents:	
Cash in Bank (Note 3)	\$ -
Cash Equivalents	179,467,576.74
Short Term Investments	319,873,401.85
Receivables from:	
Federal	285,226.26
Interest and Dividends	51,762,546.50
Loans and Contracts	179,391,800.00
Total Current Assets	<u>730,780,551.35</u>
Non-Current Assets:	
Loans and Contracts	2,416,569,530.00
Total Non-Current Assets	<u>2,416,569,530.00</u>
Total Assets	<u>3,147,350,081.35</u>
LIABILITIES	
Current Liabilities:	
Payables from:	
Accounts Payable	6,256.35
Interest Payable	3,797,604.17
Interfund Payables	13,879,191.77
Due to Other Funds	285,226.26
Revenue Bonds Payable	6,924,516.89
Total Current Liabilities	<u>24,892,795.44</u>
Non-Current Liabilities:	
Interfund Payables	115,163,516.12
Revenue Bonds Payable	252,641,304.02
Total Non-Current Liabilities	<u>367,804,820.14</u>
Total Liabilities	<u>392,697,615.58</u>
NET POSITION	
Restricted for:	
Other	2,754,652,465.77
Total Net Position	<u><u>\$ 2,754,652,465.77</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

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Clean Water State Revolving Funds
Exhibit II - Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position - Proprietary Funds
 For the Fiscal Year Ended August 31, 2018

	<u>Total Enterprise Funds (Exhibit F-2)</u>
OPERATING REVENUES:	
Interest and Investment Income	\$ 58,030,250.87
Net Increase (Decrease) Fair Market Value	14,010.54
Other Operating Revenue	4,925,405.00
Total Operating Revenues	<u>62,969,666.41</u>
OPERATING EXPENSES:	
Salaries and Wages	2,784,395.35
Payroll Related Costs	491,566.51
Professional Fees and Services	1,411,961.56
Travel	32,304.07
Materials and Supplies	1,715.44
Communication and Utilities	14,194.45
Repairs and Maintenance	219.58
Rentals and Leases	28,916.20
Printing and Reproduction	12,921.78
Interest	8,597,336.86
Other Operating Expenses	3,206.33
Total Operating Expenses	<u>13,378,738.13</u>
Operating Income (Loss)	<u>49,590,928.28</u>
NONOPERATING REVENUE (EXPENSES):	
Federal Revenue	59,564,289.24
Other Benefit Payments	(490,000.00)
Other Nonoperating Revenue (Expenses)	(19,022,019.00)
Total Nonoperating Revenue (Expenses)	<u>40,052,270.24</u>
Income/(Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers	<u>89,643,198.52</u>
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:	
Transfers In	-
Total Other Revenue, Expenses, Gain/Losses and Transfers	-
Change in Net Position	<u>89,643,198.52</u>
Total Net Position - Beginning	2,665,009,267.25
Total Net Position, August 31, 2018	<u><u>\$ 2,754,652,465.77</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

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Clean Water State Revolving Fund
Exhibit III - Combining Statement of Cash Flows - Proprietary Funds
 For the Fiscal Year Ended August 31, 2018

	Total Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to Suppliers for Goods and Services	(181,847.84)
Payments to Employees	(3,017,137.37)
Net Cash Provided by Operating Activities	(3,198,985.21)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from Debt Issuance	272,620,042.64
Proceeds from Transfers from Other Funds	1,686,421,459.70
Proceeds from Grant Receipts	59,279,062.98
Payments of Principal on Debt Issuance	(179,993,337.70)
Payments of Interest	(17,648,115.84)
Payments of Other Costs of Debt Issuance	(520,793.15)
Payments for Transfers to Other Funds	(1,686,421,459.70)
Payments for Grant Disbursements	(19,512,019.00)
Payments for Other Uses	(245.59)
Net Cash Provided by Noncapital Financing Activities	114,224,594.34
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Interest and Investment Income	68,384,052.40
Proceeds from Principal Payments on Non-Program Loans	275,478,800.00
Payments to Acquire Investments	(74,845,758.99)
Payments for Non-program Loans Provided	(275,615,000.00)
Net Cash Provided by Investing Activities	(6,597,906.59)
Net (Decrease) in Cash and Cash Equivalents	104,427,702.54
Cash and Cash Equivalents--September 1, 2017	75,039,874.20
Cash and Cash Equivalents--August 31, 2018	\$ 179,467,576.74

The accompanying notes to the financial statements are an integral part of this statement.

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Clean Water State Revolving Fund

Exhibit III - Combining Statement of Cash Flows - Proprietary Funds (cont.)

For the Fiscal Year Ended August 31, 2018

	<u>Total Enterprise Fund</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ 49,590,928.28
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Amortization and Depreciation	
Bad Debt Expense	
Operating Income and Cash Flow Categories: Classification Differences	
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	5,689,563.18
(Increase) Decrease in Loans & Contracts	136,200.00
Increase (Decrease) in Payables	2,778,818.87
Increase (Decrease) in Deposits	28,203,489.49
Increase (Decrease) in Unearned Revenues	(285,226.26)
Increase (Decrease) in Other Liabilities	(89,312,758.77)
Total Adjustments	<u>(52,789,913.49)</u>
Net Cash Provided by Operating Activities	<u>\$ (3,198,985.21)</u>
Non-Cash Transactions	
Net Increase (Decrease) in Fair Value of Investments	\$ 14,010.54



Notes
to the
Financial
Statements

Notes to the Financial Statements

NOTE 1: Summary of Significant Accounting Policies

Entity

The accompanying financial statements reflect the financial position of the Texas Water Development Board (TWDB). TWDB is an agency of the state of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements of State Agencies and Universities.

The TWDB was created as an agency of the state in 1957, when the voters of the state approved an amendment adding Section 49-c to Article 3 of the Texas Constitution. The TWDB is primarily responsible for administering state and federally funded financing programs for water-related projects, water resource planning, data collection, and studies relative to the surface and ground water resources of Texas.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Proprietary Fund Type

Proprietary funds focus on determining operating income, changes in financial position and cash flows. Generally accepted accounting principles similar to those used by private sector businesses are applied in accounting for these funds. Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. TWDB reports the following enterprise funds.

- State Revolving Funds (Appropriated Fund 9999) – funds held outside the treasury for purposes of the following federally supported programs
 - Clean Water State Revolving Fund (Account 0651)

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Proprietary funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred.

Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Operating expenses for the enterprise funds

Texas Water Development Board (580)

include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Net Position and Fund Balances

When both restricted and unrestricted resources are available for use, restricted resources are used first, then unrestricted resources are used as they are needed.

Assets, Liabilities, and Fund Balances / Net Position**Assets****Cash and Cash Equivalents**

Cash held in the state treasury and any short-term highly liquid investments with an original maturity of three months or less.

Investments

Amounts invested related to programs of the TWDB. Investments are reported at fair value. See Note 3 for more information on investments.

Interest and Dividends Receivable

Accrued interest receivable on loans and contracts as of the balance sheet date is included in the proprietary funds. For the governmental funds, interest due as of the balance sheet date is only accrued if it is expected to be received within the next 60 days.

