

# Intended Use Plan

## Drinking Water State Revolving Fund

[www.twdb.texas.gov/financial/programs/DWSRF](http://www.twdb.texas.gov/financial/programs/DWSRF)



SFY 2020

TEXAS WATER DEVELOPMENT BOARD  
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**Drinking Water State Revolving Fund  
SFY 2020 Intended Use Plan**

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Texas Water Development Board rules governing the Drinking Water State Revolving Fund program (Texas Administrative Code, Title 31, Part 10, Chapter 371) may be accessed online at [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=31&pt=10&ch=371](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=31&pt=10&ch=371)

## Drinking Water State Revolving Fund Acronyms

<b>ACS</b>	American Community Survey
<b>AIS</b>	American Iron & Steel
<b>AMHI</b>	Annual Median Household Income
<b>CWSRF</b>	Clean Water State Revolving Fund
<b>DWSRF</b>	Drinking Water State Revolving Fund
<b>EPA</b>	Environmental Protection Agency
<b>FFY</b>	Federal Fiscal Year
<b>FMT</b>	Financial, Managerial, and Technical
<b>GPR</b>	Green Project Reserve
<b>HCF</b>	Household Cost Factor
<b>IUP</b>	Intended Use Plan
<b>IIPL</b>	Initial Invited Projects List
<b>MCL</b>	Maximum Contaminant Level
<b>NEPA</b>	National Environmental Policy Act
<b>PIF</b>	Project Information Form
<b>PPL</b>	Project Priority List
<b>PWS</b>	Public Water System
<b>SDWA</b>	Safe Drinking Water Act
<b>SFY</b>	State Fiscal Year
<b>SRF</b>	State Revolving Fund
<b>TCEQ</b>	Texas Commission on Environmental Quality
<b>TWDB</b>	Texas Water Development Board



## I. Overview

The Drinking Water State Revolving Fund (DWSRF) assists communities by providing below market-rate financing and various levels of principal forgiveness for a wide range of projects that facilitate compliance with primary drinking water standards or otherwise significantly further the health protection objectives of the Safe Drinking Water Act (SDWA). The program provides year-round funding of water projects after they have been included in the Intended Use Plan.

For State Fiscal Year (SFY) 2020, at least \$250 Million is available under the DWSRF for all financing options including \$30 Million in principal forgiveness. The total amount available is based on a 10-year average capacity of \$250 Million from SFY 2020 to SFY 2029. Of the total amount available, at least \$220 Million will be offered at interest rates of 125 or 155 basis points below the borrower's market rate level or at zero percent for special funding categories. These savings directly lower the overall cost of providing safe, affordable water to every customer.

The \$250,000,000 level for SFY 2020 will be allocated to the following funding options:

<b>Funding Option</b>	<b>Allocation</b>
Disadvantaged Community	\$16,000,000
Disadvantaged Community – for Small / Rural only	\$2,000,000
Subsidized Green (incl. Water Conservation)	\$2,000,000
Very Small Systems	\$2,000,000
Very Small Systems – “Securing Safe Water Initiative	\$1,000,000
Urgent Need – Contaminants (Lead, Radionuclides, Arsenic)	\$2,000,000
Urgent Need – “Securing Safe Water” Initiative	\$2,000,000
Urgent Need – Other than Contaminants (Disasters, etc.)	\$3,000,000
Bonds/Loans	\$220,000,000
<b>Total</b>	<b>\$250,000,000</b>

## II. Purpose

In 1996 Congress passed federal amendments to the SDWA that established the DWSRF program. The Texas Water Development Board (TWDB) is authorized by state law to administer this program for Texas.

The TWDB is the financing agency for the DWSRF and has a contractual relationship with the state's primacy agency, the Texas Commission on Environmental Quality (TCEQ), to perform DWSRF activities. TCEQ performs DWSRF activities that include rating proposed projects, state program management, small systems technical assistance, assessments for ground water sources, source water technical assistance, sanitary surveys, complaint investigations, enforcement activities, disaster assistance, and implementation of the State of Texas approved Capacity Development Strategy.

Annually, the State must prepare an Intended Use Plan (IUP) that describes how it intends to use DWSRF program funds to support the overall goals of the program. The IUP must contain a number of elements required by the Environmental Protection Agency (EPA) covering the operation of the DWSRF and is a central component of the TWDB's application to EPA for the capitalization grant.

The IUP contains the state's priority list of projects to receive funding under the DWSRF. This list is subdivided further into an Initial Invited Projects List (Appendix K), which represents the projects that will be invited to submit applications after Board approval of the IUP. After the initial invitation round, the remaining applications for funding under this SFY 2020 IUP will be accepted on a first-come, first-served basis throughout the year until the SFY 2021 IUP is approved.

### **III. Projects to Fund**

#### **A. Eligible Applicants**

Applicants eligible to apply for assistance are:

- Existing community Public Water Systems (PWSs) including political subdivisions, nonprofit water supply corporations and privately-owned community water systems
- Non-profit, non-community public water systems
- State agencies

#### **B. Eligible and Ineligible Use of Funds**

1. Examples of eligible project costs include planning, acquisition, design, and construction of projects to:

- Correct water system deficiencies including water quality, capacity, pressure, and water loss
- Upgrade or replace water systems
- Provide new or existing water service to other water systems through consolidation projects
- Purchase capacity in water systems
- Purchase water systems
- Implement green projects (pursuant to EPA guidance)
- Implement source water protection projects
- Pay for other costs necessary to secure or issue debt

All projects funded through the DWSRF must be consistent with the most recently adopted TWDB State Water Plan.

2. Examples of ineligible project costs include:

- Projects primarily intended to facilitate growth
- Water rights, unless owned by a system being purchased through consolidation

- Construction of reservoirs
- Dams or rehabilitation of dams
- Projects for systems in significant noncompliance, unless funding will ensure compliance
- Projects for systems that lack adequate financial, managerial, and/or technical (FMT) capability, unless assistance will ensure compliance
- Routine laboratory fees or ongoing operational expenses
- Fire protection projects (unless incidental to the main project scope)

#### **IV. Significant Program Changes**

Significant program changes from the previous year's IUP are highlighted below.

1. DWSRF program now offers funding as both Equivalency and Non-Equivalency depending on the funding option. The equivalency projects will have an interest rate subsidy of 155 basis points below market rates and non-equivalency projects will have an interest rate subsidy of 125 basis points below market rates (Section VI).
2. Beginning in SFY 2021, to be eligible to receive Very Small Systems funding the AMHI for the system's service area must not exceed 150 percent of the state's AMHI. An optional method of determining the project's AMHI may be considered (Section VI).
3. Implement a new initiative called "Securing Safe Water" that involves a comprehensive outreach, technical assistance, and funding strategy to reduce the number of public water systems that have unresolved health issues. It will support EPA's Strategic Plan goal of significantly reducing the number of public water systems with reported health violations (Sections V and XIII). Elements of the strategy include:
  - a. Funding - allocating a portion of the available principal forgiveness in the Very Small Systems and Urgent Need funding options for this initiative. In addition to these special allocations, the TWDB will use principal forgiveness, zero-interest loans, and regular low-cost loans from the Disadvantaged Communities, Disadvantaged Communities – Small/ Rural and Urgent Need funding options to support this initiative;
  - b. Special outreach;
  - c. Technical assistance tailored to needs;
  - d. Based on feedback received, assessing viable long-term options that may be deployed in subsequent years in support of this initiative; and
  - e. Tracking outcomes.

4. TWDB will allocate a portion of the Very Small Systems and Urgent Need funding for a “Securing Safe Water” initiative to reduce the number of public water systems with unresolved public health issues (Sections VI and XIII).
5. Under Urgent Need funding, facilities being replaced or repaired for a disaster recovery project must be built to mitigate future damage and destruction, to the extent it is practical based on the nature of the project activities (Section VI).
6. Asset Management Program for Small Systems (AMPSS) Initiative - Subsequent Rounds - The TWDB anticipates awarding additional contracts under this initiative in SFY 2020 in a total amount to be determined during the year (Section XIII).
7. Asset Management – Any eligible entity, not just small systems, may be eligible for up to \$75,000 with an interest rate of zero percent to prepare all of the Asset Management / Financial Planning tools required in the current AMPSS program’s Scope of Work and deliverables (Sections VI and XIII).
8. Beginning in SFY 2021, a small system eligible under AMPSS may receive an additional interest rate reduction for a portion of the TWDB funding for a project if it has implemented all of the Asset Management / Financial Planning tools required in the current AMPSS initiative’s Scope of Work and deliverables and the proposed project is included in its current plan (Section VI).
9. Multi-Year commitments are now available for projects that receive principal forgiveness under the Disadvantaged Communities funding (Section VII).
10. Goals – implement the Securing Safe Water initiative and continue to implement the AMPSS and CPA to Go initiatives (Section IX).
11. A project must demonstrate to the TWDB that it is viable, feasible, and sustainable (Section X).
12. The deadline to close a commitment that includes only principal forgiveness has been extended from three to four months (Section X).
13. As announced in the SFY 2019 IUP, any survey being used for income determination must be completed within five years of the date the TWDB receives the Project Information Form (Section X).
14. The maximum amount that may be transferred under the ongoing cash flow transfer mechanism is increased from \$125 Million to \$150 Million (Section X).

15. The loan origination fee has been reduced from 2.15% to 2.0% (Section XII).
16. The IUP contains a detailed description of the TWDB's Asset Management Program for Small Systems, CPA to Go, and Securing Safe Water initiatives (Section XIII).
17. The TCEQ revised its scoring of the Physical Deficiency Factors covering production and storage capacity (Appendix C).
18. Beginning with the SFY 2021 IUP, an entity that has adopted an Asset Management and Financial Planning tools within the past 5 years that contains the product deliverables under the AMPSS initiative will receive additional points (Appendix C).

## **V. Amount Available**

### **1. Allocations**

Texas will be eligible for a federal capitalization grant from funds appropriated by Congress for Federal Fiscal Year (FFY) 2019. The TWDB will use the grant, along with other available sources of funds, to offer up to \$250,000,000 for projects in this SFY 2020 IUP. The sources of funds include the FFY 2019 capitalization grant, unexpended funds from prior grants, state match, principal and interest repayments from financial assistance, investment earnings, additional cash resources, and if demand warrants, the net proceeds from bond issues.

The DWSRF program offers subsidies in the form of both below-market interest rates and additional subsidization. The additional subsidization is offered as principal forgiveness to eligible disadvantaged communities, very small systems, urgent need projects, and green projects. Throughout the IUP, this principal forgiveness may be referred to as Additional Subsidization, Disadvantaged Community funding, including Disadvantaged Community funding for Small / Rural only, Subsidized Green funding, Very Small Systems funding, or Urgent Need funding.

**2. Allocations and Terms Available Under Each Funding Option:**

Funding Option	Amount	Principal Forgiveness	Interest Rates		Origination Fee
			Equivalency	Non-Equivalency	
Disadvantaged Community	\$16,000,000	30%, 50%, or 70%*	155 basis points below market **	N/A	2.0%***
Disadvantaged Community – Small / Rural only - Principal Forgiveness	\$2,000,000	Maximum amount per project/entity varies from \$300,000 to \$500,000	N/A	N/A	N/A
Subsidized Green Principal Forgiveness	\$2,000,000	Up to 15% of DWSRF-funded Green Costs – Maximum of \$1,000,000	N/A	N/A	N/A
Very Small Systems Principal Forgiveness	\$3,000,000	Up to \$300,000 per project	N/A	N/A	N/A
Urgent Need – Contaminants Principal Forgiveness	\$3,000,000	Maximum amount per project/entity varies from \$500,000 to \$800,000	N/A	N/A	N/A
Urgent Need – Other than Contaminants Principal Forgiveness	\$4,000,000	Maximum amount per project/entity varies from \$500,000 to \$800,000	N/A	N/A	N/A
Urgent Need – Bond/Loan	\$25,000,000		N/A	0%	2.0%
Disadvantaged Community – Small / Rural only – Bond/Loan	\$15,000,000		0%	0%	2.0%
Asset Management Bonds/Loans (AMPSS)	\$2,025,000		0%	0%	2.0%
Bond/Loan - Regular	\$180,000,000	N/A	155 basis points below market **	125 basis points below market **	2.0%
	* Percentage of DWSRF-funded project costs remaining after subtracting other DWSRF principal forgiveness ** Based on a level debt service schedule *** Not assessed on the principal forgiveness portion				

### 3. Allocation of Principal Forgiveness:

DWSRF SFY 2020 - Grant of \$86,225,000		% of Grant
<b>Maximum &amp; Minimum - Principal Forgiveness</b>		
Minimum (Disadvan. Commun. - 6%)	\$22,418,500	26%
Optional Additional Amount	\$25,005,250	29%
<b>Maximum</b>	<b>\$47,423,750</b>	<b>55%</b>
<b>Current Allocation of Principal Forgiveness</b>		
Disadvantaged Community (Minimum of \$5,173,500)	\$16,000,000	19%
Disadvantaged Community - for Small / Rural only	\$2,000,000	2%
Subsidized Green (incl. Water Conservation)	\$2,000,000	2%
Very Small Systems	\$2,000,000	2%
Very Small Systems - "Securing Safe Water" Initiative	\$1,000,000	1%
Urgent Need - Contaminants (Lead, Radionuclides, Arsenic)	\$2,000,000	2%
Urgent Need - "Securing Safe Water" Initiative	\$2,000,000	2%
Urgent Need - Other (Disaster Recovery, etc.)	\$3,000,000	3%
<b>Total Currently Allocated</b>	<b>\$30,000,000</b>	<b>35%</b>
<i>Additional amount that could be allocated to principal forgiveness</i>	<i>\$17,423,750</i>	<i>20%</i>
<b>Total Breakdown</b>		
Total Principal Forgiveness Allocated to Projects	\$30,000,000	35%
TWDB Administration & Technical Assistance	\$3,449,000	4%
TCEQ	\$12,147,001	14%
Loans/Bonds	\$40,628,999	47%
<b>Total</b>	<b>\$86,225,000</b>	<b>100%</b>

## VI. Funding Options and Terms

The DWSRF has two tiers of funding: Equivalency projects and Non-Equivalency projects.

**Equivalency projects (Federal Requirements)** - A portion of the DWSRF funded projects must follow all federal requirements commonly known as “cross-cutters”. This type of financial assistance is referred to broadly as “Equivalency” and offers an interest rate of 155 basis points below the market rate based on a level debt service schedule. A portion of the available Equivalency funds may be reserved for projects receiving Additional Subsidization. More information on the federal cross-cutters may be found in Appendix E.

**Non-Equivalency projects (State Requirements)** - Non-Equivalency projects are not subject to federal cross-cutter requirements, with the exception of the federal anti-discrimination laws, also known as the “super cross-cutters”. This type of assistance offers an interest rate of 125 basis points below the market rate based on a level debt service schedule.

## 1. Funding Options Available:

Entities listed on the Initial Invited Projects List (IIPL) and subsequent Project Priority Lists (PPLs) may be invited to apply for one or more of the funding options.

### a. Disadvantaged Community Funding (Equivalency only)

For an entity to qualify as a disadvantaged community, the community must meet the DWSRF's affordability criteria based on income, unemployment rates, and population trends. In summary, the Annual Median Household Income (AMHI) of the entity's area to be served must be less than or equal to 75 percent of the State's AMHI and the Household Cost Factor that considers income, unemployment rates, and population trends must be greater than or equal to 1 percent if only water or sewer service is provided or greater than or equal to 2 percent if both water and sewer service are provided. The percent of principal forgiveness is based on the difference between the calculated and minimum required household cost factors. The maximum principal forgiveness as a percentage of DWSRF-funded project costs remaining after subtracting other DWSRF principal forgiveness is provided in the following table:

<b>Household Cost Factor Difference</b>	<b>Principal Forgiveness as a % of DWSRF-funded project costs remaining after subtracting other DWSRF principal forgiveness</b>
≥ 0% and < 1.5%	30%
≥ 1.5% and < 3%	50%
≥ 3%	70%

This funding option offers a financial assistance component with the interest rate subsidy and 30 percent, 50 percent, or 70 percent of the DWSRF-funded project cost in principal forgiveness. TWDB will calculate the Disadvantaged Communities principal forgiveness amount based on the amount of State Revolving Fund (SRF)-funded project costs remaining after subtracting all other DWSRF principal forgiveness funding being provided in SFY 2020 to the proposed project. (As an option at TWDB's discretion, if the DWSRF loan portion would be less than \$100,000, the entity may reduce the amount of DWSRF funds requested by the amount of the loan portion and the Disadvantaged Communities percentage calculation will be based on the amount of DWSRF-funded costs before other DWSRF program principal forgiveness amounts are subtracted from the total requested.) The maximum repayment period is 30 years. The origination fee will not be applied to project costs that are funded with principal forgiveness. Additional information may be found in Appendix D.

## **Maximum Allocation to Any Entity in SFY 2020**

Not more than 25 percent of the total regular Disadvantaged Community allocation, or \$4,000,000, may be provided to any particular entity for their projects in the SFY 2020 IUP, with one exception. If the Household Cost Factor in excess of the base (i.e., the HCF difference) for an entity's project is greater than 5 percent, the maximum amount provided would be not more than 33 percent of the total regular Disadvantaged Community allocation, or \$5,280,000.

The Household Cost Factor will be established based on the PIF, and associated Disadvantaged Community worksheets and income information, submitted by the PIF deadline for inclusion in the IUP.

### **b. Disadvantaged Community Funding – Small / Rural only (Equivalency only)**

An entity qualified as a disadvantaged community and that additionally meets the definition of either a small community or a rural project may receive funding under this option. The entity must submit to TWDB acceptable evidence that it meets the qualification criteria to be eligible for this funding option.

Small Community – an entity serving a population of not more than 10,000.

Rural project – a project that fits any of the following:

- i. An entity that provides services predominately in a rural area. Using the U.S. Bureau of the Census definitions of a rural area, not more than 20 percent of the residential service connections are in urbanized areas and not more than 50 percent are in urban clusters according to the most recent data available to TWDB. The calculation will be based on the utility service(s) associated with the proposed project;
- ii. A project from a political subdivision with a population of 10,000 or less and located outside the extraterritorial jurisdiction of a city with a population of 500,000 or greater; or
- iii. A project in a county in which no urban political subdivision exceeds 50,000 in population based upon the most current data available from the U.S. Bureau of the Census or TWDB-approved projections.

### Amount of Funding available as Principal Forgiveness and a 0% Loan

Entities may be eligible to receive 100 percent of the total project cost in principal forgiveness up to the amount specified in the chart below. The maximum amount of principal forgiveness that an entity may receive per project is based on eligibility for Disadvantaged Community funding as described in Appendix D.

If eligible project costs that would have qualified for this option exceed the maximum

principal forgiveness allowable or available for the project, the entity may receive funding with an interest rate of zero percent up to the limits established in the chart above.

Disadvantaged Community - Principal Forgiveness Eligibility Percentage Level	Maximum Amount of Principal Forgiveness per Project/ Entity	Maximum Amount of 0% Loan per Project/ Entity (excluding additional funds for rounded bond increment and the associated fee financed at 0%)
30%	\$300,000	\$1,000,000
50%	\$400,000	\$2,000,000
70%	\$500,000	\$3,000,000

The definition of a “project” includes the planning, acquisition, design and construction phases. In addition, a particular recipient may only receive the maximum eligible amounts in principal forgiveness or 0% loans under this funding option in a program year for all of its projects.

Amount of funding available in SFY 2020 with an Interest Rate of Zero Percent

To ensure the long-term viability of the program, the amount of funding with an interest rate of zero percent made available during SFY 2020 is \$15 Million. The TWDB Executive Administrator may establish a higher amount consistent with maintaining the DWSRF in perpetuity and any other appropriate factors.

An entity may receive funds that are a combination of rates. For example, a portion of the funding may be available at an interest rate of zero percent and the remainder required for the project may be available at the standard reduced interest rate.

An entity allocated program funding in SFY 2020 under the regular Disadvantaged Community Funding option that is less than the eligible project costs specified in the IUP and meets either the small community or rural definition is eligible to receive principal forgiveness and a 0% loan under this option up to the maximum amounts established in the chart above. The maximum principal forgiveness amount is based on the sum of the amount received under the regular Disadvantaged Community Funding option and the remaining allowable amount received this option.

This means that an entity/project that qualifies as a small or rural disadvantaged community and is allocated the maximum of principal forgiveness under the regular Disadvantaged Community funding option (i.e., \$4,000,000 or \$5,280,000 as applicable) may not receive an additional allocation of principal forgiveness under this funding option. Similarly, an entity/project that is allocated from the regular Disadvantaged Community funds an amount greater than the amount in the chart above, such as \$1,000,000, may not receive an additional allocation of principal

forgiveness under this funding option. However, an entity/project that received less than \$300,000 to \$500,000 in regular Disadvantaged Community funding, as applicable based on their disadvantaged level in the chart above, may receive the shortfall under this funding option. For example, if the small or rural disadvantaged community was allocated only \$125,000 of principal forgiveness under the regular Disadvantaged Community option yet is eligible to receive \$500,000 based on the chart above, it would be eligible to receive the remainder of \$375,000 in principal forgiveness from this funding option.

Funds not allocated by March 1, 2020 for entities and projects that qualify for this option may be re-allocated to other funding options.

**c. Subsidized Green Funding (Equivalency or Non-Equivalency)**

Entities may be eligible to receive Subsidized Green principal forgiveness if their project has elements that are considered green and the cost of the green portion of their project is 30 percent or greater than the total project cost. This funding option offers principal forgiveness for up to 15 percent of the total DWSRF-funded eligible green component costs.

Maximum allocation – A maximum of \$1,000,000 of subsidized green funding may be provided to any project. The definition of a “project” for SFY 2020 includes the planning, acquisition, design and construction phases. Subsidized green funding received by the project prior to SFY 2019 IUP funding will not count against this limit. Additional information may be found in Appendix E.

**d. Very Small Systems Funding (Equivalency or Non-Equivalency)**

The TWDB recognizes the difficulty for very small systems to secure financial assistance. In an effort to extend resources to address critical issues with these public water systems, the TWDB will allocate up to \$3,000,000 in Additional Subsidization to target systems with populations of 1,000 or fewer for projects addressing public health, compliance, or water quantity issues, of which \$1,000,000 will be allocated to the Securing Safe Water initiative through the first round of funding.

Beginning in SFY 2021, to be eligible to receive Very Small Systems funding the AMHI for the project must not exceed 150 percent of the state’s AMHI. To lessen the need for the applicant to conduct income surveys, the TWDB will consider on a case by case basis making the presumption that the average (mean) of the AMHI of all U.S. Census Bureau Block Groups containing any portion of the project service area is the AMHI for the project. The applicant has the option of proving otherwise by submitting more information on the number of customers in each Block Group or conducting an income survey. Applicants must provide a detailed map of the proposed service area to be considered for this option and the TWDB will determine the associated Block Groups. The Executive Administrator will then determine whether this option would result in a reasonable estimate of the AMHI for the project

service area and may be used for the AHMI threshold calculation. (The income data used in the calculation will be the same data source as described in “Affordability Criteria to Determine Disadvantaged Community Eligibility, found in Appendix D.)

Entities may be eligible to receive 100 percent of the total project cost in principal forgiveness up to a total of \$300,000 per project. A particular public water system may only receive a total of \$300,000 in principal forgiveness of Very Small Systems funds in a program year. The definition of a “project” for SFY 2020 includes the planning, acquisition, design and construction phases. In the event funding does not fully cover total project costs, the entity will need to secure additional financial assistance to complete the proposed project.

**e. Urgent Need (Non-Equivalency)**

Urgent Need projects must address situations that require immediate attention to protect public health and safety. They may result from (1) an unanticipated reduction in the adequate supply of water due to prolonged drought that will result in the loss of water service to customers within the next 180 days; (2) a catastrophic natural event or accident resulting in the loss of over 20 percent of the water service connections or 20 percent of the total water provided to customers; (3) situations that require immediate attention to address a substantial, imminent public health issue affecting at least 20 percent of the water provided to customers, such as contamination in excess of water quality standards; (4) situations that require immediate attention to address a substantial, imminent public health issue affecting at least 20 percent of the water provided to customers from severe flood damage that occurred during a Governor-designated natural disaster; and (5) other situations as established by TWDB guidelines.

Urgent Need projects submitted after the March 1, 2019 project information form submission deadline may be invited in the first round of invitations for funding. To recover from a disaster, an entity may change the scope of an existing project in the IUP by simply providing the proposed new scope and budget to the TWDB without the need to submit a new Project Information Form. The Executive Administrator may bypass projects to provide funding to Urgent Need projects. An Urgent Need project may qualify and receive funding concurrently as a Disadvantaged Community, Very Small System, and Subsidized Green project, provided funding is available. The proposed project must not be for replacement of facilities that have failed because they exceeded their useful life or failed due to lack of adequate maintenance. For projects addressing contamination levels in excess of water quality standards, the system must currently be in noncompliance with TCEQ requirements and the proposed project must be designed to bring the system into compliance to the extent financially practical. Funds will not be provided for acquisition or construction in a Special Flood Hazard Area in a community that the Federal Emergency Management Agency (FEMA) considers a sanctioned jurisdiction or area.

Amount of Urgent Need Funding available as Principal Forgiveness

Entities may be eligible to receive 100 percent of the total project cost in principal forgiveness up to the amount specified in the chart below. The maximum amount of principal forgiveness that an entity may receive per project is based on eligibility for Disadvantaged Community funding as described in Appendix D.

Maximum Amount of Principal Forgiveness per Project / Entity	Disadvantaged Community - Principal Forgiveness Eligibility Percentage Level
\$500,000	0% - Project Not Eligible Under Disadvantaged Community Criteria.
\$600,000	30%
\$700,000	50%
\$800,000	70%

In addition, a particular recipient may only receive the maximum eligible amount in principal forgiveness under Urgent Need in a program year for all of its projects. Entities that previously received principal forgiveness under the Urgent Need funding option for a particular project may not receive additional principal forgiveness for that project if the total amount of principal forgiveness provided under the Urgent Need funding option would exceed the amount specified in the chart above. The definition of a “project” includes the planning, acquisition, design and construction phases.