Notes / Loans and Contracts Receivable

Although collateralized by bonds of the receiving entity, loans made to political subdivisions are presented as Notes/Loans and Contracts Receivable at par. The portion due within the next year is shown separately as a current asset with the remainder as noncurrent. See Schedule 6 for a detailed listing of all outstanding loans and contracts receivable by program.

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements

Liabilities**Accounts Payable**

Accounts payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Bonds Payable – Revenue Bonds

Revenue bonds are generally accounted for in the proprietary funds. The bonds payable are reported at par less unamortized discount or plus unamortized premium. Interest expense is reported on the accrual basis, with amortization of discount or premium. Bonds Payable are reported separately as either current – the amount due within the next year – or noncurrent in the statement of net position.

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Fund Balance / Net Position

"Fund balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary, and fiduciary fund statements.

Fund Balance Components

Fund balances for proprietary funds are classified as restricted in the fund financial statements.

- Restricted fund balance includes those resources that have constraints placed on their use through external parties — such as creditors, grantors, contributors, laws or regulations of other governments — or by law through constitutional provisions or enabling legislation.

Net Position Components

The potential categories for net position include

- Restricted net position – restricted assets reduced by liabilities and deferred inflows or resources related to those assets. Assets are restricted when constraints placed on net resources are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Interfund Activities and Balances

The agency has the following types of transactions among funds:

- (1) Transfers: Legally required transfers that are reported when incurred as 'Transfers In' by the recipient fund and as 'Transfers Out' by the disbursing fund.
- (2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.
- (3) Interfund receivables and payables: Interfund loans are reported as Interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current".

See Note 4 for details of the TWDB's interfund activity and transactions.

Texas Water Development Board (580)

Statement of Cash Flows

Cash Flows from Investing ActivitiesNon-program Loans

The loans that the TWDB makes to entities such as cities, counties, and other political subdivisions do not meet the criteria for inclusion as Cash Flows from Operating Activities on the Statement of Cash Flows. The loans made by the TWDB are referred to on the Statement of Cash Flows as "non-program" loans to distinguish them from loans made to individuals, and their cash flows are included as Cash Flows from Investing Activities.

Classification Differences

Although the primary operation of the TWDB's enterprise funds is the borrowing and lending of money for water related projects, the major components of the Operating Income or Loss on the Statement of Revenues, Expenses, and Changes in Fund Net Position are classified on the Statement of Cash Flows as either Cash Flows from Investing Activities (Interest and Investment Income) or Cash Flows from Noncapital Financing Activities (Interest Expense).

NOTE 2: Deposits, Investments and Repurchase Agreements

The agency is authorized by statute to make investments, and does so in accordance with Chapter 365 of the Texas Water Development Board rules. There were no violations of legal provisions during the period.

Investments

As of August 31, 2018, the fair value of investments is as presented below.

Government and Business-Type Activities	Fair Value Hierarchy			Total
	Level 1	Level 2	Level 3	
INVESTMENTS AT FAIR VALUE				
Commercial Paper (Texas Treasury Safekeeping Trust Co)	\$ 146,787,759.15	\$ -	\$ -	\$ 146,787,759.15
U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	98,323,102.66			98,323,102.66
Total Investment at Fair Value	\$ 245,110,861.81	\$ -	\$ -	\$ 245,110,861.81
INVESTMENTS AT AMORTIZED COST				
Repurchase Agreement (Texas Treasury Safekeeping Trust Co)				\$ 254,230,116.78
Total Investment at Amortize Cost				\$ 254,230,116.78
Total Investments-Gov't & Business Type				\$ 499,340,978.59

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Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the agency will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The agency will only make payment for and accept delivery of securities on a delivery versus payment basis, and securities are held in the name of the agency. As of August 31, 2018, investments were not exposed to custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As required by the agency's investment policy, investments purchased must be rated as to investment quality by a nationally recognized investment rating firm with a minimum of an 'A' rating. Furthermore, our investment policy requires that repurchase agreements be collateralized by obligations of the U.S. Government or U.S. Government Agencies. As of August 31, 2018, the agency's credit quality distribution of securities and repurchase agreements with credit risk exposure was as follows.

Standard and Poor's

Fund Type	GAAP Fund	Investment Type	Amount	Rating
05	3050	Commercial Paper (Texas Treasury Safekeeping Trust Co)	\$ 146,787,759.15	A1, A1+
05	3050	Repurchase Agreement (Texas Treasury Safekeeping Trust Co)	\$ 254,230,116.78	Not Rated
05	3050	U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	\$ 98,323,102.66	Not Rated

NOTE 3: Long-Term Liabilities

Changes in Long-Term Liabilities

During the year ended August 31, 2018, the following changes occurred in long-term liabilities:

Business-Type Activities	Balance 09-01-17	Additions/(Reductions)	Balance 08-31-18	Amounts Due Within One Year	Amounts Due Thereafter
Notes & Loans Payable (Interfund)	\$132,906,445.59	(\$3,863,737.70)	\$129,042,707.89	\$13,879,191.77	\$115,163,516.12
Revenue Bonds Payable	\$174,116,799.84	\$85,449,021.07	\$259,565,820.91	\$6,924,516.89	\$252,641,304.02
Total Business-Type Activities	\$307,023,245.43	\$81,585,283.37	\$388,608,528.80	\$20,803,708.66	\$367,804,820.14

NOTE 4: Interfund Activity and Transactions

Interfund activity refers to financial interactions between funds and/or blended component units and is restricted to internal events. Interfund transactions refer to financial interactions between TWDB and another agency of the state of Texas.

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Interfund Activity

Interfund transfers represent the flow of assets (cash or goods) without equivalent flow of assets in return or a requirement for repayment. In governmental funds, transfers are reported as other financing uses or sources. Transfers are reported in proprietary funds after nonoperating revenues and expenses in the statement of revenues, expenses and changes in fund net position. Amounts not transferred at fiscal year-end are accrued as due to/due from other funds.

Activities between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are interfund loans. Individual interfund receivables and payables balances as of August 31, 2018, were as follows:

	Interfund Receivables	Interfund Payables	Current	Noncurrent	Purpose
Enterprise (05)	DFUND (FT05) Appd Fund 0371, D23 Fund 0371	CWSRF (FT05) Appd Fund 9999 D23 Fund 0651	\$13,879,191.77	\$115,163,516.12	State Match Loan
Total Interfund Receivable/Payable			\$13,879,191.77	\$ 115,163,516.12	

Interfund Transactions

Federal and State Pass-Throughs are recorded for activity between TWDB and other state agencies related to federal or state grant awards. Amounts not transferred at fiscal year-end are accrued as due to/due from other agencies.

NOTE 5: Contingencies and Commitments

Disclosure of Contingent Liabilities

Federal Costs

As a prime contractor with a federal granting agency, the TWDB is contingently liable to refund any disallowed costs to the granting agency. As of August 31, 2018, there were no disallowed costs.