If eligible project costs that would have qualified for Urgent Need exceed the maximum principal forgiveness allowable or available for the project, the entity may receive funding for the remainder with an interest rate of zero percent for the term of the financing. For disaster recovery, special terms and conditions on loan/bond financing, including the repayment terms, may be available that are not offered under other funding options.

Any commitment receiving Urgent Need funds will be considered non-equivalency funds, even if the project concurrently receives Disadvantaged Community funds.

Amount of Urgent Need funding available with an Interest Rate of Zero Percent

To ensure the long-term viability of the program, the amount of funding made available for Urgent Need projects with an interest rate of zero percent for SFY 2020 is \$25 Million, or such other higher amount as the TWDB Executive Administrator may establish consistent with maintaining the DWSRF in perpetuity and any other appropriate factors. The funds will be obligated only as the TWDB Board makes commitments.

Urgent Need – The TWDB will set aside \$2,000,000 to address contaminants such as lead, radionuclides and arsenic. It will set aside another \$2,000,000 for its new Securing Safe Water initiative as described in Section XIII. The TWDB will set aside \$3,000,000 out of the \$7,000,000 of Urgent Need allocation for SFY 2020 for addressing purposes other than addressing contamination in excess of water quality standards, such as addressing drought or disaster recovery. Reserved funds not allocated by March 1, 2020 for entities and projects that qualify for this set-aside may be re-allocated to projects that address contamination or the Securing Safe Water initiative.

#### Disadvantaged / Small / Rural Set-aside

A portion of the total amount available under the Urgent Need funding will be reserved for entities and projects that qualify for the Disadvantaged/Small/Rural set-aside. Entities that qualify for two out of the three criteria will be eligible for this set-aside funding. A total of 50 percent of the principal forgiveness and 20 percent of the funds with an interest rate of zero percent made available for Urgent Need funding will be reserved for this set-aside.

Set-aside criteria:

- a. Disadvantaged Community – a entity/project eligible as described in Appendix D.
- b. Small Community – an entity serving a population of not more than 10,000.
- c. Rural project – a project that fits any of the following:
  - i. An entity that provides services predominately in a rural area. Using the U.S. Bureau of the Census definitions of a rural area, not more than 20 percent of the residential service connections are in urbanized areas and not more than 50 percent are in urban clusters according to the most recent data available to TWDB. The calculation will be based on the utility service(s) associated with the proposed project;
  - ii. A project from a political subdivision with a population of 10,000 or less and located outside the extraterritorial jurisdiction of a city with a population of 500,000 or greater; or
  - iii. A project in a county in which no urban political subdivision exceeds 50,000 in population based upon the most current data available from the U.S. Bureau of the Census or TWDB-approved projections.

Reserved funds not allocated by July 1, 2020 for entities and projects that qualify for this set-aside may be re-allocated to other projects that met the Emergency Relief funding criteria.

#### Single-year commitments only

Multi-year funding commitments are not offered for Urgent Need funding.

### Mitigation

Facilities being replaced or repaired for an Urgent Need disaster recovery project must be built to mitigate future damage and destruction, to the extent it is practical based on the nature of the project activities.

### Co-funding

DWSRF funds may only be used for project costs that are reasonable and necessary and must not result in the entity receiving a duplication of benefits from other sources, including the U.S. Housing and Urban Development Community Development Block Grant (CDBG) Disaster Recovery or FEMA grant funds. A duplication of benefits occurs when an entity receives and permanently retains funding to cover the same cost from more than one entity or source. Reimbursement of interim financing is not a duplication of benefits. Entities that anticipate being reimbursed for a portion of their project with a federal source such as the Federal Emergency Management Agency's Public Assistance funding must follow the federal procurement rules found in 2 CFR Part 200 and other federal requirements.

#### **f. Asset Management – Bonds/Loans (AMPSS Scope of Work) (Equivalency or Non-Equivalency)**

Any eligible entity, not just small systems, may be eligible for up to \$75,000 with an interest rate of zero percent to prepare all of the Asset Management / Financial Planning tools required in the current AMPSS program's Scope of Work and deliverables as described in Section XIII. The entity's asset management plan may include enhancements or tools that extend beyond the minimum requirements of the AMPSS initiative's Scope of Work. Any zero percent funding would be blended with any other repayable SRF financial assistance to create one interest rate on the bond or loan. The maximum amount available for this option in SFY 2020 is \$2,025,000 (excluding the additional funds for the rounded bond increment and associated fee that may also be financed at zero percent). Allocation of any available funding at an interest rate of zero percent for this option would occur concurrently with the allocation of any other funding for the project.

#### **g. AMPSS – Additional Interest Rate Reduction**

Beginning in SFY 2021, a small system eligible under AMPSS may receive an additional interest rate reduction for a portion of the TWDB funding for a project if it has implemented all of the Asset Management / Financial Planning tools required in the current AMPSS initiative's Scope of Work and deliverables as described in Section XIII and the proposed project is included in its current plan. The small system's asset management program may include enhancements or tools that extend beyond the minimum requirements of the AMPSS initiative's Scope of Work. The total amount of funding available in SFY 2021 with an additional interest rate

reduction may be limited.

#### **h. Bond/Loan Funding (Equivalency or Non-Equivalency)**

All entities that are listed on a PPL that are invited to submit applications are eligible to receive funding through the TWDB's purchase of the entity's bonds or through a loan agreement as allowed under the entity's governing law.

An origination fee of 2.0 percent is assessed at closing on the portion of a commitment that requires repayment. The origination fee does not apply to any principal forgiveness amounts. The financial assistance recipient has the option of financing the origination fee or paying this fee up front at closing.

An entity may receive Disadvantaged Community, Disadvantaged Community – Small/Rural only, Green, Very Small System, and Urgent Need principal forgiveness, concurrently with a bond or loan. The entity may also be eligible for a maximum repayment period of 30 years provided the extended term reserve has not been met.

### **2. Terms of Financial Assistance**

Loans may be offered for a term of up to 30 years for the planning, acquisition, design, and/or construction phases. For the purchase of bonds, up to 75 percent of available funds according to TWDB determined guidelines and in accordance with the SDWA may be offered with a term of up to 30 years. The remainder of available bonds purchased may be offered for a term up to 20 years. The term of financial assistance offered may not exceed the expected design life of an eligible project. The TWDB may allow principal and interest payments on a bond or loan to commence not later than 18 months after completion of the project, if considered appropriate as determined by the Executive Administrator

### **3. Federal Requirements on Available Funds**

Funds are subject to federal requirements such as Davis-Bacon Act prevailing wages and American Iron and Steel provisions. DWSRF-funded projects must follow all federal "cross-cutter" requirements and EPA's signage requirements. These requirements are outlined in Appendix E.

A portion of the DWSRF funds, in an amount at least equal to the federal capitalization grant, must follow all federal cross-cutters. These DWSRF-funded projects are referred to as Equivalency projects. The federal cross cutters that apply to Equivalency projects include compliance with EPA's Disadvantaged Business Enterprise program administered by TWDB. Equivalency projects receive an additional interest rate reduction of 30 basis points over the 125-basis point reduction for non-equivalency projects. (see Appendix E for details of Federal Requirements)

## VII. Multi-year Commitments

In SFY 2020, the DWSRF will offer multi-year commitments up to five years to assist entities that need to fund projects over a period of time. This option will provide a reliable source of capital based on a commitment structure that meets the annual capital requirements of the project. To assist in providing for long-term financial planning, the minimum interest rate reduction (e.g. 155 or 125 basis points) for the multi-year commitments will be established and locked for the five-year period based on the interest rate reduction in the IUP for the first year's commitment. If the interest rate reduction is increased for a particular year during the multi-year commitment period, the entity will receive the benefit of the increased reduction for that year. Similarly, if the loan origination fee is reduced for a particular year during the multi-year commitment period, the entity will receive the benefit of the lower loan origination fee for that year.

This option is available for projects that receive Additional Subsidization in the form of principal forgiveness except for those projects that receive Urgent Need funding.

If an entity receives regular Disadvantaged Community funding then the TWDB would generally close on the funding for each year on a pro rata basis to retain the applicable 30%, 50% or 70% level. However, because there is a limit on the total amount of Disadvantaged Community principal forgiveness that may be received, the Executive Administrator may approve closing on a higher amount of principal forgiveness during the first and subsequent years. For each year, the calculation would compare the calculated principal forgiveness amount based on the applicable 30%, 50% or 70% level to the pro rata amount based on the limit for each of the five years. If the calculated amount without the limit for a particular year is greater, then that would be the maximum principal forgiveness that may close in the year. This will ensure that the limit on the amount of Disadvantaged Community principal forgiveness does not reduce the amount of principal forgiveness that an entity selecting the multi-year option would otherwise be able to receive in a given year.

Principal forgiveness awarded as Green subsidy will be allocated on a pro rata basis over the total number of years selected. All Disadvantaged Community – Small/Rural and Very Small Systems principal forgiveness may be received in the first year that funds are received.

For multi-year commitments, any zero-interest funding will receive the blended rate and, in essence, will be closed pro-rata with any regular loan/bond funding.

Annually, prior to the development of each year's IUP, any entity receiving a multi-year commitment will be required to re-confirm their anticipated funding needs established with the initial commitment.

## VIII. Cost Savings Calculation

The DWSRF program provides lower cost funding that will result in significant savings compared to market-rate financing. The chart below illustrates the estimated savings from using the DWSRF program using TWDB’s methodology for calculating cost savings for new commitments. This example assumes a borrower with an AA market rating receives DWSRF financial assistance of \$10 Million over 30 years with an interest rate reduction of 125 basis points from the market rate.

Funding Option	Cost of Funds	DWSRF - \$10,000,000 borrowed over 30 years	
		Total Principal and Interest Payments over 30 Years	% Savings over Market
Market – Borrower rating of AA	2.37% *	\$13,775,372 **	
DWSRF Program	1.10% *	\$11,780,486	
<b>Savings Using DWSRF *</b>		<b>\$1,994,886</b>	<b>15%</b>

\* Rates were current as of June 4, 2019. The example above is for illustrative purposes only.

\*\* The market amount used for comparison was \$9,799,118.

In this example, the borrower would make approximately \$2 million dollars, or 15 percent, less in payments.

## IX. Goals

The primary goal of the Texas DWSRF program is to improve public health protection. In addition, the overall goals of the Texas DWSRF program are to identify and provide funding for maintaining and/or bringing Texas’ PWSs into compliance with the SDWA; to support affordable drinking water and sustainability; and to maintain the long-term financial health of the DWSRF program fund. Specific goals to achieve those ends are listed below.

### A. Short-Term Goals

1. Encourage the use of green infrastructure and technologies by offering principal forgiveness for green infrastructure, energy efficiency, water efficiency, or environmentally innovative portions of projects and allocating an equivalent of 10 percent of the capitalization grant to approved green project costs.

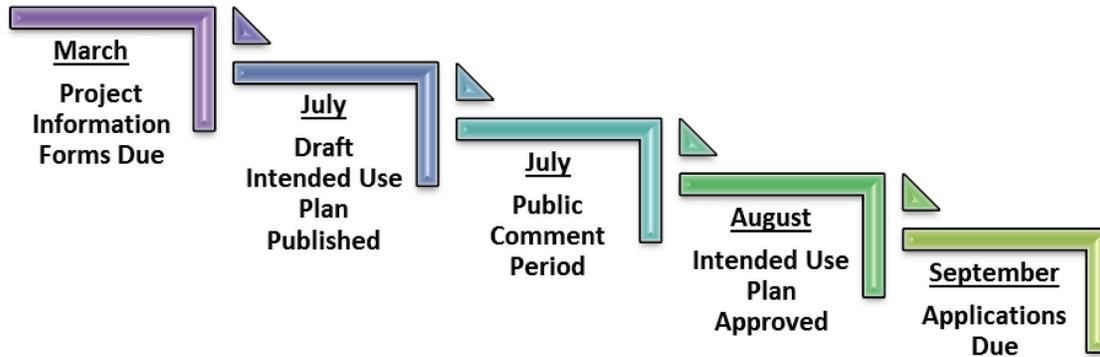
2. Offer terms of up to 30 years for the planning, acquisition, design, and/or construction for up to 75 percent of available funds in accordance with TWDB determined guidelines and the SDWA.
3. Increase the amount of DWSRF program funding available by leveraging the program as necessary to meet the demand for funding additional drinking water projects.
4. Continue to enhance the DWSRF by cross-collateralizing the program with the Clean Water State Revolving Fund (CWSRF) program in accordance with state and federal law.
5. Enhance our current level of outreach on the SRF programs by hosting regional financial assistance workshops in conjunction with the continued use of social media.
6. Assist water systems with urgent needs through financial assistance in the form of principal forgiveness and loans with an additional interest rate subsidy from the Urgent Need reserve.
7. Provide outreach, technical assistance and special allocations of funding to reduce the number of public water systems with unresolved health issues as part of the Securing Safe Water initiative.
8. Continue to implement the TWDB's AMPSS and CPA to Go initiatives.

## **B. Long-Term Goals**

1. Maintain the fiscal integrity of the DWSRF in perpetuity.
2. Employ the resources in the DWSRF in the most effective and efficient manner to protect public health and assist communities in maintaining compliance with SDWA requirements and maintain a strong financial assistance program that is responsive to changes in the state's priorities and needs.
3. Assist borrowers in complying with the requirements of the SDWA by meeting the demands for funding eligible water projects by providing financial assistance with interest rates below current market levels and with Additional Subsidization in the form of principal forgiveness.
4. Support the development of drinking water 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.

## X. Participating in the DWSRF Program

Below are the major steps in the production of the initial IUP for SFY 2020.



### A. Solicitation of Project information

Project information was solicited from eligible entities across the state using direct emails, notices posted on the TWDB website, and financial assistance workshops held throughout the State. Potential applicants submitted PIFs by the response deadline of March 1, 2019.

The required information submitted on a PIF consisted of:

- A detailed description of the proposed project.
- A map(s) showing the location of the service area.
- An estimated total project cost that is certified by a registered professional engineer if project costs are greater than \$100,000.
- A checklist and schedule of milestones to determine a project's readiness to proceed to construction.
- The population currently served by the applicant.
- Green project information, if applicable.
- Signature of the applicant's authorized representative.
- Additional information detailed within the solicitation for projects as needed to establish the priority rating.

Any survey being used for income determination must be completed within five years of the date the TWDB receives the PIF.

## **B. Updating Projects from the Prior Intended Use Plan**

For SFY 2020, a potential applicant must update, at a minimum, the readiness to proceed information, and if seeking disadvantaged community eligibility, the socioeconomic economic census data and utility rate information. The requirement to update the readiness to proceed information will apply to an entity that previously received a commitment for Planning, Acquisition and/or Design only and desires to be considered for the construction portion of the project.

## **C. Evaluation of the Project Information Received and Priority Rating System**

All PIFs received an initial review by TWDB staff. The TWDB evaluated submissions requesting eligibility for disadvantaged community status using the affordability criteria, which is described in detail in Appendix D. The TWDB rated projects based on effective management criteria presented in Appendix C. The scores are based on information received by any established PIF deadline. Throughout the evaluation process, entities were contacted by staff if additional information was needed for clarifying their eligibility for disadvantaged status or effective management points.

Concurrent with TWDB's rating process for disadvantaged community status, effective management, and Planning, Acquisition, and Design (PAD) projects, TCEQ performed the priority rating for water system projects. The general rating criteria for projects are briefly described below, with details provided in Appendices C and D. For information on scoring for specific projects, a report detailing the scoring for each project will be posted on the TWDB's website.

### **1. Rating Criteria for Water System Projects**

- Health and Compliance – factors regarding public health concerns/issues or violations of Maximum Contaminant Levels (MCLs) pursuant to 40 Code of Federal Regulations Part 141 (see Appendix C)
- Secondary Compliance – factors regarding secondary chemicals and/or physical deficiencies (see Appendix C)
- Effective Management – factors relating to the implementation of effective management practices (see Appendix C)
- Affordability / PAD – factor applied to an entity that qualifies as a disadvantaged community or had TWDB PAD financing for the project (see Appendix D)

### **2. Rating Criteria for Source Water Protection Projects**

- Groundwater System Vulnerability – factor relating to vulnerability of groundwater systems (see Appendix C)
- Surface Water System Vulnerability – factor relating to vulnerability of surface water systems (see Appendix C)

- Effective Management – factors relating to the implementation of effective management practices (see Appendix C)
- Affordability / PAD – factor applied to an entity that qualifies as a disadvantaged community or had TWDB PAD financing for the project (see Appendix D)

#### **D. Ranking and Creation of the Project Priority List and Initial Invited Projects List**

Each project submitted by the initial deadline and determined to be eligible is ranked from highest to lowest by the combined rating factors and included on the PPL. In the event of ties in the rating, priority is given to the project serving the smaller total population. Project information submitted after the March 1<sup>st</sup> deadline was not considered for rating purposes prior to adoption of the initial PPL. Following approval of the IUP, changes to a ranked project that result in a project no longer addressing the issues for which it was rated will require the project to be re-rated and re-ranked. Changes in the project that do not trigger re-rating and re-raking are:

1. The applicant for a proposed project changes but the project does not change;
2. The number of participants in a consolidation project changes and the change does not result in a change to the combined rating factor; and
3. The fundable amount of a proposed project does not increase by more than 10 percent of the amount listed in the approved IUP. The Executive Administrator may waive the 10 percent limit to incorporate additional elements to the project; however, any Additional Subsidization awarded may not exceed the original IUP amount's allocation.

The IIPL presented in the IUP (Appendix K) refers to a subset of projects from the PPL and includes only the projects to be invited to apply for funding during the initial invitation round following the Board's approval of the IUP. The IIPL includes the type and amount of funding necessary to meet requirements and goals of the DWSRF, such as Additional Subsidization and Reserve requirements. Based on a review of readiness to proceed to construction, the TWDB determined which phases would be eligible to receive funding during SFY 2020. The phases indicated on the IIPL represent the phases deemed eligible based on that review. Projects that were determined to be ready to proceed to construction were included on the IIPL. If an entity is interested in applying for additional phases of the project not listed on the IIPL or not mentioned in the invitation letter, an updated Readiness to Proceed to Construction form must be submitted and an eligibility determination will be made by TWDB prior to the pre-application meeting. For SFY 2020, all projects requesting only loan funds, without any principal forgiveness, will be included on the IIPL.

An entity that previously received a commitment for Planning, Acquisition and/or Design only and desires to be considered for the construction portion of the project must update, at a minimum, the readiness to proceed information. It will then be added to the PPL for construction phase funding based on the same number of points, or higher, they

received in the year they were rated. Any invitation for construction phase funding is contingent upon the project having met the required ready to proceed milestones.

A project submitted for the SFY 2020 IUP that received a commitment for all requested phases from TWDB prior to creation of the initial PPL has not been included on the initial PPL. Those projects that already received the commitment are shown as being ineligible for funding in SFY 2020. A project that previously received a commitment from TWDB for only the initial phase of the project, such as planning, acquisition, and/or design, and also provided an update of the project's readiness to proceed to the construction phase has been listed on the initial PPL.

For SFY 2020, the IIPPL represents projects with costs exceeding the available amount of funds allocated for Equivalency projects. Once the amount of funds allocated to Equivalency projects has been reached, funds will be allocated to Non-Equivalency projects.

## **E. Bypassing Projects**

The TWDB's Executive Administrator may decide to bypass, or skip, higher ranked projects in favor of lower ranked projects to ensure that funds available are utilized in a timely manner and that statutory and capitalization grant requirements are met. In addition, if an entity is offered funding for any project that has an interrelated project ranked lower on the list, the Executive Administrator has discretion to also offer funding for the interrelated project. Reasons for bypassing projects are discussed in Appendix F.

## **F. Phases for Invited Projects**

### **1. Pre-Design Funding Option (or Planning, Acquisition, Design and Construction Funding)**

The pre-design funding option allows an applicant to receive a single commitment for all phases of a project. The construction portion of the project must be deemed ready to proceed before funds for the construction phase will be released.

### **2. Construction Funding Only**

All projects that were determined to be ready to proceed to construction based on the current status of their planning, acquisition, and design activities were included on the IIPPL and will receive an invitation to fund the construction portion of the project.

### **3. Planning, Acquisition, and Design**

A project that was not deemed ready to proceed to construction may receive an invitation to fund only the Planning, Acquisition, and/or Design portion of the project.

#### 4. Viability and Feasibility of Projects

A project must demonstrate to the TWDB that it is viable, feasible, and sustainable prior to being invited to submit an application and prior to receiving a commitment for any funding option, including principal forgiveness, for the acquisition, design or construction phases of the project. A project may receive funds for the planning phase to assess the viability and feasibility of a project, including funds to prepare an asset management plan.

#### G. Invitations and Application Submissions

Entities with projects on the IIPPL will be informed of the opportunity to submit an application for the project phases shown on the list using the funding options in the next section. **The projects listed on the IIPPL that are interested in pursuing funding are encouraged to begin working on their applications upon publication of the draft IUP in order to have a complete application ready to submit after the IUP is approved.** Prior to submitting an application, entities are required to participate in a pre-application meeting to discuss the application process and project requirements. Invited applications from projects on the IIPPL that are received during the initial invitation round after Board approval of the IUP will be allotted available Additional Subsidization (principal forgiveness) based on rank order. All projects must be determined administratively complete as submitted or within 14 days from the date the applicant receives a notice to correct deficiencies or any Additional Subsidization may be re-allotted on a first-come, first-served basis.

Each application received by the TWDB will be reviewed to ensure that the required milestones have been met to allow funding of the phase(s) being requested. If the application review determines that a project is not ready to proceed for funding for the phase(s) being requested, the project may be bypassed for any additional subsidy amounts or receive limited phases of funding.

Entities invited for only planning, acquisition and/or design phases but wish to pursue Construction phase funding, may provide an updated Readiness to Proceed to Construction form for review.

Projects may be bypassed if an applicant fails to timely submit a complete application or additional requested information. After the initial invitation period, all other projects on the PPL will be invited and applications will be processed on a first-come, first-served basis, with funding allocations based on the date the application is considered administratively complete. Under the first come, first served processing, for a brief, initial period of time TWDB will first consider for allocation of available principal forgiveness or zero interest loans funds those projects listed in the initial IUP.

Applicants may submit a PIF at any time for a project to be considered for inclusion on the amended PPL. Eligible projects will be rated and ranked and added to the project lists. Amendments to the project lists will undergo a 14-day public review period that will be advertised on the agency website. Projects requesting Urgent Need funding may

undergo a 7-day public review period if the TWDB determines it is necessary to protect public health and safety. Once the project has been added to the amended PPL, the TWDB will send out an invitation to apply on a first-come, first-served basis provided funding is available.

#### **H. Addressing Any Water Loss Mitigation within the Application**

If an applicant that is a retail public utility providing potable water has a water loss that meets or exceeds the threshold for that utility in accordance with §358.6 of Title 31, Part 10, Texas Administrative Code, the retail public utility must use a portion of any financial assistance received from the DWSRF, or any additional financial assistance provided by the TWDB, to mitigate the utility's water loss. However, at the request of a retail public utility, the TWDB may waive this requirement if the TWDB finds that the utility is satisfactorily addressing the utility's system water loss. Mitigation, if necessary, will be in a manner determined by the retail public utility and the TWDB's Executive Administrator in conjunction with the project proposed by the utility and funded by TWDB.

#### **I. Self-Certification for Certain Systems Serving 500 or Fewer Persons**

The Water Infrastructure Improvements for the Nation Act (Public Law 114-322) requires DWSRF assistance recipients serving 500 or fewer persons to consider publicly-owned wells (individual, shared or community) as an option for their drinking water supply. Any applicable project involving the construction, replacement or rehabilitation of a drinking water system which is not already using a publicly-owned well for the source are required to self-certify. If the community already uses a publicly-owned well (including a privately-owned well for a public water system) and the project does not involve a new water source, then the self-certification is not needed. The self-certification is only for projects which do not involve a publicly-owned well source to ensure that this was one of the water supply options considered but not selected as the best alternative.

#### **J. Commitment Timeframes for Projects with Principal Forgiveness Component(s)**

Due to the high demand and limited availability of subsidized funding, it is imperative that applicants offered these funds proceed in a timely manner. Therefore, the TWDB has established commitment timeframes for projects that qualify and have been designated to receive Additional Subsidization in the form of principal forgiveness. If an applicant does not proceed through the application process and obtain a funding commitment within the timeframes listed below, the Additional Subsidization may be re-allocated to another eligible project. In extenuating circumstances, TWDB may grant an extension of time for obtaining a commitment if an applicant demonstrates sufficient reason for a delay.

<b>Principal Forgiveness Type</b>	<b>Commitment Deadline</b>
Disadvantaged Community/ Disadvantaged Community – Small / Rural only	4 months
Very Small Systems	4 months
Green Subsidy	4 months
Urgent Need	3 months

## **K. Closing Deadlines**

The deadline to close a commitment is dependent on whether the commitment includes Additional Subsidization in the form of principal forgiveness. Commitments that include only principal forgiveness must close within three months from the date of commitment. All commitments that include principal forgiveness funding concurrently with bonds/loan funding must close within six months from the date of the commitment. All commitments for bonds/loan funding without any principal forgiveness funding must close within one year from the date of commitment. For multi-year commitments described in the next section, the closing deadline for the initial year will follow the chart below. For each subsequent year, the commitment must close within the dates established by the TWDB at commitment. In extenuating circumstances, the Board may grant extensions of time to close if an applicant demonstrates sufficient reason for a delay.

<b>Type of Financial Assistance</b>	<b>Closing Deadline</b>
Commitments that include only principal forgiveness	4 months
All commitments that include principal forgiveness and bonds/loan	6 months
All commitments for bonds/loan without any principal forgiveness	12 months

## **L. Limits**

### **1. Proportionate Share/Capacity**

The TWDB may limit the amount of funding available to an individual entity based on a proportionate share of total funds available. The TWDB may elect to provide financing in excess of the initial capacity level if the Board approves the increase consistent with maintaining the DWSRF in perpetuity and after consideration of other relevant factors. TWDB may limit the interest rate reduction for the amount being provided to a project in a single year that exceeds \$250 Million. This single-year threshold does not affect the total multi-year commitment amount under the multi-year funding option.

### **2. Additional Project Funding Before Closing**

The total project costs may be increased if the entity shows that additional funds are necessary to implement the project. If the project includes Additional Subsidization, the total amount of Additional Subsidization in the form of principal forgiveness

allocated to the project may not increase from the amount listed in the adopted IUP unless Additional Subsidization funding is available.

### **3. Cost Overruns After Closing**

In the event of cost overruns on projects funded from a previous commitment, additional funding may be considered on a case by case basis.

### **4. Reduction in Closing Amount**

For commitments that consist of both principal forgiveness and loans/bonds, if the closing amount is reduced from the commitment amount, then the principal forgiveness amount for the closing will be reduced on a pro rata basis. Any remaining principal forgiveness may be applied to subsequent closings of the remaining commitment amount, subject to the closing requirements of paragraph K of this section.

## **M. Leveraging to Provide Additional Funding**

The TWDB may leverage the DWSRF program as necessary to meet the demand for funding additional drinking water projects.

## **N. Funds from Prior Years**

Additional funds that may become available through unobligated previous grant funds, or deobligation or closure of previous commitments will be available for eligible projects.

## **O. Transfer of Funds**

### **1. Reserving Transfer Authority for Future Use**

Section 302 of the SDWA Amendments of 1996 provides states the authority to reserve and transfer funds between the DWSRF and the CWSRF programs. In accordance with Section 302, the TWDB hereby reserves the authority to transfer an amount up to thirty-three percent (33 percent) of the DWSRF program capitalization grant(s) to the CWSRF program or an equivalent amount from the CWSRF program to the DWSRF program.

### **2. Ongoing cash flow transfer mechanism**

The TWDB may transfer in accordance with the authority in Section 302 of the SDWA up to \$150,000,000 of funds derived from repayments between the CWSRF and DWSRF. No grant funds would be transferred under this standing transfer mechanism. Funds derived from repayments from each SRF may flow from one SRF to the other SRF in both directions throughout the year. This mechanism will use surplus funds in one SRF to temporarily meet loan demand in the other SRF. It will achieve savings by eliminating issuance costs from bond sales that would otherwise be necessary to meet cash flow demands in a particular SRF. The actual amount TWDB transfers at any time throughout the year will be based on the cash flows needs of the each SRF program.

TWDB will track the transfers on an absolute basis for reporting purposes and also a net basis to ensure the net amount of transfer does not exceed the limit under law of thirty-three percent of the respective program's capitalization grants. This will result in a positive impact on funds being available to finance projects in both SRFs. The SRF that receives the funds will be able to fund projects more efficiently and rapidly. The transferred funds will be returned to the originating SRF so it will be able to meet its project funding needs. In addition, because both SRFs are leveraged they may borrow funds to finance projects if necessary. The long-term impact on both SRFs is positive because of the improved operational efficiencies and ability to achieve program savings. The TWDB will include any amount that was transferred in SFY 2020 in the DWSRF program's SFY 2020 Annual Report. (See Appendix E for the calculation demonstrating that \$150,000,000 may be transferred in accordance with Section 302 of the SDWA Amendments of 1996.)

#### **P. Updates to the Intended Use Plan**

Substantive changes to the IUP may be made through an amendment after a 14-day public review and comment period. Non-substantive changes may be made by the TWDB without public notification.

### **XI. Set-Asides**

Federal regulations allow states to set aside up to 31 percent of the capitalization grant funds for purposes other than financing construction projects for water systems. The set asides for SFY 2020 will be allocated as follows: 4 percent for the TWDB for administration/technical assistance, 10 percent for TCEQ for State Program Management, 2 percent for TCEQ for Small Systems Technical Assistance, and \$1,800,001 (approximately 3 percent) for TCEQ for Local Assistance and Other State Programs.

#### **A. Texas Water Development Board Administration and Technical Assistance Activities**

The SDWA allows a state to set aside funds to cover the reasonable costs of administering the DWSRF and to provide technical assistance to public water systems. The amount that may be taken for these purposes is the amount of any fees collected by the State, regardless of the source; and the greatest of (1) \$400,000, (2) one-fifth of one percent of the current valuation of the DWSRF (both loan and set-asides), and (3) an amount equal to four percent of all grant awards to the DWSRF for the particular fiscal year.

The TWDB will draw administrative and technical assistance set-asides from the FFY 2019 Capitalization Grant in the amount of \$3,449,000. This amount is based on the option of using four percent of the FFY 2019 capitalization grant. These funds will be used for allowable expenses such as reporting activities, payment processing, application assistance, project development and monitoring, and technical assistance to public water systems. In addition, the TWDB assesses fees for the purpose of

recovering administrative costs. These fees are placed in a separate account for future administrative expenses. The fees are generated by an assessment of 2.0 percent of the portion of the DWSRF financial assistance that is repaid and is assessed at closing. Fees collected will be deposited into the Administrative Cost Recovery Fund.

Federal regulations governing the DWSRF program permit a state to reserve its authority to take an amount equal to 4 percent of the current year's grant from a future grant to defray the cost of administering the program. The TWDB, as it has done since SFY 1998, is reserving that authority.

**B. Texas Commission on Environmental Quality Activities**

Funds for TCEQ Set-Aside activities from the FFY 2019 capitalization grant totaling \$12,147,001 may be used in SFY 2020. Remaining funds from the previous DWSRF grant, except for funds for Local Assistance and Other State Programs, may also be used in SFY 2020.

State Program Management Set Aside from FFY 2019 grant	\$8,622,500
Small Systems Technical Assistance Set Aside from FFY 2019 grant	\$1,724,500
Local Assistance and Other State Programs Set Aside from FFY 2019 grant	\$1,800,001
<hr/>	
<b>Total TCEQ Set-Aside amount from FFY 2019 grant</b>	<b>\$12,147,001</b>

The amount of \$8,622,500 for the State Program Management Set Aside may include funds held back by EPA from the allocation to Texas to provide Drinking Water Needs Survey training.

A detailed description of SFY 2020 activities may be found in TCEQ's DWSRF Set-Aside Work Plans. Activities are expected to be completed by August 31, 2020.

**C. Coordination of Activities with the Texas Commission on Environmental Quality**

The TWDB and TCEQ regularly communicate to discuss projects in need of financial assistance through the DWSRF program. The two agencies hold periodic DWSRF coordination meeting and TCEQ staff attend many of TWDB's pre-application meetings and financial assistance workshops.

**XII. Financial Status**

The base amount of funding available for SFY 2020 is set at \$250,000,000. The total amount available is based on a 10-year average capacity of \$250 Million from SFY 2020 to SFY 2029. The amount of the FFY 2019 capitalization grant allotment for the DWSRF program is \$86,225,000, with a match of \$17,245,000 to be provided by the state. As demand warrants, the TWDB will leverage the DWSRF to provide additional financial

assistance to projects. The TWDB will comply with the requirements associated with the FFY 2019 allotment in SFY 2020.

#### **A. Sources of State Match**

The deposit of required state match will occur in advance or at the time of the scheduled grant payment and the source of funding for the match, which may include the proceeds of bonds sales or state appropriations, varies based upon availability.

#### **B. Binding Commitment Requirement**

The TWDB will enter into binding commitments with entities during SFY 2020 that total 120 percent of the amount of a FFY 2019 grant payment allocated to projects within one year after the receipt of the grant payment. A binding commitment occurs when the TWDB's Board adopts a resolution to commit funds to a project.

#### **C. Leveraging**

The DWSRF program will be leveraged as necessary to provide funds to meet the needs of public water systems in the state. The TWDB will leverage funds through the issuance of debt obligations in accordance with a Master Resolution and supplemental resolutions covering the issuance of each bond series.

#### **D. Cross-collateralization**

On March 1, 2018, the TWDB has cross-collateralized the CWSRF and the DWSRF as a source of revenue and security for the payment of the principal and interest on bonds for the DWSRF and CWSRF programs. State authority is provided under Section 15.6042 of the Texas Water Code. The TWDB has received a certification from the state Attorney General that state law permits the TWDB to cross-collateralize the assets of the CWSRF and the DWSRF. Cross-collateralization of the CWSRF and DWSRF will enhance the ability of the DWSRF to leverage its funds and increase its lending capacity without detriment to either of the SRF programs.

##### **1. Summary of the cross-collateralization structure:**

a. The type of moneys which will be used as security – Pledged Political Subdivision Bonds and certain other funds included in the Master Resolution (program account, portfolio account, and revenue account) will secure the bonds.

b. How moneys will be used in the event of a default - In the cross-collateralized scenario, Political Subdivision Bonds from the non-defaulting program will be used to cover the debt service delinquency on the defaulting program. If, for any reason, insufficient Political Subdivision Bonds exist in both programs, then program equity will be utilized.

c. Whether or not moneys used for a default in the other program will be repaid; and, if it will not be repaid, what will be the cumulative impact on the funds - While a decision to repay or not repay would be made at the time of default, the TWDB would either require repayment when funds are available or transfer repayment funds.

2. Proportionality – The proceeds generated by the issuance of bonds will be allocated to the purposes of the CWSRF and the DWSRF in the same proportion as the assets from the two funds that are used as security for the bonds.
3. State Match – In accordance with Texas Water Code §§ 17.853(c)(1) and 17.859, the TWDB intends to provide state match through the issuance of one or more revenue bonds in a program series that will fund the two SRF programs. Supplemental bond resolutions for the issuance of each series will provide detail on what specific money is pledged as security for each program (CWSRF or DWSRF) within the series. As required, the CWSRF and DWSRF will continue to be operated separately. The cash flows for the DWSRF program and the CWSRF program will be accounted for separately. Repayments on loans in the CWSRF program will be paid to the CWSRF and repayments on loans made in the DWSRF program will be paid to the DWSRF.

Similar to other states' financing methods where state match is not provided by appropriation and is instead generated through debt issuance, the TWDB cross-collateralization structure allows the TWDB to retire bonds for the State Match with interest earnings payments only, not principal, earned from each SRF in accordance with 40 CFR § 35.3550(g)(3).

#### **E. Inter-fund Loan / Investment**

During SFY 2020, the TWDB may invest funds from the CWSRF in the DWSRF in an amount not to exceed \$150 million. If the TWDB elects this option, it will execute an inter-fund loan agreement between the CWSRF and the DWSRF with a term that will not exceed three years. Any CWSRF recycled funds deposited in accordance with the inter-fund loan agreement would be used exclusively for DWSRF eligible purposes. The TWDB would also issue a reimbursement resolution providing for repayment of funds to the CWSRF using the proceeds of a DWSRF bond issuance once the DWSRF program is leveraged. The TWDB received EPA approval for this option on March 8, 2017.

#### **F. Method of Cash Draw**

The method of cash draw for the FFY 2019 capitalization grant is to expend the required state match first, and then federal funds will be drawn at a rate of 100 percent.

#### **G. Long-Term Financial Health of the Fund**

The long-term financial health of the DWSRF is monitored through ongoing cash flow and capacity modeling. The TWDB lending rate policy has been established to preserve the corpus of the capitalization grants and state match funds, excluding the amount of principal forgiveness and set-aside amounts from each grant. The TWDB will continue to manage the DWSRF to ensure funds will be available in perpetuity for activities under the SDWA.

## **H. Interest Rate Policy**

The TWDB has established an interest rate policy that provides for fixed rates. For SFY 2020, Equivalency financial assistance will be offered at 155 basis points below the market rate and Non-Equivalency financial assistance will be offered at 125 basis points below the market rate based on a level debt service payment schedule. Regardless of the interest rate reduction calculation, the interest rate may not be lower than zero percent. Fixed rates are set five business days prior to the adoption of the political subdivision's bond ordinance or resolution or the execution of the financial assistance agreement, but may be based on interest rate levels determined as of an earlier date, and are in effect for forty-five days.

## **I. Fees**

The only fee is an origination fee of 2.0 percent that is assessed at closing. Fees are not deposited into the DWSRF. The fees may be used for administrative costs, including, but not limited to, project oversight, long-term financial monitoring, and for the AMPSS program, CPA to Go program, and to provide technical assistance under the Securing Safe Water initiative as described in Section XIII.

## **J. EPA Program Evaluation Report and Audit**

EPA conducted an annual program review of the DWSRF for SFY 2017 through an onsite review occurring from April 29, 2019 to May 3, 2019. EPA will send their final report to TWDB upon completion.

The Texas State Auditor's Office published the results of the SFY 2018 Single Audit of the DWSRF on February 21, 2019 (Report 19-315). There were no findings as a result of the review.

## **XIII. TWDB Special Program Initiatives**

### **Asset Management Program for Small Systems (AMPSS) Initiative**

#### **Purpose and Overview:**

Smaller water and wastewater utilities often operate reactively rather than proactively, usually due to a lack of resources and planning tools. For some of the smaller utilities, system components are replaced only after failure, while system expansion occurs only as requested by users or mandated by regulatory agencies. The TWDB has developed and implemented an initiative to assist these water and wastewater utilities in creating a plan for managing their systems in a financially and technically sustainable manner by delivering management tools developed by the Texas Commission on Environmental Quality (TCEQ). TWDB will contract with qualified entities to evaluate the existing system and create an asset management plan in accordance with the guidelines created by TCEQ's Small Business and Governmental Assistance Section. This plan will become the basis for planning for system sustainability by identifying replacement dates and estimated costs, developing best practices for operation and maintenance, and developing financial plans for obtaining funding for future needs.

The system will receive the following tangible assistance:

- a. Asset Management Plan.
- b. Sustainability Plan.
- c. System Operations and Maintenance Manual.
- d. Training for system management and staff.
- e. A Compliance Manual.
- f. Installation of all tools that were developed on the system's computer system.

#### Funding – Administrative Costs

The funds to cover the contracted services for these smaller systems come from origination fees from the CWSRF and DWSRF. The TWDB considers the planned activities to be administrative activities under the CWSRF program and administration / technical assistance under the DWSRF program. 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.

- a. The TWDB will pay not more than \$75,000 per project.
- b. Match - There is no match requirement for the system; however, the system will be required to contribute 80 hours of staff participation to the development of the plan. (TWDB may waive the required 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.)

#### Systems to be Assisted

The target systems are defined as (a) having 5,000 service connections or less or (b) an entity that has a population of less than 10,000 and one that is not located within the borders of any municipality with a population over 10,000, including its extra-territorial jurisdiction.

#### Selection of Contractors

The TWDB may select multiple contractors according to qualifications that are specified in a RFQ. The procurement process will follow all state procurement laws and requirements, including use of Historically Underutilized Businesses.

#### Scope of Work to be Performed by Contractors for Selected Systems

The work must meet the following requirements:

- a. Asset Management – (1) 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, (2) develop a comprehensive plan for managing system assets, (3) develop a budget for managing system assets, (4) develop an

implementation plan, including a time schedule, for implementing and updating the asset management plan, and (5) 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.

The TWDB-procured contractor and the smaller system will negotiate and execute a contract in a form acceptable to TWDB covering the development of the project prior to the contractor initiating any work. The contractor must complete the project within 9 months after the date of the contract between the contractor and the system.

#### Initial Round:

In the fall of 2018, a total of \$450,000 was made available for six small systems in the initial round. Three projects addressed water systems and three projects addressed wastewater systems. The work is scheduled to be completed in the summer of 2019.

#### Subsequent Rounds:

The TWDB anticipates awarding additional contracts under this initiative in SFY 2020 in a total amount to be determined during the year.

#### Reporting:

The TWDB will report on the amount of fees allocated, recipients assisted, and outcomes under this initiative in its Annual Report.

### **CPA to Go Initiative**

Similar in concept to the AMPSS program, the TWDB has developed and implemented a pilot program called "CPA to Go" using origination fees collected under the Clean and Drinking Water State Revolving Fund programs. Under this program, the TWDB will contract with Certified Public Accountants (CPAs) to provide technical assistance services to designated recipients of TWDB funding under the State Revolving Fund (SRF) programs. The TWDB will select recipients determined to be in need of special assistance from a CPA to maintain adequate compliance with the requirements of the SRF programs.

The contracted CPA's anticipated work activities would fall into two broad categories of services for the designated recipients.

First, the contracted CPA would evaluate regulatory and financial assistance covenant compliance procedures in the following areas for designated recipients:

- Activities allowed/unallowed, including compliance with financial instrument covenants,
- Allowable costs/cost principles,
- Federal funding eligibility, and/or

- Financial Reporting.

Second, the CPAs will provide professional services in areas such as the following:

- Advising recipients on the design and implementation of internal control procedures, particularly those addressing Internal Controls Over Financial Reporting in response to control weaknesses identified in audits of Comprehensive Annual Financial Reports and/or in Single Audit Reports and Management Letters (or the equivalent),
- Assisting recipients in the design of procedures for preparing financial statements required by the covenants of loan and other financial commitment documents that require compliance with Generally Accepted Accounting Principles and Generally Accepted Government Accounting Standards. This assistance will not include actually performing the independent audit of the entity's financial statement, or
- Assisting recipients in the identification and interpretation of funding commitment provisions and covenants and best practices related to compliance disclosure.

While these provide examples of the contracted CPA services contemplated at this time, the TWDB may alter the scope of services under this program to reflect the needs of the agency and the recipients.

The expenditures under the CPA contracts will be allocated to the respective SRF programs based on the initial amount provided under existing SRF loans with the designated recipient. The TWDB considers the planned activities to be administrative activities under the CWSRF program and administration / technical assistance under the DWSRF program.

The TWDB will report on the amount of fees allocated and the recipients assisted under this initiative in its Annual Report.

### **Securing Safe Water – Outreach, Technical Assistance and Funding Initiative**

TWDB is in the process of developing and implementing an initiative to reduce the number of public water systems in Texas with unresolved health violations. This initiative will support EPA's Strategic Plan's goal of significantly reducing the number of systems with health violations. As of April 29, 2019, TCEQ reported 261 public water systems had unresolved health violations in Texas. Below is an outline of TWDB's overall strategy.

#### 1. Funding

In the SFY 2020 IUP, the TWDB has specifically allocated a portion of the available principal forgiveness in the Very Small Systems and Urgent Need funding options for this initiative. In addition to these special allocations, the TWDB will use principal forgiveness, zero-interest loans, and regular low-cost loans from the Disadvantaged Communities, Disadvantaged Communities – Small/ Rural and Urgent Need funding options to support this initiative.

#### 2. Outreach & Determining Need

- a. Contacting systems – letters, telephone calls, and notifications of workshops
- b. Site visits

- c. Special workshops
  - d. Developing outreach documents or videos
3. Technical Assistance
- a. Determining the appropriate first steps for the public water system.
  - b. Application assistance
  - c. Income survey assistance
  - d. Developing technical guidance such as pamphlets and videos
  - e. Partnering with others such as TCEQ
  - f. Facilitating the appropriate involvement of professional entities such as engineering firms to prepare and seal the Project Information Forms and assist with project implementation
4. Based on feedback received, assessing viable long-term options that may be deployed in subsequent years in support of this initiative, including
- a. Consider using the AMPSS and CPA to Go initiatives
  - b. Determine whether a fee-supported program would be beneficial to provide engineering or other assistance
5. Tracking outcomes
- a. Develop special reports to track: Outreach Contacts, Technical Assistance provided, Type of violation, TWDB funding provided, and date removed from TCEQ's list.
  - b. Report outcomes in the Annual Report.

#### **XIV. Navigating the Lists**

Appendices G – K are a series of lists that detail the proposed project information of each project based upon the PIFs received.

- **Appendix G** - The alphabetical list is the PPL sorted alphabetically. It contains the project information; the name of the applying entity, their total number of points and associated priority order rank, the type of system, the system's PWS ID number, the total population based on TCEQ data, a detailed description of the proposed project, all project phases requested by the entity, the estimated construction start date, total project cost, the percentage of principal forgiveness if the project is eligible to receive disadvantaged funding, information regarding included green components, and a reference to any other related PIFs from the current or previous IUPs. A grand total for all of the projects is listed on the last page of the appendix.
- **Appendix H** – Lists projects that were deemed ineligible to receive DWSRF funding with a brief description as to why they were deemed ineligible.

- **Appendix I** – Lists projects that were deemed ineligible to receive disadvantaged funding with a brief description as to why they were deemed ineligible. The project may still be eligible to receive other funding options.
- **Appendix J** – Lists projects in order of highest priority to receive funding. The content is the same as the alphabetical list in Appendix G.
- **Appendix K** – Is the list of projects that will be invited in the initial invitation round. The information provided in this list is similar to the alphabetical and priority order lists. The TWDB has determined which project phases are eligible to receive funding during this SFY, which is depicted in the Phase(s) column. Projects on this list will receive an invitation letter from the TWDB upon Board approval of the IUP. Pertinent notes and the definitions of acronyms and footnotes are listed on the last page of the appendix along with a grand total for the projects.
- **Appendix L** - The Initial Invited Green Projects List is a subset of the IIPPL of only projects with green components. The information detailed includes a description of the green components, the categories of those green components, the eligible phases of the project, the total project cost, the total of the green component costs, the type of green project, and whether the proposed project is eligible to receive subsidized green funding. A grand total for the projects is listed on the last page of the appendix along with any pertinent notes and the definitions of acronyms and footnotes.

## Appendix A. Public Review and Comment

### Public Participation in the Development of the Intended Use Plan

Public participation is an important and required component of the IUP development process. The TWDB takes seriously its responsibility in administering these funds and considers public input necessary and beneficial.

#### A. Notice

To seek public comment on the proposed uses of funds, the draft amended IUP, including the associated lists, was made available for a 30-day public comment period. The draft SFY 2020 DWSRF IUP was announced as follows:

- Public notification of the draft IUP, the public comment period, and public hearing notice was posted on the TWDB website at [www.twdb.texas.gov](http://www.twdb.texas.gov).
- The notice was sent via email to all entities that submitted projects for the SFY 2020 IUP and everyone who had signed up to receive TWDB email notifications.
- A copy of the draft amended IUP was sent to EPA.

#### B. Comment

Comments were accepted via the following three options from July 3, 2019, until 5:00 P.M. on August 1, 2019.

1. Attending a public hearing to be held on July 23, 2019, at 1:30 P.M. in Room 170 of the Stephen F. Austin Building located at 1700 N. Congress Avenue in Austin, Texas
2. Emailing comments to the following electronic mail address and specifying in the subject line "*DWSRF comments*".

[iupcomments@twdb.texas.gov](mailto:iupcomments@twdb.texas.gov).

3. Mailing comments to the following postal mail address:  
Mr. Mark Wyatt  
Director, Program Administration and Reporting  
Texas Water Development Board  
P.O. Box 13231  
Austin, TX 78711-3231

In accordance with federal requirements, all comments on the proposed amendments were responded to on an individual basis.

**C. Approval**

The SFY 2020 DWSRF IUP will be finalized once it is considered and approved by the TWDB.

**D. Documentation**

After TWDB approval, the final approved IUP will be formally submitted to the EPA and posted on the TWDB website.

**Appendix B. Projected Sources and Uses of Funds**  
 9/1/2019 to 8/31/2020  
 (As of May 31, 2019)

**SOURCES:**

FFY 2019 Federal Capitalization Grant	\$86,225,000
State Match - for FFY 2019 Federal Capitalization Grant	\$17,245,000
Undrawn previous grants	\$32,163,752
Principal Repayments	\$62,860,206
Interest Repayments	\$21,254,745
Investment Earnings on Funds	\$6,279,408
Cash available	\$426,653,722
Additional net leveraging bond proceeds (based on "Projects to be Funded")	\$276,658,822

**TOTAL SOURCES:** **\$929,340,655**

**USES:**

**Set-Asides from FFY 2019 Grant:**

TWDB Administrative Set-Aside	\$3,449,000
Total TWDB Set-Aside:	\$3,449,000

TCEQ Small Systems Technical Assistance Program Set-Aside	\$1,724,500
TCEQ Texas State Management Program Set-Aside	\$8,622,500
TCEQ Local Assistance and Other State Programs Set-Aside	\$1,800,001
Total TCEQ Set-Asides	\$12,147,001

**Set-Asides from prior grant** \$10,044,025

**Projects to be funded:**

SFY 2020 IUP Commitments – Additional Subsidization	\$30,000,000
SFY 2020 IUP Commitments – Bonds/Loans (Available Amount less Addit. Subsidy)	\$220,000,000
Total Projects To Be Funded - SFY 2020:	\$250,000,000

**Projects already pledged**

Commitments <sup>1</sup>	\$407,048,344
Applications	\$218,081,003
Installment closings during SFY 2020	\$9,057,000
Total Projects Already Pledged or being processed:	\$634,186,347

**Debt Service:**

Principal Payments	\$12,815,792
Interest Payments	\$6,263,255
Total Debt Service:	\$19,514,282

**TOTAL USES:** **\$929,340,655**

**NET SOURCES (USES):** **\$0**

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

1. Excludes multi-year commitments closing after SFY 2020

## Appendix C. Rating Criteria

### TCEQ Ratings

All TCEQ ratings will be summed then multiplied by 10 before adding effective management and affordability points.

### Combined Rating, Health and Compliance, and Primary Compliance Factors

#### Microbiological Factors

The sum of the total coliform MCL violations, total acute coliform MCL violations, and the treatment technique violations (including all exceedances of the 0.5 Nephelometric Turbidity Units standard), disregarding one violation.

**Points**  
(TCV=s)+(ACV=s)+(TT)-1

#### Chronic Chemical

The compliance result above the MCL for any chronic exposure chemical, divided by the MCL level.

Result/MCL

#### Acute Chemical

Three times the compliance result above the MCL for Nitrate or Nitrite, divided by the MCL level.

(Result/MCL) X 3

#### Carcinogen

Two times the compliance result above the MCL for any carcinogenic chemical, divided by the MCL level.

(Result/MCL) X 2

#### Lead/Copper

Two times the greater of the 90<sup>th</sup> percentile lead level divided by the lead action level or the 90<sup>th</sup> percentile copper level divided by the copper action level.