Outstanding Loan and Grant Commitments

As of August 31, 2018, the TWDB had made commitments to provide political subdivisions and non-profit entities financing from the proceeds remaining from current bond issues, and from the proceeds of future bond issues, from federal draw downs, or from appropriations as follows:

	For Loans	For Grants	Total
Clean Water State Revolving Fund (CWSRF)*	284,170,000.00	13,036,800.00	297,206,800.00
Total Commitments	\$284,170,000.00	\$13,036,800.00	\$297,206,800.00

* DWSRF and CWSRF Grants refer to Loan Forgiveness

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NOTE 6: Bonded Indebtedness

As discussed more fully in the sections that follow, the TWDB is authorized through various statutory and constitutional provisions to issue general obligation and revenue bonds and private activity bonds.

Miscellaneous Bond Information (Amounts in Thousands)							
Description of Issue	Bonds Issued to Date	Date Issued	Range of Interest Rates		Maturities		
					First Year	Last Year	First Call Date
STATE REVOLVING FUND							
W Dev State Revolving Fund Sub Lien Rev Bds Ser '09-A-1	224,975,000	8/18/2009	3.000%	5.000%	2011	2029	07/15/2019
State Revolving Fund Rev Bds New Ser'18	288,395,000	4/26/2018	4.000%	5.000%	2019	2038	08/01/2027

Revenue Bonds

The Texas Constitution and Water Code authorize the TWDB to issue revenue bonds backed by pledged revenue sources and restricted funds. The TWDB had one revenue bond series outstanding at August 31, 2018 in the State Revolving Fund.

The TWDB has authority to sell revenue bonds for the following purposes:

- (1) To finance the construction of water and wastewater projects of political subdivisions and non-profit water supply corporations;
- (2) To provide interim financing to political subdivisions that are also receiving long-term financing from the TWDB;
- (3) To provide the state matching funds for federal grants under the Federal Water Pollution Control and the Safe Drinking Water Acts.

State Revolving Fund

Subchapter J, Chapter 15 and Subchapter I, Chapter 17, Texas Water Code, as amended, authorize the TWDB to issue an unlimited amount of revenue bonds to fund certain eligible projects. TWDB's revenue bonds do not constitute a debt of the State and neither the full faith nor credit, nor the taxing authority of the State is in any manner pledged, given, or loaned for the payment of the revenue bonds. Further, the TWDB's revenue bonds issued pursuant to these provisions are not secured by or payable from money in DFUND II, but are secured by the repayments of political subdivision loans and certain assets in the State Water Pollution Control Revolving Fund and the Safe Drinking Water State Revolving Fund, commonly referred to as the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF), respectively.

In March 2018, the TWDB adopted a new Master Resolution governing the issuance of revenue bonds to augment the CWSRF and DWSRF under a combined security, and pursuant to that

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Texas Water Development Board (580)

Master Resolution, in April 2018 the TWDB issued State Revolving Fund Revenue Bonds, New Series 2018, in a par amount of \$288,395,000 with a premium of \$43,211,959.25. The bonds were issued to finance the acquisition of political subdivision bonds, including state match requirements, and to pay issuance costs of \$635,242.75 and underwriter's discount of \$971,716.50. As of the issuance of the New Series 2018 bonds, there were two distinct Master Resolutions with revenue bonds outstanding pertaining to State Revolving Funds, however the New Series 2018 bonds were the first series of bonds issued by the TWDB providing funds for the DWSRF.

In July 2018 the TWDB used program funds held within the previously adopted Master Resolution to defease the full principal balance of \$153,510,000 of State Revolving Fund Subordinate Lien Revenue Bonds, Series 2009A, after which point that original Master Resolution was closed.

Pledged Future Revenues

Pledged revenues are those specific revenues that are formally committed to directly secure the payment of bond debt service. The table below provides information on pledged revenue and pledged future revenue of the TWDB's revenue bonds.

	CWSRF Revenue Bonds	SRF Revenue Bonds
Pledged Revenue Required for Future Principal and Interest on Existing Bonds	\$0.00	\$450,375,423.62
Term of Commitment Year Ending Aug. 31	N/A	2038
Percentage of Revenue Pledged	100%	100%
Current Year Pledged Revenue	\$203,180,940.06	\$219,866,801.94
Current Year Principal and Interest Paid	\$18,443,487.50	\$0.00

Early Extinguishment of Debt

In fiscal year 2018, the TWDB refunded bonds of four series, and early extinguished bonds of three series, including the complete early extinguishment of \$153,510,000 of one series of callable CWSRF bonds. The source of funds used in extinguishments was primarily unrestricted program funds. A portion of the bonds extinguished (including those extinguished in prior fiscal years) remain in escrow, and the total par value of defeased bonds outstanding as of August 31, 2018, is \$181,880,000.

See Schedule 2F for additional detail on the individual bond series refunded using the net proceeds from the sale, and Schedule 2E for the individual bond series and par value of defeased bonds outstanding.

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NOTE 7: *Loans and Contracts*

The Board purchases bonds from political subdivisions (including private water supply corporations). As of August 31, 2018, the balance of these bonds owned by the Board was \$2,595,961,330. In general, the majority of these bonds pays interest semi-annually and principal annually and allow for early redemption ten years after the original date of issuance. All bonds are secured by either pledged revenue or taxes. Interest rates on the bonds range from 0.00% to 6.00% maturing through the year 2049. It is the opinion of management that all bonds are fully collectible; therefore, no provision for uncollectible amounts is included in these financial statements.

NOTE 8: *Available Federal Funds*

As of August 31, 2018, there was \$1,318,937.02 balance of Federal Funds available through the Automated Standard Application for Payments that remained undrawn for the State Revolving Fund.

NOTE 9: *Status of Available Administrative Funding*

Cost-recovery loan origination and servicing charges are imposed to cover administrative costs of operating the State Revolving Fund, but an interest rate subsidy is offered to offset the charges. Since the implementation of State Revolving Fund cost-recovery charges in October 1995, the Texas Water Development Board has collected \$110,693,452.37 in service charges from SRF loan recipients; \$4,925,405.00 was collected on loans made during the fiscal year ending August 31, 2018. The administrative account had expenses totaling \$25,211.09 in Fiscal Year 2018.

NOTE 10: *State Match Requirement*

As of August 31, 2018, \$381,824,256 had been provided for state match. Also, as of August 31, 2018, the total amount of federal capitalization grants awarded was \$2,188,243,141. The state match required for all capitalization grants awarded as of that date was \$381,824,256 leaving no balance to match future capitalization grants.