[Greater of (Pb90/0.015) or (Cu90/1.3)] X 2

#### Filtration

Awarded to any system with one or more sources identified as surface water or groundwater under the direct influence of surface water for which no filtration is provided.

12.00

#### Groundwater Rule Factor

Awarded to any system with one or more sources of water identified as groundwater requiring 4-log viral inactivation for which 4-log inactivation is not provided.

12.00

### Population Factor

Added to the sum of the other Primary compliance factors to determine the overall compliance rating.

#### Population Range

0-100	0.00
101-1,000	1.00
1,001-10,000	2.00
10,001-100,000	3.00
100,001+	4.00

### Secondary Compliance Factors

#### Secondary Chemical

One half the compliance result above the MCL for any secondary chemical violation for sulfate, chloride, and total dissolved solids, divided by the MCL level. (Maximum of 1 pt.)

(Result/MCL) X 0.5

**Physical Deficiency Factor**

A rating based on the confirmed existence of physical deficiencies within the water system. This rating will be used to prioritize systems with no other Health and Compliance Factors or Affordability Factors.

**Deficiency:**

Pressure <20 psi	1.00	Water Loss >25%	0.25
No disinfection	1.00	Pressure ≥20 & ≤35 psi	0.25
Production ≥85% total capacity	0.25	Other Secondary MCLs	0.25
Storage >85% total capacity	0.25		

**Consolidation Factor**

The sum of all factors for each system which will be consolidated. One half the sums of all factors for each system which will be provided wholesale water.

**TWDB Ratings**

**Effective Management**

An adopted asset management plan that contains an inventory of assets, an assessment of the criticality and condition of assets, a prioritization of capital projects, and a budget. 2.50

Beginning in SFY 2021 - Entity has adopted an Asset Management / Financial Planning tools within the past 5 years that contains the product deliverables under the AMPSS initiative as described in Section XIII. 5

Entity plans to prepare an asset management plan with completion of proposed project 0.50

Providing asset management training for the entities governing body and employees 0.50

Project addresses a specific goal in a water conservation plan 1.00

Project involves the use of reclaimed water 1.00

Project addresses a specific goal in an energy assessment, audit, or optimization study conducted within the past three years 1.00

Project is consistent with a municipal and/or state watershed protection plan, water efficiency plan, integrated water resource management plan, a regional facility plan, regionalization or consolidation plan, or an approved Total Maximum Daily Load implementation plan 2.00

**Disadvantaged Eligibility**

Awarded to any entity that qualifies as a disadvantaged community (see Appendix D for eligibility criteria) 10.00

**Previously Received TWDB Planning, Acquisition or Design Funds**

The project is requesting construction financing and previously received a TWDB commitment for Planning, Acquisition, and/or Design (PAD) financing within the prior five years (60 months) of the PIF due date under the DWSRF program or the TWDB's 10.00

Economically Distressed Areas Program, the entity has completed and received TWDB completion approval for all of the PAD activities and is ready to proceed to the construction phase, TWDB has released from escrow at least eighty percent of the PAD funds, and the project has not received any TWDB funding for construction.

**Tie Breaker**

Equal combined rating factors will be ranked in descending order with priority given to the least population first.

**Source Water Protection Rating Criteria and Process**

This program provides financial assistance to assist communities in implementing source water protection Best Management Practices recommended by TCEQ. The TWDB will determine annually the amount of capitalization grant funds to be reserved for source water protection projects and will include this information in the intended use plan, provided however that no more than 10 percent of any DWSRF capitalization grant can be so reserved. All projects classified as source water protection projects are subject to the requirements established in 31 Texas Administrative Code §371.4 (relating to Other Authorized Activities: Source Water Protection and Technical Assistance) and those set forth in this intended use plan. If funds which have been reserved for source water protection projects are unused after all applicants have been provided an opportunity to submit an application, such funds may be made available for other projects in the DWSRF program.

**Rating Process** – To be eligible for consideration, PWS must be willing to participate in TCEQ’s Source Water Assessment and Protection program. Eligible entities that seek consideration for source water protection funding will be rated according to the following criteria:

- a. Groundwater System Vulnerability Factor
  - (1) Groundwater systems without the necessary water well geologic protection will receive 4 points.
  - (2) Groundwater systems with documented Nitrate concentrations of greater than two milligrams/liter will receive 1 point.
  - (3) Groundwater systems obtaining water from selected vulnerable aquifers will receive 1 point.
  - (4) Groundwater systems with confirmed detections of organic chemical contamination identified in Table 1 will receive 2 points.
  - (5) No groundwater system may receive more than 6 system vulnerability points. Groundwater systems that receive no system vulnerability points will not be considered for source water protection funding.
- b. Surface Water System Vulnerability Factor
  - (1) Surface water systems with contributing watersheds of 20 square miles or less as determined by TCEQ will receive 3 points.
  - (2) Surface water systems with confirmed detections of organic chemical

<b>Table 1.</b>	
<b>Organic Chemical Contaminants</b>	
2,4,5-TP	Endrin
2,4-D	Epichlorohydrin
Acrylamide	Ethylbenzene
Alachlor	Glyphosate
Aldicarb	Heptachlor
Aldicarb sulfone	Heptachlor epoxide
Aldicarb sulfoxide	Hexachlorobenzene
Atrazine	Hexachlorocyclopentadiene
Benzene	Lindane
Carbofuran	Methoxychlor
Carbon tetrachloride	Monochlorobenzene
Chlordane	Oxamyl (vydate)
Cyanide	PAHs[Benzo(a)pyrene]
DBCP	PCBs
Dalapon	Pentachlorophenol
Di(ethylhexyl)adipate	Picloram
Di(ethylhexyl)phthalate	Simazine
Dichlorobenzene ortho-	Styrene
Dichlorobenzene para-	TCDD-2,3,7,8 (Dioxin)
Dichloroethane 1,2-	Tetrachloroethylene
Dichloroethylene 1,1-	Toluene
Dichloroethylene cis-1,2-	Toxaphene
Dichloroethylene tran-1,2	Trichlorobenzene 1,2,4-
Dichloromethane	Trichloroethane 1,1,1-
Dichloropropane 1,2-	Trichloroethane 1,1,2-
Dinoseb	Trichloroethylene
Diquat	Vinyl chloride
EDB	Xylene
Endothall	

- contamination identified in Table 1 will receive 3 points.
- (3) No surface water system may receive more than 6 system vulnerability points. Surface water systems that receive no system vulnerability points will not be considered for source water protection funding.
- c. No combination ground and surface water system may receive more than 6 system vulnerability points.
- d. Ability to Implement Best Management Practices Factor
- (1) Systems that receive system vulnerability points and that possess the ability and authority to implement land use controls including but not limited to zoning or ordinances, will receive 2 points.
- (2) Systems that receive system vulnerability points and that possess the ability to implement other non-land use controls such as public education, contingency planning, or conducting toxic/hazardous waste collection events will receive 1 point.
- (3) Systems that receive system vulnerability points and that propose to plug abandoned wells within the delineated source water protection area will receive 1 point.
- (4) Systems that receive system vulnerability points and that have confirmed siting or well construction problems listed on the most recent TCEQ sanitary survey will receive 1 point for proposals which will correct these problems.
- (5) Systems that receive no Ability to Implement Best Management Practices points will not be considered for source water protection funding.
- e. The total points for Groundwater or Surface Water System Vulnerability and the Ability to Implement Best Management Practices will be summed and multiplied by 10 before adding Affordability Factor points.
- f. Disadvantaged Community Eligibility Factor – Ten points awarded to any entity that qualifies as a disadvantaged community (see Appendix D for eligibility criteria)
- g. The total source water protection rating score will be the sum of points generated from ground and surface water system vulnerability, ability to implement Best Management Practices and affordability factors.

## **Appendix D. Affordability Criteria to Determine Disadvantaged Community Eligibility**

A disadvantaged community is a community that meets the DWSRF's affordability criteria based on income, unemployment rates, and population trends. For the initial allocation round, the determination will be based on information received by the applicable PIF deadline. An eligible disadvantaged community consists of all of the following:

1. The service area of an eligible applicant, the service area of a community that is located outside the entity's service area, or a portion within the entity's service area if the proposed project is providing new service to existing residents in unserved areas; and
2. meets the following affordability criteria:
  - (a) Has an Annual Median Household Income (AMHI) that is no more than 75 percent of the state median household income using an acceptable source of socioeconomic data, and
  - (b) the Household Cost Factor (HCF) that considers income, unemployment rates, and population trends must be greater than or equal to 1 percent if only water or sewer service is provided or greater than or equal to 2 percent if both water and sewer service are provided.

### **Acceptable Source of Socioeconomic Data for SFY 2020**

For SFY 2020, the TWDB will utilize:

- (1) U.S. Census 2013-2017 American Community Survey (ACS) 5-year estimates, along with the 2009-2013 ACS 5-year estimates for determining whether there was a decline in population, or
- (2) Data from a survey approved by the Executive Administrator of a statistically acceptable sampling of customers in the service area completed in accordance with the most current Socioeconomic Surveys Guidelines (WRD-285) posted on the TWDB website. Any survey being used for income determination must be conducted within five years of the date the TWDB receives the PIF. An entity must submit documentation that substantiates the inadequate or absent Census data that led to the need to conduct a survey. All entities must obtain prior approval to use survey data instead of the most recently available American Community Survey data.

### **Affordability Calculation and Disadvantaged Community Eligibility**

#### **Step 1. Comparison to State annual median household income.**

The AMHI for the project service area (either entire or portion) must be 75 percent or less than the state's AMHI using an acceptable source of socioeconomic data for SFY 2020.

#### **Step 2. Determining the Household Cost Factor**

The total HCF is comprised of a household cost factor based on the AMHI, plus an additional household cost factor based on unemployment rates (if the unemployment rate for the service area is greater than the state average) plus an additional household cost factor based on

population decline (if there has been a decline in the population of the service area over a period of time). The HCF used in the affordability criteria takes into consideration the potential burden that the cost of a proposed project will place on a household. The entity’s total HCF, which consists of the Income HCF (the percentage of annual household income that goes toward water, sewer, fees/surcharges, and project financing costs) combined with the Unemployment Rate HCF (not to exceed 0.75 percent) and the Population Decline HCF (not to exceed 0.5 percent), must be:

- 1.0 percent or greater if the entity currently offers either water or sewer service, or
- 2.0 percent or greater if the entity currently offers both water and sewer service.

The 1.0 and 2.0 percentage levels are known as the “base” levels in determining the maximum allocation amount.

The Unemployment Rate HCF and Population Decline HCF can only increase the total HCF, not decrease it.

**Step 3. Principal Forgiveness Eligibility and Levels**

The eligible level of principal forgiveness for a project is based on the difference between the calculated total HCF under Step 2 and the minimum HCF of 1 percent (if only water or sewer service is provided) and 2 percent (if both water and sewer services are provided) as shown in the chart below:

Household Cost Factor Difference	Principal Forgiveness as a % of DWSRF-funded project costs remaining after subtracting other DWSRF principal forgiveness
≥ 0% and < 1.5%	30%
≥ 1.5% and < 3%	50%
≥ 3%	70%

Individual projects will be reviewed for disadvantaged community eligibility as stand-alone projects. However, if an entity submits an application covering multiple PIFs or multiple applications for multiple PIFs within the SFY prior to any receiving a funding commitment, the disadvantaged community eligibility may be re-evaluated based on the combined costs of all the projects.

In instances where the ACS data does not adequately reflect an entity’s service area (e.g. an entity serves a community outside of its Certificate of Convenience and Necessity, an entity serves another system, the entity is a system without a Census Bureau defined boundary, etc.), a prorated analysis of ACS block group data will be performed to calculate the AMHI. An example of this method follows:

County	Census Tract	Block Group	From Entity	Calculation	ACS 2013-2017	Calculation	ACS 2013-2017	Calculation	Calculation
			Total Number of Household Connections	% of TTL Connections	AMHI	Prorated AMHI	Average HH Size	Prorated Average HH Size	Entity's Population Served
Jefferson	69	1	198	34.49%	\$29,667	\$10,234	2.26	0.78	154
Jefferson	69	2	101	17.60%	\$34,781	\$6,120	2.26	0.40	40
Jefferson	69	3	275	47.91%	\$30,880	\$14,794	1.87	0.90	246
			574	100.00%		\$31,148		2.07	441

County	Census Tract	Block Group	ACS 2013-2017	Calculation	ACS 2013-2017	ACS 2009-2013	Calculation
			Unemployment Rate	Prorated Unemployment Rate	Population 2017	Population 2013	Prorated Pop. Change
Jefferson	69	1	5.29%	1.82%	2045	1,132	315
Jefferson	69	2	11.49%	2.02%	675	1,422	-131
Jefferson	69	3	11.70%	5.61%	343	563	-105
				9.45%	3,063	3,117	78

For entities that serve retail customers with differing rate structures, prorated rates are used, in some instances, to calculate each entity's household cost factor in SFY 2019. The following tables are an example of the method used. The TWDB will require use of prorated rates to determine an entity's water and/or sewer bills when applicable.

**Prorated Average Monthly Water Bill**

	A	B	C	D	E	F	G	H	I	J	K	L
	Number of Household Connections (HH)	Percentage of Total HH	Average Monthly Water Flow	Average Household Size	Average Mo. Water Flow / HH (Cx D)	First Tier	Initial Rate	Additional Use	Additional Rate	Other Changes	Average Mo. Water Bill $\frac{((E-F)/H) \times I + G}{x}$	Prorated Mo. Water Bill (BxK)
Entity A	1,823	33.95%	2,325	2.56	5,952	2,000	\$ 14.45	1,000	\$ 6.70	\$ 2.00	\$ 42.93	\$ 14.58
Entity B	1,135	21.14%	2,325	2.47	5,743	3,000	\$ 23.41	100	\$ 0.57	\$ -	\$ 39.04	\$ 8.25
Entity C	1,836	34.20%	2,325	2.78	6,464	3,000	\$ 29.85	1,000	\$ 6.81	\$ -	\$ 53.44	\$ 18.27
Entity D	575	10.71%	2,325	2.53	5,882	1,500	\$ 16.00	1,000	\$ 4.00	\$ -	\$ 33.53	\$ 3.59
<b>Totals</b>	<b>5,369</b>	<b>100.00%</b>									<b>Average Monthly Water Bill</b>	<b>\$ 44.69</b>

**Prorated Average Monthly Sewer Bill**

	A	B	C	D	E	F	G	H	I	J	K	L
	Number of Household Connections (HH)	Percentage of Total HH	Average Monthly Water Flow	Average Household Size	Average Mo. Water Flow / HH (Cx D)	First Tier	Initial Rate	Additional Use	Additional Rate	Other Changes	Average Mo. Water Bill $\frac{((E-F)/H) \times I + G}{x}$	Prorated Mo. Water Bill (BxK)
Entity A	1,823	33.95%	1,279	2.56	3,274	3,000	\$ 10.95	1,000	\$ 2.25	\$ 2.00	\$ 13.57	\$ 4.61
Entity B	1,135	21.14%	1,279	2.47	3,159	3,000	\$ 17.00	100	\$ 0.83	\$ -	\$ 18.32	\$ 3.87
Entity C	1,836	34.20%	1,279	2.78	3,556	-	\$ 20.79	1	\$ -	\$ -	\$ 20.79	\$ 7.11
Entity D	575	10.71%	1,279	2.53	3,236	1,500	\$ 10.00	1,000	\$ 2.00	\$ -	\$ 13.47	\$ 1.44
<b>Totals</b>	<b>5,369</b>	<b>100.00%</b>									<b>Average Monthly Sewer Bill</b>	<b>\$ 17.03</b>

If an entity is requesting disadvantaged community status for a portion of its service area, the combined household cost factor is calculated in the same manner as described above with the exception that the annual project financing cost per customer is calculated using the total household service connections in the full service area (not the portion).

If taxes, surcharges, or other fees are used to subsidize the water and/or sewer system, the average annual amount per household may be included in calculating the household cost factor or the combined household cost factor.

Systems owned and operated by a public school or school district will be evaluated for their annual median household income for their school district boundary. Since school districts typically do not have individual user costs, a household cost factor calculation cannot be performed. Therefore, districts with an AMHI less than or equal to 75 percent of the state's AMHI will automatically receive Disadvantaged Community status with the lowest available level of principal forgiveness.

If recent reliable data is unavailable for the school district to determine the AMHI, the TWDB will use information from the Texas Education Agency's Title I, Part A program to determine income eligibility. If more than 50 percent of the school districts campuses are eligible for the program, the district's AMHI will be assumed to be less than or equal to 75 percent of the State's AMHI.

## **Appendix E. Federal Requirements and Assurances**

### **A. Federal Requirements**

#### **1. Davis-Bacon Wage Rate Requirements**

A subrecipient must comply with the requirements of section 1452(a)(5) of the Safe Drinking Water Act (42 U.S.C. 300j-12(a)(5)) in all procurement contracts and must require contractors to include compliance with section 1452(a)(5) of the Safe Drinking Water Act in all subcontracts and other lower tiered transactions. All contracts and subcontracts for the construction project must contain in full in any contract in excess of \$2,000 the wage rate requirements contract clauses prescribed by TWDB. Section 1452(a)(5) requires compliance with 40 U.S. Code Sections 3141 to 3144, 3146, and 3147 covering wage rate requirements. TWDB guidance is available at <http://www.twdb.texas.gov/financial/instructions/doc/DB-0156.pdf>.

#### **2. American Iron and Steel (AIS)**

The TWDB and all DWSRF financial assistance recipients will comply with the American Iron and Steel (AIS) requirement in applicable federal law, including federal appropriation acts. Federal law requires DWSRF assistance recipients to use iron and steel products that are produced in the United States for projects for the construction, alteration, maintenance, or repair of a public water system or treatment works.

The term “iron and steel products” means the following products made primarily of iron or steel:

- lined or unlined pipes and fittings
- manhole covers and other municipal castings
- hydrants
- tanks
- flanges, pipe clamps and restraints
- valves
- structural steel
- reinforced precast concrete
- construction materials

EPA may waive the AIS requirement under certain circumstances.

Furthermore, if the original financial assistance agreement for the planning and/or design of a project closed prior to January 17, 2014, then the AIS provision would not apply to the construction phase of the same project. TWDB guidance is available at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-1106.docx>.

#### **3. Compliance with Cross-cutting Authorities**

There are a number of federal laws, executive orders, and federal policies that apply to projects and activities receiving federal financial assistance, regardless of whether the federal laws authorizing the assistance make them applicable. These federal authorities are referred to as cross-cutting authorities or cross-cutters. All cross-cutters apply to

Equivalency projects and only federal anti-discrimination laws, also known as the super cross-cutters, apply to Non-Equivalency projects.

The cross-cutters can be divided into three groups: environmental; social policies; and, economic and miscellaneous authorities.

- Environmental cross-cutters include federal laws and executive orders that relate to preservation of historical and archaeological sites, endangered species, wetlands, agricultural land, etc. This cross-cutter requirement includes a National Environmental Policy Act (NEPA) compliant environmental review. When conducting the NEPA-like review the TWDB will inform EPA when consultation or coordination by EPA with other federal agencies is necessary to resolve issues regarding compliance with applicable federal authorities.
- Social policy cross-cutters include requirements such as minority and women’s business enterprise participation goals, equal opportunity employment goals, and nondiscrimination laws. This cross-cutter requirement includes compliance with the EPA’s Disadvantaged Business Enterprise program administered by TWDB.
- Economic cross-cutters directly regulate the expenditure of federal funds such as the prohibition against entering into contracts with debarred or suspended firms.

The Equivalency projects that are considered federal are those entered into the Federal Funding Accountability and Transparency Act Subaward Reporting System.

#### 4. Financial, Managerial, and Technical (FMT) Capacity

Prior to receiving or closing a commitment, the TCEQ will conduct a review of each applicant’s FMT capacity. All applicants must receive FMT approval before closing on financial assistance funding.

#### 5. Additional Subsidization

In accordance with the Consolidated Appropriations Act, 2019 (Public Law 116-6), and 42 U.S.C. 300j-12(d)(2) the TWDB is required to provide 26 percent of the capitalization grant of \$86,225,000, or \$22,418,500, in Additional Subsidization. The TWDB has allocated Additional Subsidization for SFY 2020 as follows:

<b>Funding Option</b>	<b>Additional Subsidy Allocation</b>
Disadvantaged Community	\$16,000,000
Disadvantaged Community-Small/Rural only	\$2,000,000
Subsidized Green (incl. Water Conservation)	\$2,000,000
Very Small Systems	\$2,000,000
Very Small Systems - "Securing Safe Water" Initiative	\$1,000,000
Urgent Need – Contaminants	\$2,000,000
Urgent Need - "Securing Safe Water" Initiative	\$2,000,000
Urgent Need – Other (Disaster Recovery, etc.)	\$3,000,000
<b>Total</b>	<b>\$30,000,000</b>

Of the total Additional Subsidization being made available for SFY 2020, an amount equal to \$17,245,000 may only be used where such funds would be for initial financing for an eligible recipient or to buy, refinance, or restructure the debt obligations of eligible recipients where such debt was incurred on or after February 14, 2019. The TWDB may increase the allocations to provide the full eligible amount to a project. The TWDB may allocate up to the maximum of \$47,423,750 as principal forgiveness in accordance with the SDWA and the FFY 2019 capitalization grant appropriations. TWDB may consider projects receiving principal forgiveness under the Urgent Need, Very Small Systems, and Green that qualify as Disadvantaged Communities as part of the additional subsidization authorized for Disadvantaged Communities under the SDWA.

## **6. Green Project Reserve**

The capitalization grant for FFY 2019 states that at the discretion of each State, the capitalization grant may be used for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. The TWDB is establishing a goal to allocate an equivalent of 10 percent of the capitalization grant to approved green project costs. The discretionary allocation is known as the Green Project Reserve (GPR).

To encourage green infrastructure projects, a portion of the additional subsidy will be made available for projects that include green infrastructure. In order to be eligible to receive green subsidy, projects must have approved green project elements with costs that exceed 30 percent of the total project costs.

Green components include green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. Eligibility for all green projects will be determined by the TWDB.

Appendix L, "Initial Invited Green Projects", lists invited green projects with project descriptions that detail the green category associated with the project and how much of the project's total cost is applicable to the GPR.

TWDB information on green project eligibility may be found online at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0163.docm>.

## **7. Competency Statements**

The following competency statements are provided to satisfy the EPA's policy entitled "Policy to Assure Competency of Organizations Generating Environmental Measurement Data under Agency Funded Assistance Agreements."

### **A. TWDB Competency Statement**

TWDB ascertains that competency can be demonstrated by the following:

1. Re-approval of the "TWDB Quality Management Plan," was approved by EPA Region 6 on June 15, 2018. The plan demonstrates competency by providing a description of the quality policies including all requirements described in EPA QA/R-2.

## B. TCEQ Competency Statement

TCEQ ascertains that competency can be demonstrated by the following:

1. EPA approval of the "Quality Assurance Project Plan for the Public Water Supply Supervision Program Relating to the Safe Drinking Water Act of the Texas Commission on Environmental Quality", Revision 12 (QTRAK #16-449), received on September 16, 2016 which is approved through November 4, 2019. The most recent revision was approved by EPA on December 20, 2017.
2. The "TCEQ Quality Management Plan, Revision 24 (2019)" (QTRAK# 19-067) approved on January 1, 2019 by EPA Region 6 which demonstrates competency by providing a description of the quality policies including all requirements described in EPA QA/R-2.

## 8. Compliance with Capacity Development Authority, Capacity Development Strategy and Operator Certification Program

- A. Capacity development authority. The State of Texas, through the TCEQ, has the legal authority to ensure that all new community water systems, and new nontransient, noncommunity water systems that commence operations have demonstrated FMT capacity with respect to national primary drinking water regulations. If DWSRF financial assistance is being provided to the new system, TCEQ conducts and provides to TWDB the results of its FMT assessment prior to closing on the financial assistance.
- B. Capacity development strategy. The State of Texas, through the use of DWSRF set-asides provided to TCEQ, implements a strategy to assist public water systems in acquiring and maintaining financial, managerial, and technical capacity. The TWDB has set aside funds from the FFY 2018 grant for TCEQ to implement a capacity development strategy. TCEQ will use funds from the State Program Management, Small Systems Technical Assistance, and Local Assistance and Other State Programs set-asides to conduct the capacity development activities. The TCEQ demonstrates compliance with the Capacity Development Strategy requirement of the SDWA by annually submitting the Capacity Development Report to EPA. The most recent report was provided to EPA on December 20, 2018. The TCEQ submitted the TCEQ Triennial Progress Report to the Governor on the Public Water Supply Capacity Development Program on December 29, 2017 as required by SDWA Section 1420(c)(3).
- C. Operator certification program. The State of Texas, through the TCEQ, has a program for certifying operators of community and nontransient, noncommunity public water systems. The TCEQ demonstrates compliance with the Operator Certification Program Provisions by annually submitting an Operator Certifications Program Report to EPA. The most recent report was provided to EPA on September 27, 2018.

## 9. Signage

DWSRF projects must comply with the EPA signage requirements implemented to enhance public awareness of the program. The entity may select from the following options to meet EPA's signage requirement:

- Standard signage
- Posters or wall signage in a public building or location
- Newspaper or periodical advertisement for project construction, groundbreaking ceremony, or operation of the new or improved facility
- Online signage placed on community website or social media outlet
- Press release

According to EPA’s policy, to increase public awareness of projects serving communities where English is not the predominant language, entities are encouraged to translate the language used (excluding the EPA logo or seal) into the appropriate non-English language. TWDB guidance is available at <http://www.twdb.texas.gov/financial/instructions/doc/TWDB-1109.pdf>.

#### 10. Reserves Established from Available Funds

The following reserved amounts may be applied to the funding options.

<b>Funding Reserves</b>	
<b>Reserve</b>	<b>Amount</b>
Green Projects (10% of capitalization grant)	\$8,622,000
Small Communities (15% of available funds)	\$37,500,000
Extended Terms (75% of available funds)	\$187,500,000
Urgent Need Disadvantaged/Small/Rural (50% of principal forgiveness and 20% of loans with an interest rate of zero percent)	\$3,500,000 (principal forgiveness) and \$5 Million (0% loans)

#### 11. Transfers – Amount Available

Calculation of amounts available to transfer between the DWSRF and CWSRF based on FFY 2008 through FFY 2018:

Federal Fiscal Year	Grant Award Number	Grant Amount	33% of Grant
FFY 2008	FS-99679512	\$67,112,000	\$22,146,960
FFY 2009	FS-99679513	\$67,112,000	\$22,146,960
FFY 2010	FS-99679514	\$86,254,000	\$28,463,820
FFY 2011	FS-99679515	\$59,854,000	\$19,751,820
FFY 2012	FS-99679516	\$57,041,000	\$18,823,530
FFY 2013	FS-99679517	\$53,517,000	\$17,660,610
FFY 2014	FS-99679518	\$63,953,000	\$21,104,490
FFY 2015	FS-99679519	\$63,532,000	\$20,965,560
FFY 2016	FS-99679520	\$60,104,000	\$19,834,320
FFY 2017	FS-99679521	\$59,590,000	\$19,664,700
FFY 2018	FS-99679522	\$87,040,000	\$28,723,200
FFY 2019	FS-99679523	\$86,225,000	\$28,454,250
<b>TOTAL</b>		<b>\$811,334,000</b>	<b>\$267,740,220</b>
Less grant amount already transferred to CWSRF			<u><u>\$100,000,000</u></u>

DWSRF - Available from FFY 2008 to FFY 2019 grants	<b>\$167,740,220</b>
Ongoing cash flow transfer	<u>\$150,000,000</u>
Remaining Transfer Authority	<b>\$17,740,220</b>

**B. Assurances**

**Entry into the Federal Reporting Systems**

The TWDB will enter information into EPA’s DWSRF Reporting System, the DWSRF National Information Management System, and the Federal Funding Accountability and Transparency Act Sub-Award Reporting System as required.

## **Appendix F. Bypass Procedures**

The Executive Administrator may decide to bypass, or skip, higher ranked projects in favor of lower ranked projects to ensure that funds available are utilized in a timely manner and that statutory and capitalization grant requirements are met. If an entity is offered funding for any project that has an interrelated project ranked lower on the list, the TWDB Executive Administrator will have discretion to also offer funding for the interrelated project.

Reasons for bypassing projects are listed below, but are not limited to:

### **1. Projects Previously Funded**

To fund the construction phase of a project that previously received funding for planning, acquisition and/or design.

### **2. Disadvantaged Community/Disadvantaged Community-Small / Rural only**

In the event that there are not enough projects with completed applications eligible to receive Disadvantaged Community funding, the Executive Administrator may bypass other projects to invite additional projects that are eligible for additional subsidization.

### **3. Green Project Reserve**

In the event that there are not enough projects with completed applications eligible to meet the Green Project Reserve goal, the Executive Administrator may bypass other projects to invite additional projects that are eligible for review of their green components and possible funding.

### **4. Very Small Systems**

In the event that there are not enough projects with completed applications eligible to receive Very Small Systems funding, the Executive Administrator may bypass other projects to invite additional projects that are eligible for Additional Subsidization.

### **5. Urgent Need**

The Executive Administrator may bypass projects to provide Urgent Need funding to replace or rehabilitate essential public water facilities that pose an imminent peril to the public health, safety, environment, or welfare with a threat of failure in response to an urgent condition. Projects will be rated by the TCEQ and added to the PPL as an Urgent Need project.

## **6. Small Communities**

A minimum of 15 percent of the capitalization grant will be made available to systems serving populations not more than 10,000. In the event that small community projects with completed applications do not equal 15 percent of the capitalization grant, the Executive Administrator may bypass other projects to include additional small community projects.

## **7. Readiness to Proceed**

The Executive Administrator may bypass projects to include those deemed ready to proceed to construction.

## **8. Past Project Performance**

If the applicant has failed to close a commitment or complete a project in a timely manner under a prior IUP, and it is determined that such failure to perform could jeopardize the timely use of funds for a project under this IUP, the Executive Administrator may bypass the project.

## **9. Financial Capacity**

A project may be bypassed if the Executive Administrator determines that the applicant will be unable to repay the SRF financial assistance for the project.

## **10. Loan Only Invitation – Initial Application Round**

A project may be bypassed in the initial application round to extend an invitation to projects requesting only loan funds without any principal forgiveness. The projects invited in the first round because they are requesting only loan/bond financing will not be eligible to receive additional subsidization during the initial application round. The Executive Administrator will ensure that sufficient capacity remains to provide at least loan/bond financing to all projects bypassed in the first application round to invite these loan-only projects.

**Texas Water Development Board  
SFY 2020 Drinking Water State Revolving Fund  
Intended Use Plan  
Appendix G. Project Priority List - Alphabetical**

Rank	Points	PIF #	Entity	Owner Type	PWS ID	Population	Project Description	Requested Phase(s)	Total Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>													
11	56	13129	Alice	M	TX1250001	19,439	All planning, engineering, environmental, and permitting will be completed in Phase 1 or this project. Phase II will be Construction of a 3.0 million gallon per day brackish desalination plant, one 3 mgd brackish well, building, yard piping, well construction lines and concentrate discharge line.	C	\$12,715,000.00	30%			
71	10	13098	Alpine	M	TX0220001	5,700	Perform a needs assessment for an asset management program, upgrade existing system to replace outdated or inefficient components, install smart meters.	PDC	\$5,290,530.00		Yes-BC	\$3,000,000.00	
18	39	13141	Annona	M	TX1940004	463	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend WRD would serve as the lead funding sponsor and wholesale water pro	ADC	\$400,000.00		Yes-BC	\$140,000.00	
28	18	13066	Anthony	M	TX0710001	3,500	The Town of Anthony will need to construct a 250,000 gallon elevated water tank, rehabilitate existing water wells, replace booster stations, address leaking water lines, install a chlorination control system, replace meters and build arsenic treatment plant in order to provide enough adequate water to the residents.	C	\$7,122,444.00	30%			
86	4	13126	Arlington	M	TX2200001	373,162	Upgrade Lake Arlington Raw Water Pump Station to supply firm capacity of 162MGD	PDC	\$20,330,000.00		Yes	\$20,330,000.00	

**Texas Water Development Board  
SFY 2020 Drinking Water State Revolving Fund  
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Rank	Points	PIF #	Entity	Owner Type	PWS ID	Population	Project Description	Requested Phase(s)	Total Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>													
83	4	13142	Avery	M	TX1940005	429	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend WRD would serve as the lead funding sponsor and wholesale water	ADC	\$1,220,000.00		Yes	\$427,000.00	
119	0	12974	Balmorhea	M	TX1950006	610	Installation of an additionally 8-inch drinking water transmission line from the Toyahvale regulator station to the City of Balmorhea.	PADC	\$1,670,000.00				
42	13	13094	Bartlett	M	11232	1,623	Water meter replacement	PDC	\$747,000.00	30%	Yes	\$430,500.00	
81	5	12987	Bertram	M	TX0270012	2,538	Replacement and expansion of the existing 8-inch transmission main from the Well Field to the City of Bertram. The elevated tank will be sized to meet all regulatory requirements and provide reliability in the system.	PADC	\$12,440,000.00				
105	1	13013	Blooming Grove	M	TX1750001	833	Construct a new water supply well and ground storage tank and create and implement an Asset Management Plan	PDC	\$1,517,450.00				
90	3	13135	Bluegrove WSC	W	TX0390014	75	This project involves the construction of a new pump station and the replacement of water distribution line to help with water loss.	PDC	\$300,000.00				
104	1	13130	Bluff Dale WSC	W	TX0720036	267	Drill a second well to comply with the 85% production capacity rule.	DC	\$382,850.00				

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<b>Public Water System</b>													
21	23	13074	Breckenridge	M	TX2150001	5,800	The City desires to install improvements/upgrades at the WTP and raw water intake structure. In addition, the City is planning to rehabilitate various portions of the distribution system in order to reduce the number of water line leaks/breaks that have resulted in numerous boil water notices.	PDC	\$3,546,000.00	30%			
121	0	13134	Bronte	M	TX0410001	904	The City of Bronte has lines in its water distribution system that needs replacement. These lines are older cast iron, asbestos concrete or galvanized water lines that have become fragile and prone leaks and breaks. These breaks lead to water loss and additional staff maintenance. It is proposed to replace approximately 6,000 linear feet of existing water line with 8" and 6" PVC water line. Fire hydrants will also be installed on the new water line to serve these areas with fire protection.	PDC	\$300,000.00				
115	0	13060	Burton	M	2390002	295	New Water Well 5	PD	\$108,500.00				
108	1	13145	Canadian	M	TX1006000	3,253	Purchase and installation of automatic meter reading system.	DC	\$632,000.00		Yes	\$632,000.00	
109	1	13146	Canadian	M	TX1006000 1	3,253	This project will rehabilitate the Birch Street elevated storage tank, the Santa Fe ground storage tank and Northeast ground storage tank.	DC	\$1,493,000.00				
5	115	13026	Carbon	M	TX0670015	272	The project consists of pump station improvements to increase the storage and pumping capacities to meet compliance. The project also consists of installing a SCADA System and a radio read metering system	PDC	\$700,000.00	70%	Yes-BC	\$700,000.00	
80	6	13000	Church Hill WSC	W	2010008	456	Church Hill WSC is pursuing an additional water well for their system to supplement the existing water supply capacity and blend water at their Plant No. 2.	PD	\$47,500.00				
34	14	13143	Coke County WSC	W	TX0410017	346	<ul style="list-style-type: none"> <li>• Replace existing meters in distribution system with new AMR drive-by system.</li> <li>• Add isolation valves and flush valves to existing distribution lines to allow isolation of line segments for future line repairs and improvements.</li> <li>• TCEQ Financial, managerial, &amp; technical assistance (FMT) is currently scheduled to address asset management for this water system.</li> </ul>	PDC	\$300,000.00	50%	Yes-BC	\$300,000.00	
88	3	13022	Commodore Cove ID	D	0200033	358	Replace current pressure tank to meet current regulations and replace secondary water line to meet demands of population on street.	PAC	\$257,941.00				

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<b>Public Water System</b>													
38	14	13041	Crosbyton	M	TX0540001	2,083	The City of Crosbyton proposes to replace specific valves and fire hydrants to improve performance of its distribution system.	PDC	\$707,000.00	50%	Yes-BC	\$707,000.00	
66	10	13122	Cross Plains	M	TX0300003	982	The City of Cross Plains proposes to replace undersized lines and loop dead end areas in their system.	PDC	\$1,200,000.00	30%			
96	3	13006	Cypress Valley WSC	W	TX1020088	1,386	New water well for potable water production	PDC	\$750,000.00				
97	3	13009	Daingerfield	M	TX1720001	2,705	Install a new elevated storage tank and pressure maintenance facility. Upgrade linework and valves.	PADC	\$2,680,000.00				
26	20	13127	Dario V. Guerra, III, dba Derby Ing.	W	TX0820016	140	Construct a new well at a suitable location to provide an alternative source and to build redundancy in the system.	C	\$420,000.00	70%			
130	0	13121	Eagle Pass Water Works System	M		52,624	Replace current metering system with new Master Meter's Allegro AMI Network.	C	\$5,825,000.00		Yes-BC	\$6,000,000.00	
41	13	13075	Eden	M	TX0480001	1,228	The City desires to install improvements at the water supply well sites and to install a redundant cooling tower for operational flexibility.	PDC	\$2,219,000.00	50%			
103	1	13108	El Campo	M	2410002	11,645	Replace aging existing water lines throughout the distribution system with similar size or larger size PVC water lines.	C	\$4,817,500.00				
27	20	13128	Elsa	M	TX1080005	7,135	Improvements to the water treatment plant, replacement of obsolete/substandard equipment, replacement of asbestos distribution lines and refurbishing water storage tanks to eliminate current substandard conditions and prevent further deterioration resulting in costly repairs and maintenance.	C	\$4,295,486.00	50%			
127	0	13005	Ennis	M	TX0700001	18,674	Failing waterlines with insufficient valving. Frequent breakage causes loss of service, risk of system contamination, and significant water loss. Prepare and implement Asset Management Plan	PDC	\$8,364,879.00				
129	0	13001	Ennis	M	TX0700001	29,159	Water line replacements in downtown Ennis and create and implement an Asset Management Plan	PDC	\$4,987,021.00		Yes	\$3,298,600.00	
22	23	12998	Evadale WCID # 1	D	TX1210011	963	Evadale WCID#1 has recently lost part of its production wells due to mechanical failure. This project will provide additional production capacity and replace deteriorated distribution lines.	PADC	\$3,220,593.00		Yes-BC	\$200,000.00	
126	0	13111	Galveston Co WCID # 1	D	0840001	12,845	Replacement of Existing 8" Cast Iron Water Line along California Avenue from 29th Street to 21st Street with new 12" PVC Water Line	DC	\$869,735.00				

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6	114	13059	Gladewater	M	TX0920001	6,541	Upgrades to existing elevated storage tank, waterlines, and pressure maintenance facilities.	PDC	\$2,776,980.00				
33	15	13085	G-M WSC	W	TX2020067	11,249	Remove existing meters and replace with radio read meters.	PDC	\$1,805,160.00	50%	Yes-BC	\$1,805,160.00	
37	14	13002	Gordon	M	TX1820007	744	Water Treatment Plant Improvements, Water Line Replacements, Pump Station Improvements, and Radio Read Meters	PDC	\$900,000.00	50%	Yes-BC	\$900,000.00	
68	10	13057	Granger	M	TX2460002	1,419	The project includes the rehabilitation of the water storage facilities, well pumps, pump stations, and distribution system.	PDC	\$999,000.00	30%			
98	3	12976	Greater Gardendale WSC	W	TX0680214	2,842	Construction of a new 1.5 MGD surface water treatment plant to treat raw groundwater and purchased raw water from the City of Odessa/CRMWD.	PADC	\$8,560,000.00				
128	0	12995	Guadalupe Blanco RA	D	TX0290005	26,088	The project would focus on repairing major breaches in the Calhoun County Diversion System levees to prevent salt water intrusion into the public drinking water supply.	PDC	\$1,207,330.00				
60	10	13138	Harrold WSC	W	TX2440002	141	Replace existing 4" AC supply line with PVC line.	PDC	\$300,000.00				
99	3	13131	Haskell	M	TX1040001	3,235	Replace existing water meters with an automatic meter reading (AMR) system.	PDC	\$900,000.00		Yes-CE	\$900,000.00	
30	16	13123	Jacksboro	M	TX1190002	4,450	The City of Jacksboro's existing WTP has reached the end of its useful life and requires replacement.	PDC	\$12,163,000.00	50%			
87	3	13196	Johnson Water Service	P	TX0200158	0	Drill a new well. We would also like to have an asset management plan put in place.	PADC	\$69,000.00				
89	3	12964	Jourdanton	M	TX0070002	4,259	New water production site to include well, ground storage, new elevated storage tank, and new transmission main from new well to Pecan Well. Install an additional proposed ground storage at the Whittler production facility. City-wide water meter replacement to automatic meter reading (AMR) meters. Project includes the preparation of an asset management plan.	PADC	\$6,843,114.00				
29	16	13095	JRM Water, LLC	P	TX2350036	405	Water Plant Improvements	DC	\$408,000.00				
72	10	13048	Keene	M	TX126008	6,266	Replace approximately 16,000 linear feet of 2-inch through 8-inch water line.	PADC	\$1,955,991.00	30%	Yes-BC	\$1,955,991.00	
82	5	13082	Lake Palo Pinto Area WSC	W	TX1820069	1,932	LPPA WSC is proposed to expand their existing Water Treatment Plant in preparation for future expansion in their distribution system.	PDC	\$3,849,000.00		Yes-BC	\$120,000.00	

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<b>Public Water System</b>													
84	4	13140	Leary	M	TX0190093	559	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend would serve as the lead funding sponsor and wholesale water pro	ADC	\$880,000.00		Yes	\$308,000.00	
57	11	12970	Littlefield	M	TX1400003	6,454	Replace existing main well field transmission line.	PDC	\$10,988,710.00	30%			
64	10	13025	Lone Oak	M	1160018	786	The City of Lone Oak is experiencing issues with various water lines in their system due to undersized lines and dead-ends.	PDC	\$500,000.00		Yes-BC	\$500,000.00	
67	10	13139	Lorenzo	M	TX0540002	1,298	The City of Lorenzo has an existing 100,000 gallon elevated multi-legged water storage tank. The existing structure was constructed any decades ago and has reached the end of its useful life. The tank has had recent leaks and the City has repaired the steel in the existing tank several times. There are fears that the tank will begin to fall again. We proposed to replace the tank with a new 120,000 gallon standpipe.	PDC	\$750,000.00	50%			

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<b>Public Water System</b>													
58	11	13099	Los Fresnos	M	TX0310004	6,376	The City of Los Fresnos Drinking Water State Revolving Funds Project 62627 needs are to increase the water treatment plant capacity to meet future water demands while ensuring minimum disinfection requirements are met. The project will also need to address the Corrective Action Plan (CAP) resulting from the mandatory Comprehensive Performance Evaluation (mCPE) performed on September 2016 in response to a violation of TCEQ standard 290.104 (g) (1) (relating to Maximum Contaminant Levels, Maximum Residual Disinfectant Levels, Treatment Techniques, and Action Levels).	C	\$3,627,000.00		Yes-BC	\$745,000.00	
74	10	13020	Lower Valley WD	D	TX1010642	93,061	This area is currently not served by the District's water system. LVWD propose to install a 12" or larger pipe to the main distribution system to expand services to unserved areas and improve pressure.	PDC	\$17,331,795.00	30%			
75	10	13076	Lower Valley WD	D	TX1010642	93,061	The majority of the area is currently not being served or are partially served by an undersized and dilapidated water system. LVWD is proposing to install a 12" or larger pipe to the main distribution system to improve pressure by creating a critical loop system.	PDC	\$4,369,056.00	30%			
76	10	13078	Lower Valley WD	D	TX1010642	93,061	This area is currently not being served by the District's water system. LVWD is proposing to install a 12" or larger pipe to the main distribution system to expand services to unserved areas and improve pressure.	PDC	\$5,297,449.00	30%			
77	10	13090	Lower Valley WD	D	TX1010642	93,061	This area is currently being served by an undersized and dilapidated water system. In addition, LVWD proposes to upgrade the size of the main distribution system to improve pressure and bring dependable water source to Mesa Del Norte, Lourdes Estates and El Conquistador colonias (416 households/1,539 residents).	PDC	\$2,346,725.00	30%			
78	10	13091	Lower Valley WD	D	TX1010642	93,061	This area is currently being served by an undersized and dilapidated water system. In addition, LVWD is proposing to upgrade the size of the main distribution system to improve pressure.	PDC	\$1,853,491.00	30%			
8	78	13062	Madera Valley WSC	W	TX1950006	1,983	The addition of a Regional Surface Water Treatment Plant with the goal of providing potable water to Rural Reeves County and the consolidation of the water supplies for the Madera Valley WSC, City of Balmorhea and City of Toyah.	PADC	\$4,715,000.00				

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<b>Public Water System</b>													
55	12	12979	Madera Valley WSC	W	TX1950006	1,983	The installation of five additional wells and a transmission line from the well field to near the south boundary of the Town of Pecos City.	PADC	\$30,305,000.00				
91	3	13118	Matthew Road WSC	W	TX0570098	250	New Well/New Fence	C	\$80,000.00				
48	13	13133	Melvin	M	TX1540003	178	This project involves the rehab of existing GSTs and the replacement of old existing water line with 6" WL. This project will assist the city with water loss.	PDC	\$200,000.00	50%			
2	150	12978	Menard	M	TX1640001	1,471	Major rehabilitation, additions and modifications to the surface water treatment plant and raw water wells to address groundwater under the influence.	DC	\$4,000,000.00	30%			
36	14	13043	Mertzton	M	TX1180002	700	As a result of the recent historic ongoing drought, the City's water supply is still depleted. The City currently has five (5) functional groundwater wells (of the original eight), caused by continual pumping during the ongoing drought, and is in the process of obtaining approval for a new sixth well. The City has observed a steady decrease in production from its wells over the past several years, to the point that three of the original eight wells are essentially "dry" at this time. As the water supply has dwindled, the quality of the water no longer meets secondary drinking water quality standards. In order to support current water supply needs with water that meets current drinking water quality standards, the City of Mertzton is pursuing implementation of a major project to install a treatment system to address the City's groundwater quality issues.	PDC	\$2,797,000.00		Yes-BC	\$2,797,000.00	
53	13	13125	Mexia	M	TX1470004	7,425	Replacement of an existing 1.5 million gallon ground storage tank at the Highway 84 pump station.	PDC	\$2,795,550.00	70%			
59	11	13089	Midland	M	TX1650001	132,950	The City desires to install improvements to expand water system capacity in the northeastern portion of the City.	PAD	\$958,000.00				
94	3	13120	Midway ISD	D	TX0390020	981	Midway ISD will drill another well to increase water production. The main water lines will also be replaced as well as necessary connections, valves, and service reconnections.	PDC	\$300,000.00				

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<b>Public Water System</b>													
13	48	13050	Miles	M	TX2000002	870	The City of Miles (City) proposes to pursue development of an alternative source of water supply to complement its current wholesale water supply. The City needs to identify and evaluate alternative water supply options including development of additional surface water or groundwater supplies as well as potential treatment of its existing groundwater to reduce nitrate and dissolved solids levels to within compliance.	P	\$200,000.00		Yes-BC	\$200,000.00	
1	584	13063	Millersview-Doole WSC	W	TX0480015	3,579	Treating well water at the source and blending with surface water. The project includes additional water system improvements	PDC	\$2,300,000.00	70%			
116	0	13100	Moran	M	2090002	355	Water Line Replacement	PADC	\$340,000.00		Yes-BC	\$300,000.00	
20	25	12993	Newton	M	TX1760004	338	The proposed project will install waterline and upgrade the interim storage and booster system to allow a sustained 35 psi minimum pressure throughout East Newton's service area and lifting of the boil water notice. Waterlines will be constructed from the City's existing 8" main to WSC's existing water plant and the old lines along this route will be abandoned.	DC	\$500,000.00	50%			
123	0	12991	Newton	M	1760001	2,227	City plans to construct new water well.	PADC	\$2,000,000.00				
7	84	12990	North Alamo WSC	W	1080029	180,000	This project implements recommendations resulting from the North Alamo Water Supply Corporation Title XVI Energy-Efficient Brackish Groundwater Desalination Feasibility Study. Specifically, the project will increase brackish groundwater desalination production capacity by 1 MGD by means of an innovative energy-efficient desalination process reliant on nano-filtration membranes. Additionally, existing reverse osmosis trains will be retrofitted to nano-filtration trains which will also increase production while reducing desalination energy requirements by 50 percent for a total system energy reduction of 32 percent.	ADC	\$6,840,000.00	30%	Yes-BC	\$4,900,000.00	
50	13	13137	Oakmont Saddle Mountain WSC	W	TX1930015	324	Construct well #4 - Funds are being requested to construct the water-tight concrete basin. Installation of the pump and associated piping, electrical, and all appurtenances. Authorization to construct this spring water source well was issued by the TCEQ letter dated; October 24, 2014.	PDC	\$425,700.00	50%			
124	0	13045	Orange Co WCID # 2	D	1810006	5,269	Replace aging water mains, services, well pumps, and well motors.	PADC	\$3,758,300.00		Yes	\$1,796,800.00	

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<b>Public Water System</b>													
24	21	13092	Paducah	M	TX0510001	1,186	The proposed project includes replacement of sections of the aging and inefficient distribution system; replacement of the main transmission line that transports the water from Paducah's well field to town; replacement of two sand traps that capture sand produced from the City's wells and keep it from entering the distribution system; and rehabilitation of the three ground storage tanks at the well field to stop the corrosion that is prevalent on each of the three tanks.	PDC	\$3,418,000.00	50%			
62	10	13021	Paint Creek WSC	W	TX1040017	690	Construct a hydropneumatic pump station with a 60,000 gallon ground storage tank and 6,000 gallon pressure tank.	PADC	\$300,000.00				
102	1	13042	Parker WSC	W	1260021	3,000	The WSC wants to improve their water distribution system to better service clients.	PDC	\$3,300,000.00		Yes-BC	\$3,300,000.00	
31	15	13107	Pharr	M	1080009	76,727	The City of Pharr currently has multiple projects that need to be corrected due to deficient within the Water Treatment Plant per TCEQ requirements. City of Pharr also has to acquire property to expand the Raw Water Reservoir to comply with the storage requirements by TCEQ. In addition, the city needs to extend a Water Transmission Main to supply water to the Eldora Elevated Storage Tank.	PADC	\$17,312,000.00	30%			
19	35	13102	Presidio Co WID # 1	D	TX1890012	82	Evaluate alternatives and construct best option to resolve the Arsenic MCL violation. Alternatives include possible additional well, blending with existing sources, or pilot testing and construction of arsenic removal treatment to meet primary drinking water standards. An asset management plan will be developed.	PDC	\$300,000.00	70%			
9	65	12967	Quitaque	M	0230002	411	Electro-Dialysis Reversal Water (EDR) Treatment Plant to remove nitrates out of the water.	PDC	\$1,300,000.00	50%			
73	10	13104	Raymondville	M	TX2450001	11,284	The City is proposing to replace and update old and under sized iron and asbestos waterlines and replace non-working gate valves and fire hydrants. It is also repainting the exterior (2) and interior (3) of the elevated water tanks to remove surface rust and repair structural deficiencies. The City will start an asset management plan as part of the proposed project.	PDC	\$2,100,000.00	50%			