Combining Statements

UNAUDITED

Clean Water State Revolving Fund
 Exhibit F-1 - Combining Statement of Net Position - Enterprise Funds
 August 31, 2018

	Clean Water Loan Program	Administration (Federal)	Administration (Fees)	Totals (Exhibit I)
ASSETS				
Current Assets:				
Cash and Cash Equivalents:				
Cash in Bank (Note 3)	\$ -	\$ -	\$ -	\$ -
Cash Equivalents	173,820,484.71	-	5,647,092.03	179,467,576.74
Short Term Investments	255,970,890.13	-	63,902,511.72	319,873,401.85
Receivables from:	-	-	-	-
Federal	-	285,226.26	-	285,226.26
Other Intergovernmental	-	-	-	-
Interest and Dividends	51,748,568.86	-	13,977.64	51,762,546.50
Loans and Contracts	179,391,800.00	-	-	179,391,800.00
Total Current Assets	660,931,743.70	285,226.26	69,563,581.39	730,780,551.35
Non-Current Assets:				
Loans and Contracts	2,416,569,530.00	-	-	2,416,569,530.00
Total Non-Current Assets	2,416,569,530.00	-	-	2,416,569,530.00
Total Assets	3,077,501,273.70	285,226.26	69,563,581.39	3,147,350,081.35
LIABILITIES				
Current Liabilities:				
Payables from:				
Accounts Payable	6,256.35	-	-	6,256.35
Interest Payable	3,797,604.17	-	-	3,797,604.17
Interfund Payables	13,879,191.77	-	-	13,879,191.77
Due to Other Funds	-	285,226.26	-	285,226.26
Revenue Bonds Payable	6,924,516.89	-	-	6,924,516.89
Total Current Liabilities	24,607,569.18	285,226.26	-	24,892,795.44
Non-Current Liabilities:				
Interfund Payables	115,163,516.12	-	-	115,163,516.12
Revenue Bonds Payable	252,641,304.02	-	-	252,641,304.02
Total Non-Current Liabilities	367,804,820.14	-	-	367,804,820.14
Total Liabilities	392,412,389.32	285,226.26	-	392,697,615.58
NET POSITION				
Restricted for:				
Other	2,685,088,884.38	-	69,563,581.39	2,754,652,465.77
Total Net Position	\$ 2,685,088,884.38	\$ -	\$ 69,563,581.39	\$ 2,754,652,465.77

The accompanying notes to the financial statements are an integral part of this statement.

UNAUDITED

Clean Water State Revolving Funds
Exhibit F-2 - Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position - Proprietary Funds
 For the Fiscal Year Ended August 31, 2018

	Clean Water Loan Program	Administration (Federal)	Administration (Fees)	Totals (Exhibit I)
OPERATING REVENUES:				
Interest and Investment Income	\$ 57,123,571.03	\$ -	\$ 906,679.84	\$ 58,030,250.87
Net Increase (Decrease) Fair Market Value	12,217.46	-	1,793.08	14,010.54
Other Operating Revenue	-	-	4,925,405.00	4,925,405.00
Total Operating Revenues	57,135,788.49	-	5,833,877.92	62,969,666.41
OPERATING EXPENSES:				
Salaries and Wages	285,226.26	2,499,169.09	-	2,784,395.35
Payroll Related Costs	-	491,566.51	-	491,566.51
Professional Fees and Services	1,248,831.59	137,849.97	25,280.00	1,411,961.56
Travel	5,902.30	26,401.77	-	32,304.07
Materials and Supplies	-	1,715.44	-	1,715.44
Communication and Utilities	911.36	13,352.00	(68.91)	14,194.45
Repairs and Maintenance	-	219.58	-	219.58
Rentals and Leases	205.35	28,710.85	-	28,916.20
Printing and Reproduction	12,921.78	-	-	12,921.78
Interest	8,597,336.86	-	-	8,597,336.86
Other Operating Expenses	3,206.33	-	-	3,206.33
Total Operating Expenses	10,154,541.83	3,198,985.21	25,211.09	13,378,738.13
Operating Income (Loss)	46,981,246.66	(3,198,985.21)	5,808,666.83	49,590,928.28
NONOPERATING REVENUE (EXPENSES):				
Federal Revenue	56,365,304.03	3,198,985.21	-	59,564,289.24
Other Benefit Payments	(490,000.00)	-	-	(490,000.00)
Other Nonoperating Revenue (Expenses)	(19,022,019.00)	-	-	(19,022,019.00)
Total Nonoperating Revenue (Expenses)	36,853,285.03	3,198,985.21	-	40,052,270.24
Income/(Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers	83,834,531.69	-	5,808,666.83	89,643,198.52
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:				
Transfers In	-	-	-	-
Total Other Revenue, Expenses, Gain/Losses and Transfers	-	-	-	-
Change in Net Position	83,834,531.69	-	5,808,666.83	89,643,198.52
Total Net Position - Beginning	2,601,254,352.69	-	63,754,914.56	2,665,009,267.25
Total Net Position, August 31, 2018	\$ 2,685,088,884.38	\$ -	\$ 69,563,581.39	\$ 2,754,652,465.77

The accompanying notes to the financial statements are an integral part of this statement.

Schedules

UNAUDITED

Texas Water Development Board
 Schedule 1 - Loans and Contracts
 For the Fiscal Year Ended August 31, 2018

Recipient	Original Amount	Outstanding Balance	Due From	Due To
Clean Water State Revolving Fund				
Acton MUD	\$ 550,000.00	\$ 550,000.00	05/01/2019	05/01/2028
Acton MUD	8,210,000.00	8,210,000.00	05/01/2019	05/01/2038
Agua SUD	2,375,000.00	2,245,000.00	08/01/2017	08/01/2044
Agua SUD	8,150,000.00	7,925,000.00	08/01/2018	08/01/2045
Alamo	4,000,000.00	2,140,000.00	03/01/2009	03/01/2027
Alamo	1,000,000.00	955,000.00	03/01/2018	03/01/2037
Alba	990,000.00	990,000.00	08/15/2019	08/15/2048
Aledo	675,000.00	605,000.00	08/15/2013	08/15/2042
Aledo	2,110,000.00	1,855,000.00	08/15/2013	08/15/2042
Aledo	3,345,000.00	2,950,000.00	08/15/2013	08/15/2042
Aledo	1,900,000.00	1,630,000.00	08/15/2013	08/15/2042
Alice	4,257,000.00	3,357,000.00	02/01/2013	02/01/2042
Alice	2,054,000.00	1,622,000.00	02/01/2013	02/01/2042
Alton	500,000.00	490,000.00	08/15/2018	08/15/2047
Alvord	420,000.00	145,000.00	10/01/2005	10/01/2024
Amarillo	8,495,000.00	6,555,000.00	04/01/2014	04/01/2033
Amarillo	12,500,000.00	12,500,000.00	04/01/2019	04/01/2038
Anahuac	11,440,000.00	11,440,000.00	10/15/2018	10/15/2047
Angelina & Neches RA	205,000.00	145,000.00	10/01/2015	10/01/2024
Angelina & Neches RA	1,820,000.00	1,810,000.00	10/01/2017	10/01/2045
Angelina & Neches RA	1,400,000.00	1,400,000.00	10/01/2018	10/01/2047
Anthony	4,000,000.00	3,400,000.00	08/15/2012	08/15/2039
Aqua WSC	54,530.00	33,330.00	04/15/2014	03/15/2024
Aransas Pass	1,115,000.00	475,000.00	02/01/2006	02/01/2025
Arcola	1,380,000.00	1,095,000.00	03/01/2009	03/01/2038
Arlington	13,885,000.00	8,330,000.00	06/01/2011	06/01/2030
Arlington	3,430,000.00	2,730,000.00	06/01/2015	06/01/2034
Arlington	2,080,000.00	1,870,000.00	06/01/2017	06/01/2036
Arlington	4,775,000.00	4,520,000.00	06/01/2018	06/01/2036
Arlington	4,650,000.00	4,650,000.00	06/01/2019	06/01/2037
Austin	31,815,000.00	25,445,000.00	11/15/2012	11/15/2041
Azle	13,595,000.00	9,600,000.00	02/01/2013	02/01/2030
Bacliff MUD	4,890,000.00	1,740,000.00	09/01/2004	09/01/2023
Bacliff MUD	4,890,000.00	2,265,000.00	09/01/2006	09/01/2025
Bedford	630,000.00	450,000.00	02/01/2013	02/01/2032
Bell Co WCID # 2	1,055,000.00	730,000.00	09/01/2010	09/01/2029
Bells	130,000.00	-	02/15/2000	02/15/2018
Blanco	3,150,000.00	3,150,000.00	08/15/2019	08/15/2047
Blossom	275,000.00	20,000.00	01/01/2000	01/01/2019
Bonham	1,675,000.00	655,000.00	02/15/2007	02/15/2026
Bonham	3,800,000.00	3,685,000.00	02/15/2018	02/15/2046
Brady	1,210,000.00	865,000.00	09/01/2015	09/01/2024
Breckenridge	840,000.00	740,000.00	03/15/2015	03/15/2044
Bridgeport	2,365,000.00	530,000.00	08/15/2004	08/15/2023
Brownsboro	700,000.00	250,000.00	08/15/2005	08/15/2024
Bryan	1,270,000.00	145,000.00	07/01/2010	07/01/2019
Bryan	15,685,000.00	12,875,000.00	07/01/2012	07/01/2030
Buffalo Gap	400,000.00	340,000.00	11/15/2012	11/15/2041
Burnet	11,425,000.00	8,660,000.00	02/01/2012	02/01/2040
Burnet	9,900,000.00	8,175,000.00	02/01/2014	02/01/2042
Caddo Mills	4,430,000.00	3,855,000.00	08/15/2014	08/15/2041
Cameron	710,000.00	270,000.00	02/01/2005	02/01/2024
Cameron	1,800,000.00	720,000.00	02/01/2006	02/01/2024
Cameron	860,000.00	640,000.00	03/01/2013	03/01/2032