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<b>Public Water System</b>													
35	14	13105	Reno	M	1840049	2,650	Design and construction of a new 1.0MG elevated storage tank and onsite well to fill the tank. SCADA will be included to monitor the hydraulics and fill rates. A master plan which includes an asset management plan will be developed to prioritize the system needs. Water line improvements will also be included in the project.	PDC	\$16,760,000.00		Yes	\$13,500,000.00	
85	4	13097	Reno	M	1840049	2,556	Design and construction of a new 1.0MG elevated storage tank and onsite well to fill the tank. SCADA will be included to monitor the hydraulics and fill rates. A master plan which includes an asset management plan will be developed to prioritize the system needs.	PDC	\$3,660,000.00		Yes	\$2,500,000.00	
69	10	13039	Rhome	M	TX2490007	1,598	This project will focus on improving the water treatment and distribution system for the City.	PDC	\$850,000.00		Yes-BC	\$850,000.00	
23	21	13106	Richland Springs	M	2060002	350	replacement and upgrade of 25 miles of pipeline	PDC	\$3,695,000.00	70%			
65	10	13103	Richland SUD	D	1540008	839	adding and replacing lines in the northwest area of the Richland SUD system	PADC	\$4,554,650.00	50%			
45	13	13112	Richwood	M	0	6,000	Adding a water plant to increase water pressure and service capacity	DC	\$3,546,200.00				
51	13	13109	Rising Star	M	TX067005	1,038	Make repairs necessary to ground storage tank including new roof latch, water level indicator, vent, and clean out sediment from tank. Replace items at pump station. Install chlorine leak alarm, add SCBA protection equipment and repair chlorine building. Reduce water loss through installation of new metering system.	PDC	\$300,000.00	30%	Yes-BC	\$180,000.00	
117	0	12992	River Oaks WSC	W	TX1610018	375	Replace lines on two streets and install meters.	DC	\$74,000.00				
120	0	13113	Roby	M	TX0760001	667	Replace existing ground storage tank.	PDC	\$300,000.00		Yes	\$300,000.00	
92	3	13119	Rochelle WSC	W	TX1540004	604	This project involves the rehabilitation of existing ground water tanks and the replacement of old existing meters with an AMR meter system and a new master meter to address water loss issues.	PDC	\$300,000.00				
95	3	12997	Rock Hill WSC	W	1830014	999	The WSC currently only has one water well that they can normally operate (Well No. 2) due to high total dissolved solids. The WSC is pursuing an additional well to supplement the production of Well No. 2 and reduce the amount of purchased water required from the City of Carthage.	PDC	\$300,000.00				

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Rank	Points	PIF #	Entity	Owner Type	PWS ID	Population	Project Description	Requested Phase(s)	Total Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>													
39	14	13044	Roma	M	TX2140007	18,903	The City is addressing the need for Phase I (4 MGD) of a new water treatment plant (WTP) to serve City of Roma residents and fully comply with all water treatment regulations. The City's existing WTP was partially rehabilitated in the late 1990s and has reached the end of its useful life and requires replacement.	PADC	\$22,279,000.00	70%	Yes-BC	\$22,280,000.00	
107	1	13019	Rosebud	M	TX0730003	1,415	The City proposes to replace broken and/or malfunctioning water meters within their CCN with meters to prevent the water loss and to ensure the safety and well being of its customers. The City intends to prepare their asset management plan with assistance from TCEQ's FMT contractor.	PDC	\$889,000.00		Yes-BC	\$889,000.00	
16	44	13211	Rotan	M	TX0760002	1,477	Install 14 miles of new 12" PVC water line to replace existing dilapidated cast iron water line. Existing cast iron line suffers from corrosion issues, high water loss, occasional interruption of service due to needing repairs, high chlorine demand from iron bacteria growth, and disinfection residual issues.	PADC	\$5,200,000.00	50%	Yes-BC	\$5,200,000.00	
14	47	13115	Rowena WSC	W	2000004	480	This project will reduce TTHM levels to gain compliance with the Stage 2 DBP Rule.	PDC	\$4,140,000.00		Yes-BC	\$4,140,000.00	
110	1	13054	Rusk	M	TX0370003	5,618	New Groundwater Source Water Well	PADC	\$1,862,501.00				
125	0	13053	Rusk	M	TX0370003	5,618	Install 8" Water Line on FM 343 West Rehabilitation of Two Elevated Storage Tanks	PDC	\$1,813,405.00				
17	40	13086	San Angelo	M	TX2260001	100,450	To achieve the needed Phase II design production rate of 12,000 acft/yr (10.7 MGD), the City's wellfield, collection system, transmission line, and GWTP will be upgraded to ensure the production rate can reliably be achieved.	C	\$61,697,360.00				
100	3	12982	San Antonio Water System	M	0150018	1,857,779	Dietrich Elevated Storage Tank is a master planned project that is required to provide 1.5 million gallons of elevated storage for Pressure Zone (PZ) 828.	C	\$5,254,922.00				
131	0	12981	San Antonio Water System	M	0150018	1,857,779	Highway 90 and General McMullen Pressure Zone Integration to integrate two pressure zones and establish redundancy for Winwood and GBRA water.	C	\$4,130,290.00				
132	0	12983	San Antonio Water System	M	0150018	1,857,779	Pump Station Rehabilitation Phase 5 - Artesia will rehabilitate the Artesia pump station that serves Pressure Zone 3 across the southern half of the area inside Loop 410.	C	\$16,037,160.00				
112	1	13144	San Juan	M	TX1080010	24,605	New 1.0 MG (concrete composite) elevated storage tank, associated waterline, and decommissioning aging and old existing 300,000 and 200,000 gallon elevated tanks.	PADC	\$4,395,000.00	30%			

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Rank	Points	PIF #	Entity	Owner Type	PWS ID	Population	Project Description	Requested Phase(s)	Total Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>													
3	144	13038	Sandbranch		Pending	190	Install a water system to an existing development	TBD*	TBD*	70%			
40	13	13212	Santa Anna	M	0420002	1,099	Water service to customers is always an important subject in a city's utility needs. TCEQ has set standards for minimum water line pipe sizes and the number of service connections that can be run from these lines. Aging infrastructure is also a factor when looking at water lines and can make them vulnerable to leaks and failures. The City of Santa Anna is pursuing the implementation of upsized water lines to ensure all TCEQ regulations are met and to better serve customers that are connected to these water lines.	PDC	\$850,000.00	50%	Yes-BC	\$850,000.00	
32	15	13116	Shamrock	M	TX2420001	1,933	Shamrock desires to re-drill two wells in their North Well Field, replace the transmission pipeline that carries water from the North Well Field to the distribution system, replace ground storage tanks in both the West and North Well Fields, replace the existing distribution system and construct a new elevated storage tank.	PADC	\$34,680,860.00		Yes-BC	\$21,365,120.00	
56	12	13070	Slaton	M	TX1520004	5,800	The City of Slaton is proposing the installation of an AMI system throughout their distribution system as well as the installation of a new elevated storage tank.	PADC	\$3,957,000.00	30%	Yes	\$3,938,000.00	
79	8	13072	South Ellis Co WSC	W	0700043	1,575	Phase 1 - Construct 8" Transmission Main Phase 2 - Construct Elevated Storage Tank Phase 3 - Construct Deep Well at the Carolyn Road Plant Site	PADC	\$3,320,276.00		Yes-BC	\$25,000.00	
43	13	13071	Stephens Regional SUD	D	TX2150007	3,173	SRSUD is proposing to increase the operational flexibility at the WTP by increasing the capacity of the MF Filters with the installation of a new pre-treatment chemical system, construction of solids handling improvements, and reduction and in the amount of concentrate produced in the RO system with the installation of concentrator skid. Additionally, this project includes improvements in the existing distribution system to address pressure concerns during periods of high use and allow the existing system to provide service for the future growth in the area and demand for water service within the existing CCN. The proposed project also includes the installation of an AMR system in the existing distribution system to allow for more accurate meter readings and advanced leak detection.	PDC	\$8,713,568.00	50%	Yes-BC	\$8,713,568.00	
44	13	13117	Stephens Regional SUD	D	TX2150007	3,173	SRSUD is proposing water system improvements to address growth in the distribution system by expanding the distribution system to areas which are currently unserved.	PDC	\$22,346,840.00	70%	Yes	\$22,346,840.00	

\* Sandbranch - To be determined upon further TWDB review

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<b>Public Water System</b>													
49	13	13101	Streetman	M	TX0810016	241	The City currently has 3 active wells producing approximately 50 gpm each. The City desires replace the wells with purchased treated water from Winkler WSC to replace the groundwater wells. Additionally the City desires to improve the distribution system along the I-45 corridor to provide better service to existing customers.	PADC	\$1,900,250.00	50%			
47	13	13080	Sweetwater	M	TX1770002	11,760	The proposed project includes replacement of existing membrane system trains, raw water pump replacement, water line replacement, ground storage tank painting and electrical improvements.	PDC	\$2,644,500.00	30%			
113	0	12986	Texoma Estates WSC	W	TX910047	127	Design and construct a new well house, refurbish storage tank, and install backup generator.	PDC	\$1,084,500.00				
114	0	12969	The Falls WSC	W	0100072	198	Install a 30,000 gallon storage tank with a 3,000 gallon pressure tank and two high service pressure pumps.	PADC	\$277,196.00				
106	1	13047	Thorndale	M	1660003	1,300	The City of Thorndale proposes to construct a water production system to produce and treat groundwater for delivery to its existing water plant for distribution to its existing customers. The City currently purchases its water supply from Southwest Milam WSC and is proposing this project to be able to independently produce, treat, and distribute water to its current and future customers.	PADC	\$9,900,000.00				
61	10	13132	Tom Green Co FWSD # 2	D	TX2260004	404	Water Treatment Plant - New turbidity ad chlorine meters; new high service pump. Well System - Rehabilitating of existing wells to increase yields in the three wells.	PDC	\$300,000.00	50%			
4	130	12975	Toyah	M	TX1950004	300	Improve 1939 era sedimentation cone at the Toyah Surface Water Treatment Plant	PDC	\$300,000.00				
93	3	13136	Trent	M	TX2210009	768	This project involves the replacement of old existing water lines that are prone to breaking and leaking with new pvc water line.	PDC	\$300,000.00				
52	13	13124	Union WSC	W		6,534	UWSC is in need of expanding their 1.5 MGD to 2.5 MGD	P	\$132,000.00	70%			
54	12	12962	Valentine	M	TX1220002	200	New groundwater well adjacent from existing well at Bell and 6th Street.	DC	\$769,850.00	50%			
25	21	13073	Vernon	M	TX2440001	10,874	Install a new 16 mile 24" PVC pipeline.	PADC	\$11,000,000.00	30%	Yes-BC	\$11,000,000.00	

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<b>Public Water System</b>													
10	62	13114	Victoria Co WCID # 1	D	2350001	2,059	The Victoria County WCID No. 1 is seeking funding to address issues that have present in the districts water system including Arsenic present in one of the active water wells. The existing well has been studied significantly and monitored frequently including rehabilitation of the well in an attempt to provide safer water to the public. This project will consist of drilling a test well and new public water well at a new site in order to satisfy an agreed order issued by the TCEQ on December 04, 2018.	PADC	\$690,000.00	30%			
122	0	13030	West Tawakoni	M	TX1160012	1,683	1. Construct new Water Intake Structure into deeper water. Per Preliminary Engineering Report (PER), a depth of +/-25 feet can be obtained by constructing the Intake at the proposed location. 2. Develop Asset Management Plan	PADC	\$2,005,400.00				
46	13	13096	Wharton	M	TX2410005	8,756	The City has a history of high water loss and frequent leaks/outages in a number of areas that still have old 2" waterlines. These lines are also too small to provide any fire protection or allow the City to place fire hydrants in these older subdivisions. After completion of planning, environmental, and design the City intends to replace the 2" steel waterlines with 8" PVC waterlines improving water quality, reducing leaks/outages, and providing fire protection.	PDC	\$1,046,900.00	30%			
111	1	13004	White Oak	M	920006	6,544	New Pump Station and Raw Water Line. Prepare and implement an Asset Management Plan.	PADC	\$5,810,000.00				

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<b>Public Water System</b>													
101	2	13003	White Settlement	M	TX2200081	17,380	The City is currently undertaking the effort to develop a preliminary asset management plan for their water system infrastructure. The scoring system for the condition of facilities was based on several criteria such as pipeline diameter, material, age, capacity, history of repairs and criticality. For above ground facilities some of the criteria included electrical, mechanical, site, structural, etc. For each asset an overall risk score was assigned. The City is seeking this funding to expand on their preliminary asset management efforts to include a full master plan with hydraulic modeling. Through the effort those assets that were identified at high risk of failure and are highly critical have been mapped and preliminary cost estimates have been developed. This project will fund the additional asset management and master planning efforts and the rehabilitation of infrastructure identified as high risk. In addition, the City will install an AMI metering system. The AMI project will	PDC	\$3,666,730.00		Yes	\$1,942,000.00	
118	0	13093	Whiteface	M	TX0400002	449	Replacement of all residential water connection meters and install new gate valves	PDC	\$300,000.00				
70	10	13029	Wills Point	M	TX2340005	3,889	The City of Wills Point has a 12 inch raw water supply line which supplies water from the intake on Lake Tawakoni to the City's Water Treatment Plant. The raw water transmission line catastrophically failed recently forcing the City to implement emergency temporary supply from the Wills Point Reservoir. On Thursday, February 22 the in-line flow meter for the temporary supply line failed resulting in a system wide outage. The purpose of this project is to replace 38,400 linear feet of 12 inch raw water transmission line from the West Tawakoni Intake to the City of Wills Point Water Treatment Plant in order to provide reliable raw water to the City's Water Treatment Plant.	PDC	\$4,806,751.80	30%			

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<b>Public Water System</b>													
12	54	12973	Wright City WSC	W	TX2120027	1,242	Filter out TTHM Precursors to control TTHM's.	AC	\$250,000.00		Yes-BC	\$250,000.00	
15	44	12985	Wright City WSC	W	TX2120099	1,989	Filter out TTHM's	C	\$250,000.00		Yes-BC	\$250,000.00	
63	10	13110	Zavalla	M	TX0030030	712	Replace existing ground storage tanks	PDC	\$145,775.00	30%			
<b>Public Water System Total</b>		<b>132</b>							<b>\$576,818,664.80</b>	<b>56</b>	<b>45</b>	<b>\$177,212,579.00</b>	
<b>Total</b>		<b>132</b>							<b>\$576,818,664.80</b>	<b>56</b>	<b>45</b>	<b>\$177,212,579.00</b>	

Phase(s): P-Planning; A-Acquisition; D-Design; C-Construction  
Green Type: BC-Business Case; CE-Categorically Eligible; Comb-Project consists of both CE and BC components

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None.

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Appendix I. Projects Ineligible for Disadvantaged Funding**

	PIF #	Entity	Project Cost	Reason for Ineligibility
1	13098	Alpine	\$5,290,530	Disadvantaged Ineligible - HCF
2	12974	Balmorhea	\$1,670,000	Disadvantaged Ineligible - AMHI
3	13134	Bronte	\$300,000	Disadvantaged Ineligible - HCF
4	13108	El Campo	\$4,817,500	Disadvantaged Ineligible - AMHI
5	13082	Lake Palo Pinto Area WSC	\$3,849,000	Disadvantaged Ineligible - AMHI
6	13025	Lone Oak	\$500,000	Disadvantaged Ineligible - AMHI
7	12979	Madera Valley WSC	\$30,305,000	Disadvantaged Ineligible - AMHI
8	13050	Miles	\$200,000	Disadvantaged Ineligible - AMHI
9	13100	Moran	\$340,000	Disadvantaged Ineligible - AMHI
10	13042	Parker WSC	\$3,300,000	Disadvantaged Ineligible - AMHI
11	13039	Rhome	\$850,000	Disadvantaged Ineligible - AMHI
12	13019	Rosebud	\$889,000	Disadvantaged Ineligible - HCF
13	13115	Rowena WSC	\$4,140,000	Disadvantaged Ineligible - AMHI
14	13144	San Juan	\$4,395,000	Disadvantaged Ineligible - HCF
15	12975	Toyah	\$300,000	Disadvantaged Ineligible - AMHI
16	13093	Whiteface	\$300,000	Disadvantaged Ineligible - AMHI
<b>Total</b>			<b>\$61,446,030</b>	

**AMHI** = Annual Median Household Income was greater than 75% of the State AMHI.

**HCF** = Household Cost Factor did not meet the minimum threshold.

**DNS** = Did not submit updated project information form data

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<b>Public Water System</b>													
1	584	13063	Millersview-Doole WSC	W	TX0480015	3,579	Treating well water at the source and blending with surface water. The project includes additional water system improvements	PDC	\$2,300,000.00	70%			
2	150	12978	Menard	M	TX1640001	1,471	Major rehabilitation, additions and modifications to the surface water treatment plant and raw water wells to address groundwater under the influence.	DC	\$4,000,000.00	30%			
3	144	13038	Sandbranch		Pending	190	Install a water system to an existing development	TBD*	TBD*	70%			
4	130	12975	Toyah	M	TX1950004	300	Improve 1939 era sedimentation cone at the Toyah Surface Water Treatment Plant	PDC	\$300,000.00				
5	115	13026	Carbon	M	TX0670015	272	The project consists of pump station improvements to increase the storage and pumping capacities to meet compliance. The project also consists of installing a SCADA System and a radio read metering system	PDC	\$700,000.00	70%	Yes-BC	\$700,000.00	
6	114	13059	Gladewater	M	TX0920001	6,541	Upgrades to existing elevated storage tank, waterlines, and pressure maintenance facilities.	PDC	\$2,776,980.00				
7	84	12990	North Alamo WSC	W	1080029	180,000	This project implements recommendations resulting from the North Alamo Water Supply Corporation Title XVI Energy-Efficient Brackish Groundwater Desalination Feasibility Study. Specifically, the project will increase brackish groundwater desalination production capacity by 1 MGD by means of an innovative energy-efficient desalination process reliant on nano-filtration membranes. Additionally, existing reverse osmosis trains will be retrofitted to nano-filtration trains which will also increase production while reducing desalination energy requirements by 50 percent for a total system energy reduction of 32 percent.	ADC	\$6,840,000.00	30%	Yes-BC	\$4,900,000.00	
8	78	13062	Madera Valley WSC	W	TX1950006	1,983	The addition of a Regional Surface Water Treatment Plant with the goal of providing potable water to Rural Reeves County and the consolidation of the water supplies for the Madera Valley WSC, City of Balmorhea and City of Toyah.	PADC	\$4,715,000.00				
9	65	12967	Quitaque	M	0230002	411	Electro-Dialysis Reversal Water (EDR) Treatment Plant to remove nitrates out of the water.	PDC	\$1,300,000.00	50%			

\* Sandbranch - To be determined upon further TWDB review

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<b>Public Water System</b>													
10	62	13114	Victoria Co WCID # 1	D	2350001	2,059	The Victoria County WCID No. 1 is seeking funding to address issues that have present in the districts water system including Arsenic present in one of the active water wells. The existing well has been studied significantly and monitored frequently including rehabilitation of the well in an attempt to provide safer water to the public. This project will consist of drilling a test well and new public water well at a new site in order to satisfy an agreed order issued by the TCEQ on December 04, 2018.	PADC	\$690,000.00	30%			
11	56	13129	Alice	M	TX1250001	19,439	All planning, engineering, environmental, and permitting will be completed in Phase 1 or this project. Phase II will be Construction of a 3.0 million gallon per day brackish desalination plant, one 3 mgd brackish well, building, yard piping, well construction lines and concentrate discharge line.	C	\$12,715,000.00	30%			
12	54	12973	Wright City WSC	W	TX2120027	1,242	Filter out TTHM Precursors to control TTHM's.	AC	\$250,000.00		Yes-BC	\$250,000.00	
13	48	13050	Miles	M	TX2000002	870	The City of Miles (City) proposes to pursue development of an alternative source of water supply to complement its current wholesale water supply. The City needs to identify and evaluate alternative water supply options including development of additional surface water or groundwater supplies as well as potential treatment of its existing groundwater to reduce nitrate and dissolved solids levels to within compliance.	P	\$200,000.00		Yes-BC	\$200,000.00	
14	47	13115	Rowena WSC	W	2000004	480	This project will reduce TTHM levels to gain compliance with the Stage 2 DBP Rule.	PDC	\$4,140,000.00		Yes-BC	\$4,140,000.00	
15	44	12985	Wright City WSC	W	TX2120099	1,989	Filter out TTHM's	C	\$250,000.00		Yes-BC	\$250,000.00	
16	44	13211	Rotan	M	TX0760002	1,477	Install 14 miles of new 12" PVC water line to replace existing dilapidated cast iron water line. Existing cast iron line suffers from corrosion issues, high water loss, occasional interruption of service due to needing repairs, high chlorine demand from iron bacteria growth, and disinfection residual issues.	PADC	\$5,200,000.00	50%	Yes-BC	\$5,200,000.00	
17	40	13086	San Angelo	M	TX2260001	100,450	To achieve the needed Phase II design production rate of 12,000 acft/yr (10.7 MGD), the City's wellfield, collection system, transmission line, and GWTP will be upgraded to ensure the production rate can reliably be achieved.	C	\$61,697,360.00				

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<b>Public Water System</b>													
18	39	13141	Annona	M	TX1940004	463	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend WRD would serve as the lead funding sponsor and wholesale water pro	ADC	\$400,000.00		Yes-BC	\$140,000.00	
19	35	13102	Presidio Co WID # 1	D	TX1890012	82	Evaluate alternatives and construct best option to resolve the Arsenic MCL violation. Alternatives include possible additional well, blending with existing sources, or pilot testing and construction of arsenic removal treatment to meet primary drinking water standards. An asset management plan will be developed.	PDC	\$300,000.00	70%			
20	25	12993	Newton	M	TX1760004	338	The proposed project will install waterline and upgrade the interim storage and booster system to allow a sustained 35 psi minimum pressure throughout East Newton's service area and lifting of the boil water notice. Waterlines will be constructed from the City's existing 8" main to WSC's existing water plant and the old lines along this route will be abandoned.	DC	\$500,000.00	50%			
21	23	13074	Breckenridge	M	TX2150001	5,800	The City desires to install improvements/upgrades at the WTP and raw water intake structure. In addition, the City is planning to rehabilitate various portions of the distribution system in order to reduce the number of water line leaks/breaks that have resulted in numerous boil water notices.	PDC	\$3,546,000.00	30%			

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<b>Public Water System</b>													
22	23	12998	Evadale WCID # 1	D	TX1210011	963	Evadale WCID#1 has recently lost part of its production wells due to mechanical failure. This project will provide additional production capacity and replace deteriorated distribution lines.	PADC	\$3,220,593.00		Yes-BC	\$200,000.00	
23	21	13106	Richland Springs	M	2060002	350	replacement and upgrade of 25 miles of pipeline	PDC	\$3,695,000.00	70%			
24	21	13092	Paducah	M	TX0510001	1,186	The proposed project includes replacement of sections of the aging and inefficient distribution system; replacement of the main transmission line that transports the water from Paducah's well field to town; replacement of two sand traps that capture sand produced from the City's wells and keep it from entering the distribution system; and rehabilitation of the three ground storage tanks at the well field to stop the corrosion that is prevalent on each of the three tanks.	PDC	\$3,418,000.00	50%			
25	21	13073	Vernon	M	TX2440001	10,874	Install a new 16 mile 24" PVC pipeline.	PADC	\$11,000,000.00	30%	Yes-BC	\$11,000,000.00	
26	20	13127	Dario V. Guerra, III, dba Derby Ing.	W	TX0820016	140	Construct a new well at a suitable location to provide an alternative source and to build redundancy in the system.	C	\$420,000.00	70%			
27	20	13128	Elsa	M	TX1080005	7,135	Improvements to the water treatment plant, replacement of obsolete/substandard equipment, replacement of asbestos distribution lines and refurbishing water storage tanks to eliminate current substandard conditions and prevent further deterioration resulting in costly repairs and maintenance.	C	\$4,295,486.00	50%			
28	18	13066	Anthony	M	TX0710001	3,500	The Town of Anthony will need to construct a 250,000 gallon elevated water tank, rehabilitate existing water wells, replace booster stations, address leaking water lines, install a chlorination control system, replace meters and build arsenic treatment plant in order to provide enough adequate water to the residents.	C	\$7,122,444.00	30%			
29	16	13095	JRM Water, LLC	P	TX2350036	405	Water Plant Improvements	DC	\$408,000.00				
30	16	13123	Jacksboro	M	TX1190002	4,450	The City of Jacksboro's existing WTP has reached the end of its useful life and requires replacement.	PDC	\$12,163,000.00	50%			
31	15	13107	Pharr	M	1080009	76,727	The City of Pharr currently has multiple projects that need to be corrected due to deficient within the Water Treatment Plant per TCEQ requirements. City of Pharr also has to acquire property to expand the Raw Water Reservoir to comply with the storage requirements by TCEQ. In addition, the city needs to extend a Water Transmission Main to supply water to the Eldora Elevated Storage Tank.	PADC	\$17,312,000.00	30%			

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<b>Public Water System</b>													
32	15	13116	Shamrock	M	TX2420001	1,933	Shamrock desires to re-drill two wells in their North Well Field, replace the transmission pipeline that carries water from the North Well Field to the distribution system, replace ground storage tanks in both the West and North Well Fields, replace the existing distribution system and construct a new elevated storage tank.	PADC	\$34,680,860.00		Yes-BC	\$21,365,120.00	
33	15	13085	G-M WSC	W	TX2020067	11,249	Remove existing meters and replace with radio read meters.	PDC	\$1,805,160.00	50%	Yes-BC	\$1,805,160.00	
34	14	13143	Coke County WSC	W	TX0410017	346	<ul style="list-style-type: none"> <li>• Replace existing meters in distribution system with new AMR drive-by system.</li> <li>• Add isolation valves and flush valves to existing distribution lines to allow isolation of line segments for future line repairs and improvements.</li> <li>• TCEQ Financial, managerial, &amp; technical assistance (FMT) is currently scheduled to address asset management for this water system.</li> </ul>	PDC	\$300,000.00	50%	Yes-BC	\$300,000.00	
35	14	13105	Reno	M	1840049	2,650	Design and construction of a new 1.0MG elevated storage tank and onsite well to fill the tank. SCADA will be included to monitor the hydraulics and fill rates. A master plan which includes an asset management plan will be developed to prioritize the system needs. Water line improvements will also be included in the project.	PDC	\$16,760,000.00		Yes	\$13,500,000.00	
36	14	13043	Mertzion	M	TX1180002	700	As a result of the recent historic ongoing drought, the City's water supply is still depleted. The City currently has five (5) functional groundwater wells (of the original eight), caused by continual pumping during the ongoing drought, and is in the process of obtaining approval for a new sixth well. The City has observed a steady decrease in production from its wells over the past several years, to the point that three of the original eight wells are essentially "dry" at this time. As the water supply has dwindled, the quality of the water no longer meets secondary drinking water quality standards. In order to support current water supply needs with water that meets current drinking water quality standards, the City of Mertzion is pursuing implementation of a major project to install a treatment system to address the City's groundwater quality issues.	PDC	\$2,797,000.00		Yes-BC	\$2,797,000.00	
37	14	13002	Gordon	M	TX1820007	744	Water Treatment Plant Improvements, Water Line Replacements, Pump Station Improvements, and Radio Read Meters	PDC	\$900,000.00	50%	Yes-BC	\$900,000.00	

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<b>Public Water System</b>													
38	14	13041	Crosbyton	M	TX0540001	2,083	The City of Crosbyton proposes to replace specific valves and fire hydrants to improve performance of its distribution system.	PDC	\$707,000.00	50%	Yes-BC	\$707,000.00	
39	14	13044	Roma	M	TX2140007	18,903	The City is addressing the need for Phase I (4 MGD) of a new water treatment plant (WTP) to serve City of Roma residents and fully comply with all water treatment regulations. The City's existing WTP was partially rehabilitated in the late 1990s and has reached the end of its useful life and requires replacement.	PADC	\$22,279,000.00	70%	Yes-BC	\$22,280,000.00	
40	13	13212	Santa Anna	M	0420002	1,099	Water service to customers is always an important subject in a city's utility needs. TCEQ has set standards for minimum water line pipe sizes and the number of service connections that can be run from these lines. Aging infrastructure is also a factor when looking at water lines and can make them vulnerable to leaks and failures. The City of Santa Anna is pursuing the implementation of upsized water lines to ensure all TCEQ regulations are met and to better serve customers that are connected to these water lines.	PDC	\$850,000.00	50%	Yes-BC	\$850,000.00	
41	13	13075	Eden	M	TX0480001	1,228	The City desires to install improvements at the water supply well sites and to install a redundant cooling tower for operational flexibility.	PDC	\$2,219,000.00	50%			
42	13	13094	Bartlett	M	11232	1,623	Water meter replacement	PDC	\$747,000.00	30%	Yes	\$430,500.00	
43	13	13071	Stephens Regional SUD	D	TX2150007	3,173	SRSUD is proposing to increase the operational flexibility at the WTP by increasing the capacity of the MF Filters with the installation of a new pre-treatment chemical system, construction of solids handling improvements, and reduction and in the amount of concentrate produced in the RO system with the installation of concentrator skid. Additionally, this project includes improvements in the existing distribution system to address pressure concerns during periods of high use and allow the existing system to provide service for the future growth in the area and demand for water service within the existing CCN. The proposed project also includes the installation of an AMR system in the existing distribution system to allow for more accurate meter readings and advanced leak detection.	PDC	\$8,713,568.00	50%	Yes-BC	\$8,713,568.00	
44	13	13117	Stephens Regional SUD	D	TX2150007	3,173	SRSUD is proposing water system improvements to address growth in the distribution system by expanding the distribution system to areas which are currently unserved.	PDC	\$22,346,840.00	70%	Yes	\$22,346,840.00	

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<b>Public Water System</b>													
45	13	13112	Richwood	M	0	6,000	Adding a water plant to increase water pressure and service capacity	DC	\$3,546,200.00				
46	13	13096	Wharton	M	TX2410005	8,756	The City has a history of high water loss and frequent leaks/outages in a number of areas that still have old 2" waterlines. These lines are also too small to provide any fire protection or allow the City to place fire hydrants in these older subdivisions. After completion of planning, environmental, and design the City intends to replace the 2" steel waterlines with 8" PVC waterlines improving water quality, reducing leaks/outages, and providing fire protection.	PDC	\$1,046,900.00	30%			
47	13	13080	Sweetwater	M	TX1770002	11,760	The proposed project includes replacement of existing membrane system trains, raw water pump replacement, water line replacement, ground storage tank painting and electrical improvements.	PDC	\$2,644,500.00	30%			
48	13	13133	Melvin	M	TX1540003	178	This project involves the rehab of existing GSTs and the replacement of old existing water line with 6" WL. This project will assist the city with water loss.	PDC	\$200,000.00	50%			
49	13	13101	Streetman	M	TX0810016	241	The City currently has 3 active wells producing approximately 50 gpm each. The City desires to replace the wells with purchased treated water from Winkler WSC to replace the groundwater wells. Additionally the City desires to improve the distribution system along the I-45 corridor to provide better service to existing customers.	PADC	\$1,900,250.00	50%			
50	13	13137	Oakmont Saddle Mountain WSC	W	TX1930015	324	Construct well #4 - Funds are being requested to construct the water-tight concrete basin. Installation of the pump and associated piping, electrical, and all appurtenances. Authorization to construct this spring water source well was issued by the TCEQ letter dated; October 24, 2014.	PDC	\$425,700.00	50%			
51	13	13109	Rising Star	M	TX067005	1,038	Make repairs necessary to ground storage tank including new roof latch, water level indicator, vent, and clean out sediment from tank. Replace items at pump station. Install chlorine leak alarm, add SCBA protection equipment and repair chlorine building. Reduce water loss through installation of new metering system.	PDC	\$300,000.00	30%	Yes-BC	\$180,000.00	
52	13	13124	Union WSC	W		6,534	UWSC is in need of expanding their 1.5 MGD to 2.5 MGD	P	\$132,000.00	70%			
53	13	13125	Mexia	M	TX1470004	7,425	Replacement of an existing 1.5 million gallon ground storage tank at the Highway 84 pump station.	PDC	\$2,795,550.00	70%			

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<b>Public Water System</b>													
54	12	12962	Valentine	M	TX1220002	200	New groundwater well adjacent from existing well at Bell and 6th Street.	DC	\$769,850.00	50%			
55	12	12979	Madera Valley WSC	W	TX1950006	1,983	The installation of five additional wells and a transmission line from the well field to near the south boundary of the Town of Pecos City.	PADC	\$30,305,000.00				
56	12	13070	Slaton	M	TX1520004	5,800	The City of Slaton is proposing the installation of an AMI system throughout their distribution system as well as the installation of a new elevated storage tank.	PADC	\$3,957,000.00	30%	Yes	\$3,938,000.00	
57	11	12970	Littlefield	M	TX1400003	6,454	Replace existing main well field transmission line.	PDC	\$10,988,710.00	30%			
58	11	13099	Los Fresnos	M	TX0310004	6,376	The City of Los Fresnos Drinking Water State Revolving Funds Project 62627 needs are to increase the water treatment plant capacity to meet future water demands while ensuring minimum disinfection requirements are met. The project will also need to address the Corrective Action Plan (CAP) resulting from the mandatory Comprehensive Performance Evaluation (mCPE) performed on September 2016 in response to a violation of TCEQ standard 290.104 (g) (1) (relating to Maximum Contaminant Levels, Maximum Residual Disinfectant Levels, Treatment Techniques, and Action Levels).	C	\$3,627,000.00		Yes-BC	\$745,000.00	
59	11	13089	Midland	M	TX1650001	132,950	The City desires to install improvements to expand water system capacity in the northeastern portion of the City.	PAD	\$958,000.00				
60	10	13138	Harrold WSC	W	TX2440002	141	Replace existing 4" AC supply line with PVC line.	PDC	\$300,000.00				
61	10	13132	Tom Green Co FWSD # 2	D	TX2260004	404	Water Treatment Plant - New turbidity and chlorine meters; new high service pump. Well System - Rehabilitating of existing wells to increase yields in the three wells.	PDC	\$300,000.00	50%			
62	10	13021	Paint Creek WSC	W	TX1040017	690	Construct a hydropneumatic pump station with a 60,000 gallon ground storage tank and 6,000 gallon pressure tank.	PADC	\$300,000.00				
63	10	13110	Zavalla	M	TX0030030	712	Replace existing ground storage tanks	PDC	\$145,775.00	30%			
64	10	13025	Lone Oak	M	1160018	786	The City of Lone Oak is experiencing issues with various water lines in their system due to undersized lines and dead-ends.	PDC	\$500,000.00		Yes-BC	\$500,000.00	
65	10	13103	Richland SUD	D	1540008	839	adding and replacing lines in the northwest area of the Richland SUD system	PADC	\$4,554,650.00	50%			
66	10	13122	Cross Plains	M	TX0300003	982	The City of Cross Plains proposes to replace undersized lines and loop dead end areas in their system.	PDC	\$1,200,000.00	30%			

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<b>Public Water System</b>													
67	10	13139	Lorenzo	M	TX0540002	1,298	The City of Lorenzo has an existing 100,000 gallon elevated multi-legged water storage tank. The existing structure was constructed any decades ago and has reached the end of its useful life. The tank has had recent leaks and the City has repaired the steel in the existing tank several times. There are fears that the tank will begin to fall again. We proposed to replace the tank with a new 120,000 gallon standpipe.	PDC	\$750,000.00	50%			
68	10	13057	Granger	M	TX2460002	1,419	The project includes the rehabilitation of the water storage facilities, well pumps, pump stations, and distribution system.	PDC	\$999,000.00	30%			
69	10	13039	Rhome	M	TX2490007	1,598	This project will focus on improving the water treatment and distribution system for the City.	PDC	\$850,000.00		Yes-BC	\$850,000.00	
70	10	13029	Wills Point	M	TX2340005	3,889	The City of Wills Point has a 12 inch raw water supply line which supplies water from the intake on Lake Tawakoni to the City's Water Treatment Plant. The raw water transmission line catastrophically failed recently forcing the City to implement emergency temporary supply from the Wills Point Reservoir. On Thursday, February 22 the in-line flow meter for the temporary supply line failed resulting in a system wide outage. The purpose of this project is to replace 38,400 linear feet of 12 inch raw water transmission line from the West Tawakoni Intake to the City of Wills Point Water Treatment Plant in order to provide reliable raw water to the City's Water Treatment Plant.	PDC	\$4,806,751.80	30%			
71	10	13098	Alpine	M	TX0220001	5,700	Perform a needs assessment for an asset management program, upgrade existing system to replace outdated or inefficient components, install smart meters.	PDC	\$5,290,530.00		Yes-BC	\$3,000,000.00	
72	10	13048	Keene	M	TX126008	6,266	Replace approximately 16,000 linear feet of 2-inch through 8-inch water line.	PADC	\$1,955,991.00	30%	Yes-BC	\$1,955,991.00	
73	10	13104	Raymondville	M	TX2450001	11,284	The City is proposing to replace and update old and under sized iron and asbestos waterlines and replace non-working gate valves and fire hydrants. It is also repainting the exterior (2) and interior (3) of the elevated water tanks to remove surface rust and repair structural deficiencies. The City will start an asset management plan as part of the proposed project.	PDC	\$2,100,000.00	50%			

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<b>Public Water System</b>													
74	10	13020	Lower Valley WD	D	TX1010642	93,061	This area is currently not served by the District's water system. LVWD propose to install a 12" or larger pipe to the main distribution system to expand services to unserved areas and improve pressure.	PDC	\$17,331,795.00	30%			
75	10	13076	Lower Valley WD	D	TX1010642	93,061	The majority of the area is currently not being served or are partially served by an undersized and dilapidated water system. LVWD is proposing to install a 12" or larger pipe to the main distribution system to improve pressure by creating a critical loop system.	PDC	\$4,369,056.00	30%			
76	10	13078	Lower Valley WD	D	TX1010642	93,061	This area is currently not being served by the District's water system. LVWD is proposing to install a 12" or larger pipe to the main distribution system to expand services to unserved areas and improve pressure.	PDC	\$5,297,449.00	30%			
77	10	13090	Lower Valley WD	D	TX1010642	93,061	This area is currently being served by an undersized and dilapidated water system. In addition, LVWD proposes to upgrade the size of the main distribution system to improve pressure and bring dependable water source to Mesa Del Norte, Lourdes Estates and El Conquistador colonias (416 households/1,539 residents).	PDC	\$2,346,725.00	30%			
78	10	13091	Lower Valley WD	D	TX1010642	93,061	This area is currently being served by an undersized and dilapidated water system. In addition, LVWD is proposing to upgrade the size of the main distribution system to improve pressure.	PDC	\$1,853,491.00	30%			
79	8	13072	South Ellis Co WSC	W	0700043	1,575	Phase 1 - Construct 8" Transmission Main Phase 2 - Construct Elevated Storage Tank Phase 3 - Construct Deep Well at the Carolyn Road Plant Site	PADC	\$3,320,276.00		Yes-BC	\$25,000.00	
80	6	13000	Church Hill WSC	W	2010008	456	Church Hill WSC is pursuing an additional water well for their system to supplement the existing water supply capacity and blend water at their Plant No. 2.	PD	\$47,500.00				
81	5	12987	Bertram	M	TX0270012	2,538	Replacement and expansion of the existing 8-inch transmission main from the Well Field to the City of Bertram. The elevated tank will be sized to meet all regulatory requirements and provide reliability in the system.	PADC	\$12,440,000.00				
82	5	13082	Lake Palo Pinto Area WSC	W	TX1820069	1,932	LPPA WSC is proposed to expand their existing Water Treatment Plant in preparation for future expansion in their distribution system.	PDC	\$3,849,000.00		Yes-BC	\$120,000.00	

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<b>Public Water System</b>													
83	4	13142	Avery	M	TX1940005	429	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend WRD would serve as the lead funding sponsor and wholesale water	ADC	\$1,220,000.00		Yes	\$427,000.00	
84	4	13140	Leary	M	TX0190093	559	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend would serve as the lead funding sponsor and wholesale water pro	ADC	\$880,000.00		Yes	\$308,000.00	

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<b>Public Water System</b>													
85	4	13097	Reno	M	1840049	2,556	Design and construction of a new 1.0MG elevated storage tank and onsite well to fill the tank. SCADA will be included to monitor the hydraulics and fill rates. A master plan which includes an asset management plan will be developed to prioritize the system needs.	PDC	\$3,660,000.00		Yes	\$2,500,000.00	
86	4	13126	Arlington	M	TX2200001	373,162	Upgrade Lake Arlington Raw Water Pump Station to supply firm capacity of 162MGD	PDC	\$20,330,000.00		Yes	\$20,330,000.00	
87	3	13196	Johnson Water Service	P	TX0200158	0	Drill a new well. We would also like to have an asset management plan put in place.	PADC	\$69,000.00				
88	3	13022	Commodore Cove ID	D	0200033	358	Replace current pressure tank to meet current regulations and replace secondary water line to meet demands of population on street.	PAC	\$257,941.00				
89	3	12964	Jourdanton	M	TX0070002	4,259	New water production site to include well, ground storage, new elevated storage tank, and new transmission main from new well to Pecan Well. Install an additional proposed ground storage at the Whittler production facility. City-wide water meter replacement to automatic meter reading (AMR) meters. Project includes the preparation of an asset management plan.	PADC	\$6,843,114.00				
90	3	13135	Bluegrove WSC	W	TX0390014	75	This project involves the construction of a new pump station and the replacement of water distribution line to help with water loss.	PDC	\$300,000.00				
91	3	13118	Matthew Road WSC	W	TX0570098	250	New Well/New Fence	C	\$80,000.00				
92	3	13119	Rochelle WSC	W	TX1540004	604	This project involves the rehabilitation of existing ground water tanks and the replacement of old existing meters with an AMR meter system and a new master meter to address water loss issues.	PDC	\$300,000.00				
93	3	13136	Trent	M	TX2210009	768	This project involves the replacement of old existing water lines that are prone to breaking and leaking with new pvc water line.	PDC	\$300,000.00				
94	3	13120	Midway ISD	D	TX0390020	981	Midway ISD will drill another well to increase water production. The main water lines will also be replaced as well as necessary connections, valves, and service reconnections.	PDC	\$300,000.00				
95	3	12997	Rock Hill WSC	W	1830014	999	The WSC currently only has one water well that they can normally operate (Well No. 2) due to high total dissolved solids. The WSC is pursuing an additional well to supplement the production of Well No. 2 and reduce the amount of purchased water required from the City of Carthage.	PDC	\$300,000.00				

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<b>Public Water System</b>													
96	3	13006	Cypress Valley WSC	W	TX1020088	1,386	New water well for potable water production	PDC	\$750,000.00				
97	3	13009	Daingerfield	M	TX1720001	2,705	Install a new elevated storage tank and pressure maintenance facility. Upgrade linework and valves.	PADC	\$2,680,000.00				
98	3	12976	Greater Gardendale WSC	W	TX0680214	2,842	Construction of a new 1.5 MGD surface water treatment plant to treat raw groundwater and purchased raw water from the City of Odessa/CRMWD.	PADC	\$8,560,000.00				
99	3	13131	Haskell	M	TX1040001	3,235	Replace existing water meters with an automatic meter reading (AMR) system.	PDC	\$900,000.00		Yes-CE	\$900,000.00	
100	3	12982	San Antonio Water System	M	0150018	1,857,779	Dietrich Elevated Storage Tank is a master planned project that is required to provide 1.5 million gallons of elevated storage for Pressure Zone (PZ) 828.	C	\$5,254,922.00				
101	2	13003	White Settlement	M	TX2200081	17,380	The City is currently undertaking the effort to develop a preliminary asset management plan for their water system infrastructure. The scoring system for the condition of facilities was based on several criteria such as pipeline diameter, material, age, capacity, history of repairs and criticality. For above ground facilities some of the criteria included electrical, mechanical, site, structural, etc. For each asset an overall risk score was assigned. The City is seeking this funding to expand on their preliminary asset management efforts to include a full master plan with hydraulic modeling. Through the effort those assets that were identified at high risk of failure and are highly critical have been mapped and preliminary cost estimates have been developed. This project will fund the additional asset management and master planning efforts and the rehabilitation of infrastructure identified as high risk. In addition, the City will install an AMI metering system. The AMI project will	PDC	\$3,666,730.00		Yes	\$1,942,000.00	
102	1	13042	Parker WSC	W	1260021	3,000	The WSC wants to improve their water distribution system to better service clients.	PDC	\$3,300,000.00		Yes-BC	\$3,300,000.00	
103	1	13108	El Campo	M	2410002	11,645	Replace aging existing water lines throughout the distribution system with similar size or larger size PVC water lines.	C	\$4,817,500.00				
104	1	13130	Bluff Dale WSC	W	TX0720036	267	Drill a second well to comply with the 85% production capacity rule.	DC	\$382,850.00				
105	1	13013	Blooming Grove	M	TX1750001	833	Construct a new water supply well and ground storage tank and create and implement an Asset Management Plan	PDC	\$1,517,450.00				

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<b>Public Water System</b>													
106	1	13047	Thorndale	M	1660003	1,300	The City of Thorndale proposes to construct a water production system to produce and treat groundwater for delivery to its existing water plant for distribution to its existing customers. The City currently purchases its water supply from Southwest Milam WSC and is proposing this project to be able to independently produce, treat, and distribute water to its current and future customers.	PADC	\$9,900,000.00				
107	1	13019	Rosebud	M	TX0730003	1,415	The City proposes to replace broken and/or malfunctioning water meters within their CCN with meters to prevent the water loss and to ensure the safety and well being of its customers. The City intends to prepare their asset management plan with assistance from TCEQ's FMT contractor.	PDC	\$889,000.00		Yes-BC	\$889,000.00	
108	1	13145	Canadian	M	TX1006000	3,253	Purchase and installation of automatic meter reading system.	DC	\$632,000.00		Yes	\$632,000.00	
109	1	13146	Canadian	M	TX1006000 1	3,253	This project will rehabilitate the Birch Street elevated storage tank, the Santa Fe ground storage tank and Northeast ground storage tank.	DC	\$1,493,000.00				
110	1	13054	Rusk	M	TX0370003	5,618	New Groundwater Source Water Well	PADC	\$1,862,501.00				
111	1	13004	White Oak	M	920006	6,544	New Pump Station and Raw Water Line. Prepare and implement an Asset Management Plan.	PADC	\$5,810,000.00				
112	1	13144	San Juan	M	TX1080010	24,605	New 1.0 MG (concrete composite) elevated storage tank, associated waterline, and decommissioning aging and old existing 300,000 and 200,000 gallon elevated tanks.	PADC	\$4,395,000.00	30%			
113	0	12986	Texoma Estates WSC	W	TX910047	127	Design and construct a new well house, refurbish storage tank, and install backup generator.	PDC	\$1,084,500.00				
114	0	12969	The Falls WSC	W	0100072	198	Install a 30,000 gallon storage tank with a 3,000 gallon pressure tank and two high service pressure pumps.	PADC	\$277,196.00				
115	0	13060	Burton	M	2390002	295	New Water Well 5	PD	\$108,500.00				
116	0	13100	Moran	M	2090002	355	Water Line Replacement	PADC	\$340,000.00		Yes-BC	\$300,000.00	
117	0	12992	River Oaks WSC	W	TX1610018	375	Replace lines on two streets and install meters.	DC	\$74,000.00				
118	0	13093	Whiteface	M	TX0400002	449	Replacement of all residential water connection meters and install new gate valves	PDC	\$300,000.00				
119	0	12974	Balmorea	M	TX1950006	610	Installation of an additionally 8-inch drinking water transmission line from the Toyahvale regulator station to the City of Balmorea.	PADC	\$1,670,000.00				

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Appendix J. Project Priority List - By Rank**

Rank	Points	PIF #	Entity	Owner Type	PWS ID	Population	Project Description	Requested Phase(s)	Total Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>													
120	0	13113	Roby	M	TX0760001	667	Replace existing ground storage tank.	PDC	\$300,000.00		Yes	\$300,000.00	
121	0	13134	Bronte	M	TX0410001	904	The City of Bronte has lines in its water distribution system that needs replacement. These lines are older cast iron, asbestos concrete or galvanized water lines that have become fragile and prone leaks and breaks. These breaks lead to water loss and additional staff maintenance. It is proposed to replace approximately 6,000 linear feet of existing water line with 8" and 6" PVC water line. Fire hydrants will also be installed on the new water line to serve these areas with fire protection.	PDC	\$300,000.00				
122	0	13030	West Tawakoni	M	TX1160012	1,683	1. Construct new Water Intake Structure into deeper water. Per Preliminary Engineering Report (PER), a depth of +/-25 feet can be obtained by constructing the Intake at the proposed location.  2. Develop Asset Management Plan	PADC	\$2,005,400.00				
123	0	12991	Newton	M	1760001	2,227	City plans to construct new water well.	PADC	\$2,000,000.00				
124	0	13045	Orange Co WCID # 2	D	1810006	5,269	Replace aging water mains, services, well pumps, and well motors.	PADC	\$3,758,300.00		Yes	\$1,796,800.00	
125	0	13053	Rusk	M	TX0370003	5,618	Install 8" Water Line on FM 343 West Rehabilitation of Two Elevated Storage Tanks	PDC	\$1,813,405.00				
126	0	13111	Galveston Co WCID # 1	D	0840001	12,845	Replacement of Existing 8" Cast Iron Water Line along California Avenue from 29th Street to 21st Street with new 12" PVC Water Line	DC	\$869,735.00				
127	0	13005	Ennis	M	TX0700001	18,674	Failing waterlines with insufficient valving. Frequent breakage causes loss of service, risk of system contamination, and significant water loss. Prepare and implement Asset Management Plan	PDC	\$8,364,879.00				

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Rank	Points	PIF #	Entity	Owner Type	PWS ID	Population	Project Description	Requested Phase(s)	Total Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>													
128	0	12995	Guadalupe Blanco RA	D	TX0290005	26,088	The project would focus on repairing major breaches in the Calhoun County Diversion System levees to prevent salt water intrusion into the public drinking water supply.	PDC	\$1,207,330.00				
129	0	13001	Ennis	M	TX0700001	29,159	Water line replacements in downtown Ennis and create and implement an Asset Management Plan	PDC	\$4,987,021.00		Yes	\$3,298,600.00	
130	0	13121	Eagle Pass Water Works System	M		52,624	Replace current metering system with new Master Meter's Allegro AMI Network.	C	\$5,825,000.00		Yes-BC	\$6,000,000.00	
131	0	12981	San Antonio Water System	M	0150018	1,857,779	Highway 90 and General McMullen Pressure Zone Integration to integrate two pressure zones and establish redundancy for Winwood and GBRA water.	C	\$4,130,290.00				
132	0	12983	San Antonio Water System	M	0150018	1,857,779	Pump Station Rehabilitation Phase 5 - Artesia will rehabilitate the Artesia pump station that serves Pressure Zone 3 across the southern half of the area inside Loop 410.	C	\$16,037,160.00				
<b>Public Water System Total</b>		<b>132</b>							<b>\$576,818,664.80</b>	<b>56</b>	<b>45</b>	<b>\$177,212,579.00</b>	
<b>Total</b>		<b>132</b>							<b>\$576,818,664.80</b>	<b>56</b>	<b>45</b>	<b>\$177,212,579.00</b>	

Phase(s): P-Planning; A-Acquisition; D-Design; C-Construction

Green Type: BC-Business Case; CE-Categorically Eligible; Comb-Project consists of both CE and BC components