UNAUDITED

Texas Water Development Board

Schedule 1 - Loans and Contracts

For the Fiscal Year Ended August 31, 2018

Recipient	Original Amount	Outstanding Balance	Due From	Due To
Cameron	12,000,000.00	11,125,000.00	03/01/2017	03/01/2042
Campbell	240,000.00	-	08/15/2000	08/15/2019
Castroville	375,000.00	200,000.00	02/01/2014	02/01/2023
Castroville	3,050,000.00	2,605,000.00	08/01/2016	08/01/2035
Castroville	9,050,000.00	8,200,000.00	08/01/2016	08/01/2045
Castroville	1,500,000.00	1,450,000.00	08/01/2018	08/01/2047
Celina	4,480,000.00	495,000.00	09/01/2009	09/01/2028
Center	2,070,000.00	1,760,000.00	02/15/2014	02/15/2035
Cibolo Creek MA	1,500,000.00	345,000.00	07/10/2003	07/10/2022
Cibolo Creek MA	2,745,000.00	1,895,000.00	07/10/2011	07/10/2031
Cibolo Creek MA	24,440,000.00	19,815,000.00	07/10/2013	07/10/2037
Cisco	475,000.00	295,000.00	02/15/2015	08/15/2024
Cisco	1,550,000.00	1,550,000.00	02/15/2020	02/15/2049
Cleveland	555,000.00	360,000.00	03/01/2010	03/01/2029
Cleveland	2,360,000.00	1,660,000.00	03/01/2012	03/01/2031
Comanche	755,000.00	700,000.00	09/01/2015	09/01/2044
Commerce	2,005,000.00	900,000.00	08/15/2008	08/15/2027
Commerce	3,490,000.00	2,570,000.00	02/15/2011	02/15/2040
Cotulla	3,350,000.00	3,350,000.00	02/01/2020	02/01/2047
Cranfills Gap	605,000.00	165,000.00	09/01/2002	09/01/2021
Cushing	510,000.00	480,000.00	09/01/2015	09/01/2044
Cypress Creek UD	2,970,000.00	2,970,000.00	09/01/2019	09/01/2047
Dallas	22,000,000.00	22,000,000.00	10/01/2019	10/01/2047
Deer Park	5,000,000.00	-	03/01/2004	03/01/2023
Del Rio	5,000,000.00	4,375,000.00	06/01/2013	06/01/2042
DeLeon	2,350,000.00	1,270,000.00	02/15/2010	02/15/2029
Dell City	75,000.00	55,000.00	02/15/2015	02/15/2024
Detroit	925,000.00	145,000.00	07/01/2002	07/01/2020
Eagle Pass	10,110,000.00	535,000.00	12/01/2005	12/01/2024
Eagle Pass	700,000.00	-	12/01/2004	12/01/2023
Early	8,365,000.00	8,215,000.00	02/15/2017	02/15/2046
East Cedar Creek FWSD	1,500,000.00	645,000.00	01/01/2006	01/01/2025
Eastland	975,000.00	630,000.00	02/15/2010	02/15/2029
Eastland	6,765,000.00	6,435,000.00	02/15/2018	02/15/2037
Edcouch	1,055,000.00	925,000.00	01/01/2014	01/01/2042
Edinburg	4,020,000.00	2,540,000.00	03/01/2010	03/01/2029
El Campo	150,000.00	105,000.00	02/01/2016	02/01/2025
El Paso	14,000,000.00	10,935,000.00	03/01/2010	03/01/2029
El Paso	22,000,000.00	17,190,000.00	03/01/2010	03/01/2029
El Paso	2,163,000.00	1,399,000.00	03/01/2012	03/01/2031
Eldorado	1,200,000.00	970,000.00	08/01/2014	08/01/2035
Eldorado	575,000.00	525,000.00	08/01/2017	08/01/2036
Ennis	4,500,000.00	4,500,000.00	02/01/2019	02/01/2038
Eules	2,380,000.00	2,140,000.00	07/15/2017	07/15/2035
Eules	2,785,000.00	2,785,000.00	07/15/2019	07/15/2038
Evadale WCID # 1	1,550,000.00	415,000.00	07/01/2003	07/01/2022
Fairfield	4,415,000.00	1,325,000.00	09/01/2003	09/01/2022
Farmersville	5,845,000.00	5,845,000.00	06/15/2019	06/15/2037
Farwell	1,500,000.00	1,500,000.00	02/15/2019	02/15/2038
Fort Bend Co FWSD # 1	6,935,000.00	3,550,000.00	08/15/2008	08/15/2027
Fort Bend Co FWSD # 1	5,285,000.00	4,405,000.00	08/15/2012	08/15/2039
Fort Worth	33,560,000.00	17,640,000.00	03/01/2009	03/01/2027
Fort Worth	28,000,000.00	17,830,000.00	02/15/2011	02/15/2030
Fort Worth	39,000,000.00	33,495,000.00	02/15/2016	02/15/2035
Fort Worth	16,045,000.00	15,570,000.00	02/15/2018	02/15/2047
Gladewater	3,900,000.00	3,810,000.00	08/15/2018	08/15/2037

UNAUDITED

Texas Water Development Board
Schedule 1 - Loans and Contracts
 For the Fiscal Year Ended August 31, 2018

Recipient	Original Amount	Outstanding Balance	Due From	Due To
Grand Prairie	1,805,000.00	305,000.00	01/15/2014	01/15/2019
Grand Prairie	5,110,000.00	4,720,000.00	01/15/2018	01/15/2030
Greater Texoma UA	155,000.00	-	04/01/1999	04/01/2018
Greater Texoma UA	500,000.00	125,000.00	07/01/2001	07/01/2020
Greater Texoma UA	400,000.00	200,000.00	06/01/2007	06/01/2026
Greater Texoma UA	3,870,000.00	1,895,000.00	06/01/2007	06/01/2026
Greater Texoma UA	3,430,000.00	2,050,000.00	06/01/2009	06/01/2028
Greater Texoma UA	3,710,000.00	2,180,000.00	10/01/2008	10/01/2027
Greater Texoma UA	2,705,000.00	1,860,000.00	10/01/2010	10/01/2029
Greater Texoma UA	3,975,000.00	2,915,000.00	10/01/2011	10/01/2029
Greater Texoma UA	1,400,000.00	965,000.00	06/01/2011	06/01/2029
Greater Texoma UA	2,825,000.00	2,570,000.00	08/15/2013	08/15/2041
Greater Texoma UA	1,730,000.00	1,460,000.00	06/01/2015	06/01/2034
Greater Texoma UA	2,085,000.00	1,885,000.00	08/15/2015	08/15/2041
Greater Texoma UA	1,780,000.00	1,530,000.00	10/01/2015	10/01/2034
Greater Texoma UA	3,560,000.00	3,295,000.00	10/01/2016	10/01/2035
Greater Texoma UA	640,000.00	590,000.00	10/01/2016	10/01/2035
Greater Texoma UA	165,000.00	160,000.00	10/01/2017	10/01/2041
Greater Texoma UA	480,000.00	480,000.00	10/01/2018	10/01/2047
Greater Texoma UA	2,300,000.00	2,300,000.00	08/15/2019	08/15/2038
Greenville	20,000,000.00	13,015,000.00	02/15/2011	02/15/2030
Groesbeck	2,000,000.00	900,000.00	02/15/2008	02/15/2027
Harris Co FWSD # 47	4,365,000.00	2,935,000.00	09/01/2010	09/01/2028
Harris Co MUD # 33	2,195,000.00	1,995,000.00	03/01/2013	03/01/2036
Harris Co MUD # 46	2,275,000.00	1,965,000.00	05/01/2010	05/01/2032
Harris Co MUD # 50	1,500,000.00	875,000.00	03/01/2009	03/01/2028
Harris Co MUD # 50	2,460,000.00	2,105,000.00	03/01/2016	03/01/2034
Harris Co MUD # 148	2,855,000.00	1,920,000.00	04/01/2012	04/01/2031
Harris Co WCID # 36	5,000,000.00	3,205,000.00	09/15/2010	09/15/2028
Harris Co WCID # 89	7,565,000.00	3,565,000.00	10/01/2010	10/01/2029
Hidalgo Co MUD # 1	3,520,000.00	2,485,000.00	02/15/2010	02/15/2039
Hidalgo Co MUD # 1	1,500,000.00	1,100,000.00	02/15/2013	02/15/2032
Hillcrest Village	300,000.00	20,000.00	03/15/2001	03/15/2019
Honey Grove	1,000,000.00	145,000.00	09/01/2000	09/01/2019
Houston	45,050,000.00	38,320,000.00	11/15/2008	11/15/2037
Houston	52,650,000.00	44,510,000.00	11/15/2008	11/15/2037
Houston	61,545,000.00	53,415,000.00	11/15/2009	11/15/2038
Houston	15,110,000.00	11,945,000.00	11/15/2010	11/15/2039
Houston	22,795,000.00	21,010,000.00	11/15/2011	11/15/2040
Houston	58,245,000.00	53,985,000.00	11/15/2011	11/15/2040
Houston	49,900,000.00	42,375,000.00	11/15/2013	11/15/2042
Houston	48,750,000.00	41,650,000.00	11/15/2013	11/15/2042
Houston	65,000,000.00	58,040,000.00	11/15/2014	11/15/2043
Houston	55,005,000.00	50,025,000.00	11/15/2015	11/15/2044
Houston	63,435,000.00	59,585,000.00	11/15/2016	11/15/2045
Houston	65,750,000.00	65,750,000.00	11/15/2018	11/15/2046
Houston	64,680,000.00	64,680,000.00	11/15/2019	11/15/2047
Hudson	410,000.00	355,000.00	08/15/2016	08/15/2045
Hudson	3,735,000.00	3,555,000.00	08/15/2018	08/15/2036
Huntington	125,000.00	85,000.00	02/01/2015	02/01/2024
Huntington	1,180,000.00	1,130,000.00	02/01/2018	02/01/2037
Hurst	1,360,000.00	1,360,000.00	08/15/2019	08/15/2038
Hutto	2,520,000.00	2,030,000.00	08/01/2013	08/01/2036
Hutto	21,740,000.00	20,040,000.00	08/01/2017	08/01/2039
Ingram	175,000.00	100,000.00	02/15/2014	02/15/2023
Ingram	1,185,000.00	1,125,000.00	02/15/2016	02/15/2043