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Rank	Points	PIF #	Entity	PWS ID	Population	Project Description	Eligible Phase(s)	Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>												
1	584	13063	Millersview-Doole WSC	TX0480015	3,579	Treating well water at the source and blending with surface water. The project includes additional water system improvements	PDC	\$2,300,000.00	70%			
2	150	12978	Menard	TX1640001	1,471	Major rehabilitation, additions and modifications to the surface water treatment plant and raw water wells to address groundwater under the influence.	DC	\$4,000,000.00	30%			
3	144	13038	Sandbranch	Pending	190	Install a water system to an existing development	TBD*	TBD*	70%			
4	130	12975	Toyah	TX1950004	300	Improve 1939 era sedimentation cone at the Toyah Surface Water Treatment Plant	PDC	\$300,000.00				
5	115	13026	Carbon	TX0670015	272	The project consists of pump station improvements to increase the storage and pumping capacities to meet compliance. The project also consists of installing a SCADA System and a radio read metering system	PDC	\$700,000.00	70%	Yes-BC	\$700,000.00	
6	114	13059	Gladewater	TX0920001	6,541	Upgrades to existing elevated storage tank, waterlines, and pressure maintenance facilities.	PDC	\$2,776,980.00				
7	84	12990	North Alamo WSC	1080029	180,000	This project implements recommendations resulting from the North Alamo Water Supply Corporation Title XVI Energy-Efficient Brackish Groundwater Desalination Feasibility Study. Specifically, the project will increase brackish groundwater desalination production capacity by 1 MGD by means of an innovative energy-efficient desalination process reliant on nano-filtration membranes. Additionally, existing reverse osmosis trains will be retrofitted to nano-filtration trains which will also increase production while reducing desalination energy requirements by 50 percent for a total system energy reduction of 32 percent.	ADC	\$6,840,000.00	30%	Yes-BC	\$4,900,000.00	
8	78	13062	Madera Valley WSC	TX1950006	1,983	The addition of a Regional Surface Water Treatment Plant with the goal of providing potable water to Rural Reeves County and the consolidation of the water supplies for the Madera Valley WSC, City of Balmorhea and City of Toyah.	PADC	\$4,715,000.00				
9	65	12967	Quitaque	0230002	411	Electro-Dialysis Reversal Water (EDR) Treatment Plant to remove nitrates out of the water.	PDC	\$1,300,000.00	50%			
10	62	13114	Victoria Co WCID # 1	2350001	2,059	The Victoria County WCID No. 1 is seeking funding to address issues that have present in the districts water system including Arsenic present in one of the active water wells. The existing well has been studied significantly and monitored frequently including rehabilitation of the well in an attempt to provide safer water to the public. This project will consist of drilling a test well and new public water well at a new site in order to satisfy an agreed order issued by the TCEQ on December 04, 2018.	PADC	\$690,000.00	30%			

\* Sandbranch - To be determined upon further TWDB review

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<b>Public Water System</b>												
11	56	13129	Alice	TX1250001	19,439	All planning, engineering, environmental, and permitting will be completed in Phase 1 or this project. Phase II will be Construction of a 3.0 million gallon per day brackish desalination plant, one 3 mgd brackish well, building, yard piping, well construction lines and concentrate discharge line.	C	\$12,715,000.00	30%			
12	54	12973	Wright City WSC	TX2120027	1,242	Filter out TTHM Precursors to control TTHM's.	AC	\$250,000.00		Yes-BC	\$250,000.00	
13	48	13050	Miles	TX2000002	870	The City of Miles (City) proposes to pursue development of an alternative source of water supply to complement its current wholesale water supply. The City needs to identify and evaluate alternative water supply options including development of additional surface water or groundwater supplies as well as potential treatment of its existing groundwater to reduce nitrate and dissolved solids levels to within compliance.	P	\$200,000.00		Yes-BC	\$200,000.00	
14	47	13115	Rowena WSC	2000004	480	This project will reduce TTHM levels to gain compliance with the Stage 2 DBP Rule.	PDC	\$4,140,000.00		Yes-BC	\$4,140,000.00	
15	44	12985	Wright City WSC	TX2120099	1,989	Filter out TTHM's	C	\$250,000.00		Yes-BC	\$250,000.00	
16	44	13211	Rotan	TX0760002	1,477	Install 14 miles of new 12" PVC water line to replace existing dilapidated cast iron water line. Existing cast iron line suffers from corrosion issues, high water loss, occasional interruption of service due to needing repairs, high chlorine demand from iron bacteria growth, and disinfection residual issues.	PADC	\$5,200,000.00	50%	Yes-BC	\$5,200,000.00	
17	40	13086	San Angelo	TX2260001	100,450	To achieve the needed Phase II design production rate of 12,000 acft/yr (10.7 MGD), the City's wellfield, collection system, transmission line, and GWTP will be upgraded to ensure the production rate can reliably be achieved.	C	\$61,697,360.00				

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<b>Public Water System</b>												
18	39	13141	Annona	TX1940004	463	In October 2018, Riverbend WRD completed a Regional Water Master Plan Study (Study) funded through the TWDB that focused on Riverbend WRD's participating entities located within Bowie, Cass, and Red River Counties. The Study evaluated several alternatives with a final recommendation of constructing a new regional water system, as noted in the Riverbend Strategy (2016 Region D Water Plan), which includes the following for the first phase: a new raw water intake structure (60 MGD) with a deeper invert elevation in Wright Patman Lake, a new raw water pump station (designed for 60 MGD, initially constructed for 30 MGD), raw water transmission pipeline (54-inch diameter) for both industrial and domestic use, 2 MG elevated storage tank, and a new 25 MGD water treatment plant. TWU's New Boston Road WTP and existing raw water conveyance system (i.e. intake, raw water transmission line, etc.) would be decommissioned.  Riverbend WRD would serve as the lead funding sponsor and wholesale water pro	ADC	\$400,000.00		Yes-BC	\$140,000.00	
19	35	13102	Presidio Co WID # 1	TX1890012	82	Evaluate alternatives and construct best option to resolve the Arsenic MCL violation. Alternatives include possible additional well, blending with existing sources, or pilot testing and construction of arsenic removal treatment to meet primary drinking water standards. An asset management plan will be developed.	ADC	\$270,000.00	70%			
20	25	12993	Newton	TX1760004	338	The proposed project will install waterline and upgrade the interim storage and booster system to allow a sustained 35 psi minimum pressure throughout East Newton's service area and lifting of the boil water notice. Waterlines will be constructed from the City's existing 8" main to WSC's existing water plant and the old lines along this route will be abandoned.	DC	\$500,000.00	50%			
21	23	13074	Breckenridge	TX2150001	5,800	The City desires to install improvements/upgrades at the WTP and raw water intake structure. In addition, the City is planning to rehabilitate various portions of the distribution system in order to reduce the number of water line leaks/breaks that have resulted in numerous boil water notices.	PDC	\$3,546,000.00	30%			
22	23	12998	Evadale WCID # 1	TX1210011	963	Evadale WCID#1 has recently lost part of its production wells due to mechanical failure. This project will provide additional production capacity and replace deteriorated distribution lines.	PADC	\$3,220,593.00		Yes-BC	\$200,000.00	
23	21	13106	Richland Springs	2060002	350	replacement and upgrade of 25 miles of pipeline	PDC	\$3,695,000.00	70%			

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<b>Public Water System</b>												
24	21	13092	Paducah	TX0510001	1,186	The proposed project includes replacement of sections of the aging and inefficient distribution system; replacement of the main transmission line that transports the water from Paducah's well field to town; replacement of two sand traps that capture sand produced from the City's wells and keep it from entering the distribution system; and rehabilitation of the three ground storage tanks at the well field to stop the corrosion that is prevalent on each of the three tanks.	PDC	\$3,418,000.00	50%			
25	21	13073	Vernon	TX2440001	10,874	Install a new 16 mile 24" PVC pipeline.	PADC	\$11,000,000.00	30%	Yes-BC	\$11,000,000.00	
26	20	13127	Dario V. Guerra, III, dba Derby Ing.	TX0820016	140	Construct a new well at a suitable location to provide an alternative source and to build redundancy in the system.	C	\$420,000.00	70%			
27	20	13128	Elsa	TX1080005	7,135	Improvements to the water treatment plant, replacement of obsolete/substandard equipment, replacement of asbestos distribution lines and refurbishing water storage tanks to eliminate current substandard conditions and prevent further deterioration resulting in costly repairs and maintenance.	C	\$4,295,486.00	50%			
28	18	13066	Anthony	TX0710001	3,500	The Town of Anthony will need to construct a 250,000 gallon elevated water tank, rehabilitate existing water wells, replace booster stations, address leaking water lines, install a chlorination control system, replace meters and build arsenic treatment plant in order to provide enough adequate water to the residents.	C	\$7,122,444.00	30%			
29	16	13095	JRM Water, LLC	TX2350036	405	Water Plant Improvements	DC	\$408,000.00				
30	16	13123	Jacksboro	TX1190002	4,450	The City of Jacksboro's existing WTP has reached the end of its useful life and requires replacement.	PDC	\$12,163,000.00	50%			
31	15	13107	Pharr	1080009	76,727	The City of Pharr currently has multiple projects that need to be corrected due to deficient within the Water Treatment Plant per TCEQ requirements. City of Pharr also has to acquire property to expand the Raw Water Reservoir to comply with the storage requirements by TCEQ. In addition, the city needs to extend a Water Transmission Main to supply water to the Eldora Elevated Storage Tank.	PADC	\$17,312,000.00	30%			
33	15	13085	G-M WSC	TX2020067	11,249	Remove existing meters and replace with radio read meters.	PDC	\$1,805,160.00	50%	Yes-BC	\$1,805,160.00	

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Rank	Points	PIF #	Entity	PWS ID	Population	Project Description	Eligible Phase(s)	Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>												
34	14	13143	Coke County WSC	TX0410017	346	<ul style="list-style-type: none"> <li>• Replace existing meters in distribution system with new AMR drive-by system.</li> <li>• Add isolation valves and flush valves to existing distribution lines to allow isolation of line segments for future line repairs and improvements.</li> <li>• TCEQ Financial, managerial, &amp; technical assistance (FMT) is currently scheduled to address asset management for this water system.</li> </ul>	PDC	\$300,000.00	50%	Yes-BC	\$300,000.00	
36	14	13043	Mertzon	TX1180002	700	As a result of the recent historic ongoing drought, the City's water supply is still depleted. The City currently has five (5) functional groundwater wells (of the original eight), caused by continual pumping during the ongoing drought, and is in the process of obtaining approval for a new sixth well. The City has observed a steady decrease in production from its wells over the past several years, to the point that three of the original eight wells are essentially "dry" at this time. As the water supply has dwindled, the quality of the water no longer meets secondary drinking water quality standards. In order to support current water supply needs with water that meets current drinking water quality standards, the City of Mertzon is pursuing implementation of a major project to install a treatment system to address the City's groundwater quality issues.	PDC	\$2,797,000.00		Yes-BC	\$2,797,000.00	
37	14	13002	Gordon	TX1820007	744	Water Treatment Plant Improvements, Water Line Replacements, Pump Station Improvements, and Radio Read Meters	PDC	\$900,000.00	50%	Yes-BC	\$900,000.00	
38	14	13041	Crosbyton	TX0540001	2,083	The City of Crosbyton proposes to replace specific valves and fire hydrants to improve performance of its distribution system.	PDC	\$707,000.00	50%	Yes-BC	\$707,000.00	
39	14	13044	Roma	TX2140007	18,903	The City is addressing the need for Phase I (4 MGD) of a new water treatment plant (WTP) to serve City of Roma residents and fully comply with all water treatment regulations. The City's existing WTP was partially rehabilitated in the late 1990s and has reached the end of its useful life and requires replacement.	PADC	\$22,279,000.00	70%	Yes-BC	\$22,280,000.00	
45	13	13112	Richwood	0	6,000	Adding a water plant to increase water pressure and service capacity	DC	\$3,546,200.00				
48	13	13133	Melvin	TX1540003	178	This project involves the rehab of existing GSTs and the replacement of old existing water line with 6" WL. This project will assist the city with water loss.	PDC	\$200,000.00	50%			

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Rank	Points	PIF #	Entity	PWS ID	Population	Project Description	Eligible Phase(s)	Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>												
49	13	13101	Streetman	TX0810016	241	The City currently has 3 active wells producing approximately 50 gpm each. The City desires replace the wells with purchased treated water from Winkler WSC to replace the groundwater wells. Additionally the City desires to improve the distribution system along the I-45 corridor to provide better service to existing customers.	PADC	\$1,900,250.00	50%			
50	13	13137	Oakmont Saddle Mountain WSC	TX1930015	324	Construct well #4 - Funds are being requested to construct the water-tight concrete basin. Installation of the pump and associated piping, electrical, and all appurtenances. Authorization to construct this spring water source well was issued by the TCEQ letter dated; October 24, 2014.	PDC	\$425,700.00	50%			
54	12	12962	Valentine	TX1220002	200	New groundwater well adjacent from existing well at Bell and 6th Street.	DC	\$769,850.00	50%			
55	12	12979	Madera Valley WSC	TX1950006	1,983	The installation of five additional wells and a transmission line from the well field to near the south boundary of the Town of Pecos City.	PADC	\$30,305,000.00				
58	11	13099	Los Fresnos	TX0310004	6,376	The City of Los Fresnos Drinking Water State Revolving Funds Project 62627 needs are to increase the water treatment plant capacity to meet future water demands while ensuring minimum disinfection requirements are met. The project will also need to address the Corrective Action Plan (CAP) resulting from the mandatory Comprehensive Performance Evaluation (mCPE) performed on September 2016 in response to a violation of TCEQ standard 290.104 (g)(1) (relating to Maximum Contaminant Levels, Maximum Residual Disinfectant Levels, Treatment Techniques, and Action Levels).	C	\$3,627,000.00		Yes-BC	\$745,000.00	
59	11	13089	Midland	TX1650001	132,950	The City desires to install improvements to expand water system capacity in the northeastern portion of the City.	PAD	\$958,000.00				
60	10	13138	Harrold WSC	TX2440002	141	Replace existing 4" AC supply line with PVC line.	PDC	\$300,000.00				
79	8	13072	South Ellis Co WSC	0700043	1,575	Phase 1 - Construct 8" Transmission Main Phase 2 - Construct Elevated Storage Tank Phase 3 - Construct Deep Well at the Carolyn Road Plant Site	PADC	\$3,320,276.00		Yes-BC	\$25,000.00	
81	5	12987	Bertram	TX0270012	2,538	Replacement and expansion of the existing 8-inch transmission main from the Well Field to the City of Bertram. The elevated tank will be sized to meet all regulatory requirements and provide reliability in the system.	PADC	\$12,440,000.00				
88	3	13022	Commodore Cove ID	0200033	358	Replace current pressure tank to meet current regulations and replace secondary water line to meet demands of population on street.	PAC	\$257,941.00				

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Rank	Points	PIF #	Entity	PWS ID	Population	Project Description	Eligible Phase(s)	Project Cost	Disadv %	Green Type	GPR	Related PIF #'s
<b>Public Water System</b>												
89	3	12964	Jourdanton	TX0070002	4,259	New water production site to include well, ground storage, new elevated storage tank, and new transmission main from new well to Pecan Well. Install an additional proposed ground storage at the Whittler production facility. City-wide water meter replacement to automatic meter reading (AMR) meters. Project includes the preparation of an asset management plan.	PADC	\$6,843,114.00				
91	3	13118	Matthew Road WSC	TX0570098	250	New Well/New Fence	C	\$80,000.00				
96	3	13006	Cypress Valley WSC	TX1020088	1,386	New water well for potable water production	PDC	\$750,000.00				
97	3	13009	Daingerfield	TX1720001	2,705	Install a new elevated storage tank and pressure maintenance facility. Upgrade linework and valves.	PADC	\$2,680,000.00				
98	3	12976	Greater Gardendale WSC	TX0680214	2,842	Construction of a new 1.5 MGD surface water treatment plant to treat raw groundwater and purchased raw water from the City of Odessa/CRMWD.	PADC	\$8,560,000.00				
100	3	12982	San Antonio Water System	0150018	1,857,779	Dietrich Elevated Storage Tank is a master planned project that is required to provide 1.5 million gallons of elevated storage for Pressure Zone (PZ) 828.	C	\$5,254,922.00				
103	1	13108	El Campo	2410002	11,645	Replace aging existing water lines throughout the distribution system with similar size or larger size PVC water lines.	C	\$4,817,500.00				
106	1	13047	Thorndale	1660003	1,300	The City of Thorndale proposes to construct a water production system to produce and treat groundwater for delivery to its existing water plant for distribution to its existing customers. The City currently purchases its water supply from Southwest Milam WSC and is proposing this project to be able to independently produce, treat, and distribute water to its current and future customers.	PADC	\$9,900,000.00				
107	1	13019	Rosebud	TX0730003	1,415	The City proposes to replace broken and/or malfunctioning water meters within their CCN with meters to prevent the water loss and to ensure the safety and well being of its customers. The City intends to prepare their asset management plan with assistance from TCEQ's FMT contractor.	PDC	\$889,000.00		Yes-BC	\$889,000.00	
109	1	13146	Canadian	TX10060001	3,253	This project will rehabilitate the Birch Street elevated storage tank, the Santa Fe ground storage tank and Northeast ground storage tank.	DC	\$1,493,000.00				
110	1	13054	Rusk	TX0370003	5,618	New Groundwater Source Water Well	PADC	\$1,862,501.00				
111	1	13004	White Oak	920006	6,544	New Pump Station and Raw Water Line. Prepare and implement an Asset Management Plan.	PADC	\$5,810,000.00				
117	0	12992	River Oaks WSC	TX1610018	375	Replace lines on two streets and install meters.	DC	\$74,000.00				

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Rank	Points	PIF #	Entity	PWS ID	Population	Project Description	Eligible Phase(s)	Project Cost	Disadv %	Green Type	GPR	Related PIF #'s	
<b>Public Water System</b>													
122	0	13030	West Tawakoni	TX1160012	1,683	1. Construct new Water Intake Structure into deeper water. Per Preliminary Engineering Report (PER), a depth of +/-25 feet can be obtained by constructing the Intake at the proposed location. 2. Develop Asset Management Plan	PADC	\$2,005,400.00					
123	0	12991	Newton	1760001	2,227	City plans to construct new water well.	PADC	\$2,000,000.00					
125	0	13053	Rusk	TX0370003	5,618	Install 8" Water Line on FM 343 West Rehabilitation of Two Elevated Storage Tanks	ADC	\$1,633,335.00					
126	0	13111	Galveston Co WCID # 1	0840001	12,845	Replacement of Existing 8" Cast Iron Water Line along California Avenue from 29th Street to 21st Street with new 12" PVC Water Line	DC	\$869,735.00					
127	0	13005	Ennis	TX0700001	18,674	Failing waterlines with insufficient valving. Frequent breakage causes loss of service, risk of system contamination, and significant water loss. Prepare and implement Asset Management Plan	PDC	\$8,364,879.00					
128	0	12995	Guadalupe Blanco RA	TX0290005	26,088	The project would focus on repairing major breaches in the Calhoun County Diversion System levees to prevent salt water intrusion into the public drinking water supply.	PDC	\$1,207,330.00					
130	0	13121	Eagle Pass Water Works System		52,624	Replace current metering system with new Master Meter's Allegro AMI Network.	C	\$5,825,000.00		Yes-BC	\$6,000,000.00		
131	0	12981	San Antonio Water System	0150018	1,857,779	Highway 90 and General McMullen Pressure Zone Integration to integrate two pressure zones and establish redundancy for Winwood and GBRA water.	C	\$4,130,290.00					
132	0	12983	San Antonio Water System	0150018	1,857,779	Pump Station Rehabilitation Phase 5 - Artesia will rehabilitate the Artesia pump station that serves Pressure Zone 3 across the southern half of the area inside Loop 410.	C	\$16,037,160.00					
<b>Public Water System Total</b>		<b>71</b>							<b>\$354,000,406.00</b>	<b>29</b>	<b>20</b>	<b>\$63,428,160.00</b>	
<b>Total</b>		<b>71</b>							<b>\$354,000,406.00</b>	<b>29</b>	<b>20</b>	<b>\$63,428,160.00</b>	

Phase(s): P-Planning; A-Acquisition; D-Design; C-Construction  
Green Type: BC-Business Case; CE-Categorically Eligible; Comb-Project consists of both CE and BC components

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Appendix L. Initial Invited Green Projects**

Rank	Points	PIF #	Entity	PWS ID	Green Description	Eligible Phase(s)	Project Cost	Disadv %	Green Type	GPR	Subsidized Green
<b>Public Water System</b>											
5	115	13026	Carbon	TX0670015	Installation of a SCADA system and radio read meter system will enable the City to detect leaks sooner and reduce water loss	PDC	\$700,000.00	70%	Yes-BC	\$700,000.00	X
7	84	12990	North Alamo WSC	1080029	New, innovative, and energy-efficient desalination treatment technology reliant on nano-filtration membranes will reduce water production energy requirements by nearly 32 percent; from 3.89 kW?Hr/1,000 gal current with reverse osmosis treatment to 2.65 kW?Hr/1,000 gal with nano-filtration.	ADC	\$6,840,000.00	30%	Yes-BC	\$4,900,000.00	X
12	54	12973	Wright City WSC	TX2120027	Treatment system improves water quality through coagulation with ultra filtration to remove TTHM precursors by chemically bonding particles then filtration. The improved water quality means less chlorine will be needed to disinfect. The proposed treatment process does include a backwash stream of water that will be separated so water loss will be negligible . Also, distribution flushing can be reduced dramatically from current practices due to a superior quality of water being sent to the distribution customers. Current flushing amounts are being followed due to high odor and bad smells.	AC	\$250,000.00		Yes-BC	\$250,000.00	X
13	48	13050	Miles	TX2000002	The proposed study will also evaluate the City's current water loss to identify areas of water conservation and areas of reuse potential to reduce daily potable water demands.	P	\$200,000.00		Yes-BC	\$200,000.00	X
14	47	13115	Rowena WSC	2000004	The proposed treatment system for reducing TTHMs will result in a reduction of water loss due to extensive flushing.	PDC	\$4,140,000.00		Yes-BC	\$4,140,000.00	X
15	44	12985	Wright City WSC	TX2120099	Treatment system improves water quality through coagulation with ultra filtration to remove TTHM precursors by chemically bonding particles then filtration. The improved water quality means less chlorine will be needed to disinfect. The proposed treatment process does include a backwash stream of water that will be separated so water loss will be negligible. Also, distribution flushing can be reduced drastically form current practices due to a superior quality of water being sent to the distribution customers current flushing amounts are being followed due to high odor and bad smells.	C	\$250,000.00		Yes-BC	\$250,000.00	X
16	44	13211	Rotan	TX0760002	Existing cast iron water line prone to high water loss will be replaced by PVC water line.	PADC	\$5,200,000.00	50%	Yes-BC	\$5,200,000.00	X
18	39	13141	Annona	TX1940004	According to TWDB-0161 ('Clean Water and Drinking Water SRF 20% Green Project Reserve: Guidance for Determining Project Eligibility'), the proposed regional water system for the Riverbend Water Resources District is captured under the 'total/integrated water resources management planning' category of green projects (as noted under TWDB-0161 Part B DWSRF Section 4.2-1).	ADC	\$400,000.00		Yes-BC	\$140,000.00	X

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<b>Public Water System</b>											
22	23	12998	Evadale WCID # 1	TX1210011	This portion of the project intends to eliminate existing deteriorated production facilities (including pumps and compressors) and degraded distribution lines. This will increase energy efficiency in the production process and will also conserve water by significantly reducing the real water loss experienced during line breaks.	PADC	\$3,220,593.00		Yes-BC	\$200,000.00	
25	21	13073	Vernon	TX2440001	The Category is Water Efficiency. The replacement of the line will eliminate significant water loss. A business case will be submitted, if required.	PADC	\$11,000,000.00	30%	Yes-BC	\$11,000,000.00	X
33	15	13085	G-M WSC	TX2020067	The system is currently experiencing 39.75% water loss. The aged meters have lost accuracy. Replacing these worn and inaccurate meters with AMR meters will improve meter accuracy and decrease fuel consumed for meter reading.	PDC	\$1,805,160.00	50%	Yes-BC	\$1,805,160.00	X
34	14	13143	Coke County WSC	TX0410017	Reduction in water loss through valve & meter replacement.	PDC	\$300,000.00	50%	Yes-BC	\$300,000.00	X
36	14	13043	Mertzon	TX1180002	The proposed well improvements will allow the City to maximize the efficiency of groundwater supplies. Construction of an additional ground storage tank will allow for operating wells outside of peak energy demand periods, combining the benefit of well recharge with reducing peak energy usage. The wastewater produced from the WTP improvements will be polished at the City's WWTP to augment its beneficial non-potable reuse system.	PDC	\$2,797,000.00		Yes-BC	\$2,797,000.00	X
37	14	13002	Gordon	TX1820007	Water Efficiency - Replacement of water lines and radio read meters and reduced backwash waste at the water treatment plant.	PDC	\$900,000.00	50%	Yes-BC	\$900,000.00	X
38	14	13041	Crosbyton	TX0540001	The City loses a significant volume of water each time water lines or hydrants must be repaired due to lack of functional valves in the distribution system to adequately isolate work areas. The proposed improvements will substantially reduce water losses annually.	PDC	\$707,000.00	50%	Yes-BC	\$707,000.00	X

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<b>Public Water System</b>												
39	14	13044	Roma	TX2140007	The use of advanced pretreatment and membrane filtration will reduce the volume of water wasted as compared to the existing conventional treatment plant. Filter backwash waste can be land applied at the new site for onsite beneficial land application. Each pump station will utilize both NEMA Premium Efficiency motors as well as VFDs to reduce energy consumption. The proposed polishing system will also utilize an energy recovery device to reduce energy consumption. The site and treatment building will also utilize LED lighting to further reduce energy consumption at the new treatment plant.	PADC	\$22,279,000.00	70%	Yes-BC	\$22,280,000.00	X	
58	11	13099	Los Fresnos	TX0310004	The City is proposing to use variable speed pumps which will reduce pumping costs by 30%. The City is also proposing to control the dosage of its chemicals via SCADA which will maximize efficiency and significantly reduce additional costs.	C	\$3,627,000.00		Yes-BC	\$745,000.00		
130	0	13121	Eagle Pass Water Works System		From guidance, new AMI meters is categorically green.	C	\$5,825,000.00		Yes-BC	\$6,000,000.00	X	
<b>Public Water System Total</b>		<b>18</b>						<b>\$70,440,753.00</b>	<b>9</b>	<b>18</b>	<b>\$62,514,160.00</b>	
<b>Total</b>		<b>18</b>						<b>\$70,440,753.00</b>	<b>9</b>	<b>18</b>	<b>\$62,514,160.00</b>	

Phase(s): P-Planning; A-Acquisition; D-Design; C-Construction  
Green Type: BC-Business Case; CE-Categorically Eligible; Comb-Project consists of both CE and BC components