UNAUDITED

Texas Water Development Board

Schedule 1 - Loans and Contracts

For the Fiscal Year Ended August 31, 2018

Recipient	Original Amount	Outstanding Balance	Due From	Due To
Ingram	803,000.00	582,000.00	02/15/2011	02/15/2040
Jarrell	7,895,000.00	4,870,000.00	08/01/2007	08/01/2026
Jarrell	1,520,000.00	1,275,000.00	08/01/2010	08/01/2038
Jarrell	12,000,000.00	11,600,000.00	08/01/2018	08/01/2042
Jefferson	1,630,000.00	1,555,000.00	02/15/2018	02/15/2037
Jefferson Co WCID # 10	2,750,000.00	1,975,000.00	08/15/2011	08/15/2030
Jefferson Co WCID # 10	1,000,000.00	955,000.00	08/15/2018	08/15/2037
Johnson City	895,000.00	880,000.00	08/01/2016	08/01/2035
Keller	5,835,000.00	4,310,000.00	02/15/2013	02/15/2032
Kermit	4,595,000.00	2,555,000.00	02/15/2009	02/15/2028
Kerr County	570,000.00	250,000.00	02/15/2013	02/15/2022
Kerr County	185,000.00	185,000.00	02/15/2020	02/15/2041
Kerr County	5,110,000.00	5,110,000.00	02/15/2020	02/15/2041
Kirbyville	1,370,000.00	1,180,000.00	11/15/2016	11/15/2035
La Feria	385,000.00	200,000.00	09/15/2006	09/15/2025
La Joya	2,155,000.00	1,020,000.00	03/01/2008	03/01/2027
La Joya	4,565,000.00	3,325,000.00	09/01/2010	09/01/2039
La Porte	10,635,000.00	10,205,000.00	03/15/2018	03/15/2037
Laguna Madre WD	5,815,000.00	5,255,000.00	03/01/2017	03/01/2036
Lake Worth	290,000.00	178,000.00	02/01/2011	02/01/2030
Laredo	48,750,000.00	40,260,000.00	03/01/2013	03/01/2042
Laredo	22,075,000.00	20,035,000.00	03/01/2016	03/01/2045
Liberty	8,100,000.00	4,495,000.00	03/01/2009	03/01/2028
Liberty	900,000.00	720,000.00	03/01/2017	03/01/2026
Liberty Hill	1,345,000.00	795,000.00	09/01/2008	09/01/2027
Liberty Hill	6,785,000.00	4,010,000.00	09/01/2008	09/01/2027
Littlefield	1,910,000.00	1,020,000.00	02/15/2008	02/15/2027
Llano	3,390,000.00	3,390,000.00	09/15/2019	09/15/2038
Llano	630,000.00	630,000.00	09/15/2019	09/15/2038
Lorraine	665,000.00	260,000.00	09/01/2004	09/01/2023
Lorena	2,260,000.00	1,340,000.00	07/01/2009	07/01/2028
Lorenzo	705,000.00	50,000.00	08/15/2000	08/15/2019
Los Fresnos	4,975,000.00	4,215,000.00	02/01/2010	02/01/2039
Los Fresnos	820,000.00	670,000.00	02/01/2016	02/01/2025
Lower Valley WD	20,600,000.00	11,875,000.00	09/15/2008	09/15/2027
Lubbock	35,000,000.00	33,250,000.00	02/15/2018	02/15/2037
Macedonia Eylau MUD	225,000.00	-	07/01/1999	07/01/2018
Marfa	1,265,000.00	680,000.00	03/15/2009	03/15/2026
Marlin	2,255,000.00	1,430,000.00	07/01/2007	07/01/2026
Marlin	3,000,000.00	2,880,000.00	07/01/2014	07/01/2042
Mart	810,000.00	90,000.00	09/01/1999	09/01/2018
McAllen	1,190,000.00	515,000.00	02/01/2013	02/01/2022
McAllen	6,655,000.00	5,825,000.00	02/01/2014	02/01/2043
McAllen	2,995,000.00	1,535,000.00	02/01/2014	02/01/2023
McAllen	40,000,000.00	37,870,000.00	02/01/2016	02/01/2045
McAllen	7,110,000.00	7,090,000.00	02/01/2018	02/01/2047
McAllen	39,485,000.00	29,775,000.00	02/01/2011	02/01/2040
Memorial Point UD	2,045,000.00	1,955,000.00	04/01/2018	04/01/2036
Mercedes	1,265,000.00	500,000.00	02/15/2008	02/15/2027
Mercedes	7,530,000.00	4,710,000.00	02/15/2010	02/15/2029
Mercedes	3,255,000.00	2,615,000.00	02/15/2015	02/15/2033
Mission	16,140,000.00	15,160,000.00	02/15/2017	02/15/2044
Montgomery	1,090,000.00	1,040,000.00	03/01/2018	03/01/2037
Mount Calm	100,000.00	10,000.00	09/01/2000	09/01/2019
Mount Vernon	525,000.00	445,000.00	09/01/2014	09/01/2043
Nacogdoches	10,365,000.00	3,835,000.00	03/01/2006	03/01/2025

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Texas Water Development Board
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Recipient	Original Amount	Outstanding Balance	Due From	Due To
Newton	1,855,000.00	-	03/15/2000	03/15/2019
North Fort Bend WA	9,420,000.00	9,420,000.00	12/15/2018	12/15/2040
North Fort Bend WA	2,070,000.00	2,070,000.00	12/15/2020	12/15/2040
NW Harris Co MUD # 22	3,080,000.00	2,520,000.00	04/01/2016	04/01/2030
Oak Ridge North	4,600,000.00	3,885,000.00	04/01/2012	04/01/2034
Olney	285,000.00	205,000.00	09/01/2015	09/01/2024
Olney	2,440,000.00	2,390,000.00	09/01/2017	09/01/2046
Orange Co WCID # 1	2,500,000.00	1,590,000.00	02/15/2010	02/15/2029
Orange Co WCID # 1	11,115,000.00	9,890,000.00	02/15/2012	02/15/2031
Orange Co WCID # 1	13,610,000.00	10,360,000.00	08/15/2012	08/15/2031
Orange Co WCID # 2	500,000.00	250,000.00	03/01/2014	03/01/2023
Paducah	945,000.00	760,000.00	02/15/2010	02/15/2038
Palestine	3,745,000.00	1,460,000.00	07/15/2005	07/15/2022
Palestine	860,000.00	365,000.00	07/15/2007	07/15/2025
Palestine	4,665,000.00	2,350,000.00	07/15/2008	07/15/2027
Palestine	600,000.00	370,000.00	07/15/2010	07/15/2029
Pearland	11,100,000.00	9,865,000.00	09/01/2017	09/01/2025
Pearland	50,100,000.00	48,240,000.00	09/01/2017	09/01/2045
Pecos City	6,870,000.00	4,400,000.00	03/15/2010	03/15/2034
Pharr	29,000,000.00	-	09/01/2008	09/01/2027
Pine Village PUD	845,000.00	380,000.00	03/01/2001	03/01/2020
Point	1,370,000.00	455,000.00	07/01/2006	07/01/2025
Port Arthur	6,995,000.00	4,935,000.00	02/15/2016	02/15/2025
Quinlan	1,675,000.00	1,630,000.00	02/15/2018	02/15/2037
Ralls	130,000.00	90,000.00	02/01/2015	02/01/2024
Ranger	300,000.00	150,000.00	02/15/2014	02/15/2023
Raymondville	1,365,000.00	1,045,000.00	04/01/2011	04/01/2040
Redwater	470,000.00	230,000.00	06/01/2007	06/01/2026
Rio Grande City	2,885,000.00	1,740,000.00	02/15/2011	02/15/2030
Rio Grande City	1,930,000.00	1,565,000.00	02/15/2014	02/15/2033
River Oaks	7,000,000.00	6,805,000.00	06/15/2018	06/15/2047
Robstown	2,635,000.00	2,365,000.00	12/01/2012	12/01/2041
Robstown	490,000.00	430,000.00	12/01/2015	12/01/2035
Rogers	2,160,000.00	2,160,000.00	08/15/2019	08/15/2047
Rogers	240,000.00	240,000.00	08/15/2019	08/15/2032
Roma	3,035,000.00	435,000.00	05/01/2001	05/01/2020
Roma	1,150,000.00	432,000.00	05/01/2005	05/01/2024
Roscoe	1,560,000.00	680,000.00	02/15/2008	02/15/2027
Roscoe	1,040,000.00	980,000.00	02/15/2016	02/15/2045
Rosenberg	410,000.00	227,000.00	08/01/2010	08/01/2029
Roxton	1,000,000.00	550,000.00	07/01/2008	07/01/2027
Sabinal	600,000.00	210,000.00	08/15/2012	08/15/2031
San Antonio River Authority	4,300,000.00	2,620,000.00	01/01/2015	01/01/2024
San Antonio River Authority	9,500,000.00	9,500,000.00	01/01/2019	01/01/2038
San Antonio Water System	23,260,000.00	-	05/15/2009	05/15/2038
San Antonio Water System	8,070,000.00	4,035,000.00	05/15/2008	05/15/2027
San Antonio Water System	30,000,000.00	-	05/15/2009	05/15/2038
San Antonio Water System	17,930,000.00	14,075,000.00	05/15/2011	05/15/2040
San Antonio Water System	54,300,000.00	42,595,000.00	05/15/2010	05/15/2039
San Antonio Water System	18,095,000.00	15,015,000.00	05/15/2012	05/15/2041
San Antonio Water System	19,630,000.00	16,135,000.00	05/15/2013	05/15/2042
San Antonio Water System	60,100,000.00	52,380,000.00	05/15/2014	05/15/2043
San Antonio Water System	38,260,000.00	33,980,000.00	05/15/2015	05/15/2044
San Antonio Water System	14,360,000.00	13,735,000.00	05/15/2017	05/15/2046
San Augustine	1,050,000.00	1,015,000.00	02/15/2012	02/15/2040
San Jacinto RA	42,895,000.00	42,895,000.00	10/01/2019	10/01/2042

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Recipient	Original Amount	Outstanding Balance	Due From	Due To
San Juan	445,000.00	180,000.00	01/01/2013	01/01/2022
San Juan	2,285,000.00	2,285,000.00	01/01/2019	01/01/2047
San Juan	1,270,000.00	1,270,000.00	01/01/2019	01/01/2048
San Marcos	410,000.00	290,000.00	08/15/2015	08/15/2025
San Marcos	4,760,000.00	4,545,000.00	08/15/2018	08/15/2037
San Marcos	1,000,000.00	955,000.00	08/15/2018	08/15/2037
Savoy	2,755,000.00	2,755,000.00	08/15/2019	08/15/2048
Seminole	2,960,000.00	2,080,000.00	02/15/2011	02/15/2034
Sequoia ID	1,380,000.00	1,250,000.00	04/01/2017	04/01/2035
Sienna Plantation MUD #1	25,010,000.00	25,010,000.00	11/01/2019	11/01/2048
Sonora	6,000,000.00	3,945,000.00	12/01/2010	12/01/2029
Springtown	3,930,000.00	3,335,000.00	08/15/2014	08/15/2032
Stamford	265,000.00	70,000.00	02/15/2006	02/15/2025
Stephenville	17,030,000.00	17,030,000.00	02/15/2020	02/15/2039
Sulphur Springs	18,200,000.00	18,075,000.00	09/01/2017	09/01/2046
Taft	5,780,000.00	4,622,000.00	03/01/2013	03/01/2042
Taylor Landing	710,000.00	450,000.00	09/01/2009	09/01/2028
Tioga	300,000.00	-	04/01/1999	04/01/2018
Trinidad	400,000.00	235,000.00	01/01/2009	01/01/2027
Trinity River Authority	90,000,000.00	-	08/01/2010	08/01/2028
Trinity River Authority	86,780,000.00	81,275,000.00	08/01/2011	08/01/2030
Trinity River Authority	24,800,000.00	-	02/01/2010	02/01/2028
Trinity River Authority	7,760,000.00	6,725,000.00	02/01/2012	02/01/2036
Trinity River Authority	1,775,000.00	1,340,000.00	08/01/2013	08/01/2032
Trinity River Authority	19,465,000.00	18,265,000.00	02/01/2013	02/01/2038
Trinity River Authority	3,070,000.00	2,645,000.00	08/01/2014	08/01/2038
Trinity River Authority	8,280,000.00	6,990,000.00	02/01/2012	02/01/2031
Trinity River Authority	107,180,000.00	96,105,000.00	08/01/2012	08/01/2034
Trinity River Authority	23,410,000.00	20,185,000.00	08/01/2012	08/01/2036
Trinity River Authority	127,005,000.00	122,005,000.00	08/01/2014	08/01/2043
Trinity River Authority	7,050,000.00	6,560,000.00	08/01/2013	08/01/2031
Trinity River Authority	71,000,000.00	68,845,000.00	08/01/2014	08/01/2033
Trinity River Authority	23,765,000.00	21,055,000.00	02/01/2015	02/01/2032
Trinity River Authority	11,710,000.00	10,030,000.00	02/01/2015	02/01/2033
Trinity River Authority	26,540,000.00	23,505,000.00	08/01/2015	08/01/2034
Trinity River Authority	1,150,000.00	1,050,000.00	08/01/2012	08/01/2031
Trinity River Authority	7,945,000.00	6,850,000.00	08/01/2014	08/01/2038
Trinity River Authority	30,345,000.00	24,850,000.00	08/01/2014	08/01/2032
Trinity River Authority	14,000,000.00	12,405,000.00	02/01/2014	02/01/2038
Trinity River Authority	28,900,000.00	23,670,000.00	08/01/2014	08/01/2032
Trinity River Authority	45,370,000.00	37,160,000.00	08/01/2014	08/01/2032
Trinity River Authority	14,035,000.00	13,240,000.00	02/01/2016	02/01/2040
Valley MUD #2	3,730,000.00	3,730,000.00	02/15/2021	02/15/2048
Vinton	825,000.00	777,000.00	08/15/2017	08/15/2046
Vinton	5,085,000.00	5,085,000.00	08/15/2019	08/15/2048
Weatherford	11,220,000.00	10,660,000.00	09/01/2017	09/01/2036
Wells Branch MUD	1,400,000.00	100,000.00	08/01/2000	08/01/2019
West Tawakoni	115,000.00	62,000.00	02/01/2014	02/01/2023
Westwood Shores MUD	1,825,000.00	1,425,000.00	05/01/2014	05/01/2030
Whitesboro	2,725,000.00	750,000.00	08/15/2003	08/15/2022
Wichita Falls	33,545,000.00	30,735,000.00	03/01/2016	03/01/2045
Willis	1,355,000.00	1,320,000.00	08/01/2012	08/01/2031
Wilson	1,705,000.00	1,285,000.00	02/15/2011	02/15/2039
Wimberley	650,000.00	190,000.00	08/01/2014	08/01/2020
Wimberley	5,255,000.00	5,255,000.00	08/01/2019	08/01/2046
Winnsboro	1,050,000.00	465,000.00	02/15/2007	02/15/2026

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Recipient	Original Amount	Outstanding Balance	Due From	Due To
Winnsboro	1,040,000.00	890,000.00	08/15/2016	08/15/2035
Winters	655,000.00	380,000.00	10/01/2009	10/01/2028
Yoakum	5,000,000.00	3,415,000.00	08/15/2009	08/15/2028
Yoakum	2,500,000.00	1,465,000.00	08/15/2010	08/15/2031
Zapata County	6,415,000.00	4,485,000.00	02/15/2013	02/15/2032
Total - Clean Water State Revolving Fund	\$ 3,252,406,530.00	\$ 2,595,961,330.00		

