

STATE OF TEXAS

# Annual Report

## Drinking Water State Revolving Fund

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



SFY 2019

TEXAS WATER DEVELOPMENT BOARD  
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COVER PHOTO

JJM Development - Site View of Valley Acres Water Treatment Plant

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## **Attachments:**

- A. Letter to EPA regarding the “CPA to Go” Initiative
- B. SFY 2019 Annual Financial Report – DWSRF Financial Statements
- C. TCEQ – Small Systems Technical Assistance 2019 Annual Report
- D. TCEQ – State Management Program 2019 Annual Report
- E. TCEQ – Local Assistance 2019 Annual Report

# 1. Executive Summary

The purpose of the Texas Drinking Water State Revolving Fund (DWSRF) is to provide affordable financing to assist public drinking water systems meet or maintain compliance with the primary drinking water regulations or otherwise significantly further the health protection objectives of the Safe Drinking Water Act (SDWA). Funding through the DWSRF goes towards addressing needs in the areas of ensuring public health protection, maintaining and/or bringing systems into compliance, and supporting affordable and sustainable drinking water as set forth in the SDWA.

The Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ) collectively administer the state's DWSRF program. The TWDB is authorized by statute to administer the DWSRF program in accordance with the SDWA. The TCEQ, as the State's primacy regulatory agency, is responsible for implementing the drinking water regulations established by the SDWA, enforcing the national drinking water standards set by the U.S. Environmental Protection Agency (EPA), administering the Public Water System Supervision (PWSS) program, providing Small System Technical Assistance, and providing Capacity Development across the state.

The TWDB and the TCEQ provide these reports to summarize annual activities, achievements of goals, requirements met, and obligations made as set forth in the State Fiscal Year (SFY) 2019 Intended Use Plan (IUP) and Set-Aside Work Plans for the DWSRF program. The report describes the progress made toward short-term and long-term program goals, the financial status of the DWSRF, and compliance with federal DWSRF requirements during SFY 2019, which was from September 1, 2018, through August 31, 2019.

The SFY 2019 IUP described the intended uses of the funds available in the DWSRF financial assistance program and detailed how the TWDB planned to commit available funds. To comply with the federally mandated program requirements of priority ranking, those eligible entities interested in assistance were required to submit a project information form by March 3, 2018, to be added to the Initial Invited Projects List and be included in the first round of invitations for funding. The TCEQ, using project details outlined in the project information forms, scored them in accordance with their ranking system for SFY 2019, federal DWSRF regulations, and program rules. TWDB staff reviewed, scored, and ranked all submissions based on the requirements set forth in TWDB rules and criteria established for SFY 2019. An Initial Invited Projects List was created based upon project ranking and the established criteria.

During this SFY, the TWDB maintained an open IUP throughout the year to enable all interested parties to submit a project information form for inclusion on the Project Priority Lists. Applications from the initial round of invitations were based upon project ranking if the application was submitted by the established deadline. Following the initial round of invitations, all eligible projects were invited to apply for assistance and funding was awarded on a first-come, first-served basis. The interest in the DWSRF program for SFY 2019 was evidenced in the



receipt of 154 project information forms from eligible applicants for projects totaling nearly \$1 billion.

The TWDB continues to pursue program initiatives to protect public health and improve the quality of the state's drinking water through the Urgent Need funding reserve. A second Urgent Need funding reserve was also created during the state fiscal year to assist systems experiencing an emergency related to their quality of drinking water. During SFY 2019, the TWDB provided Urgent Need financial assistance and to eight systems to cover rebuilding efforts and to implement mitigation strategies. The funding was provided to communities requesting assistance for infrastructure damaged by Hurricane Harvey, moving infrastructure out of floodplains, addressing arsenic, and other solutions to emergency situations. These efforts ensured that communities had access to low-cost financial assistance to meet their most dire needs.

The Federal Fiscal Year (FFY) 2018 Appropriations authorized a \$87,040,000 federal capitalization grant that was used for the SFY 2019 IUP. The TWDB set the SFY 2019 DWSRF program capacity at \$250,000,000, with an interest rate subsidy of 135 basis points below market rates.

In addition to the EPA capitalization grant, the Texas DWSRF utilizes additional state funding sources to increase the program capacity. The additional available resources include the required state match of 20% of the grant, principal repayments from previous DWSRF loans, and interest and investment earnings. During SFY 2019, utilizing all the funding sources mentioned, the TWDB made 70 DWSRF commitments totaling over \$328 million.

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

## 2. Goals and Achievements

The primary goal of the Texas DWSRF program is that of the SDWA— to improve public health protection. The overall program goals are to identify and provide funding for maintaining and/or bringing Texas' public water systems 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.

The TWDB provides effective and efficient administration of the DWSRF program and offers affordable long-term financing to assist public water systems in providing enough quality and quantity of affordable potable water throughout Texas. The DWSRF program also uses set-aside funds to improve public health protection programs that support the goals of the SDWA. The following sections detail the TWDB's progress in meeting the short- and long-term goals established in the IUP.

## Short-Term Goals of the Texas DWSRF Program

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% of the capitalization grant to approved green project costs.*

During SFY 2019, the TWDB continued efforts to promote the use of green infrastructure and technologies by setting goals of committing an equivalent of 10% of the capitalization grant, or \$8,704,000, to approved green project costs via a Green Project Reserve. The TWDB enhanced the Green Project Reserve goal with the inclusion of a Green Subsidy category, which offered additional subsidy assistance to projects that contained green components equal to or greater than 30% of their total project costs. For more information on projects identified for Green Project Reserve goals and Green Subsidy amounts, please see Appendix A, Table 1.

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.*

Of the closings made during SFY 2019, 25 projects took advantage of terms greater than 20-years. Details on loan terms for these projects may be found in Appendix B.

3. *Increase the amount of funding available by leveraging the program as necessary to meet the demand for funding additional drinking water projects.*

On April 26, 2018, the TWDB issued bonds for the DWSRF program. However, the program capacity remains at \$250,000,000.

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.*

During SFY 2015, the TWDB secured approval from the State Legislature during the 84th Legislative Session to cross-collateralize the CWSRF with the DWSRF. During SFY 2019, the TWDB did not have to issue bonds for either program. The corpus of the DWSRF was enough to meet the needs of the projects requesting funding.

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

The TWDB hosted nine Financial Assistance workshops during SFY 2019. Additionally, staff from the agency's regional project development teams participated in various outreach opportunities throughout the state at conferences, regional planning meetings, and one-on-one meetings with individual entities/authorities. The topics discussed during the workshops and outreach opportunities covered all TWDB financial assistance programs, the IUP process, the project information form submission, DWSRF federal requirements and program changes, specific project related questions and answers, and general outreach. A map showing workshop locations is included as Appendix A-19.

The TWDB's outreach team continues to conduct additional customer assistance. The use of social media continues to grow at the TWDB with increasing numbers of followers on Facebook,

Twitter, LinkedIn, YouTube, and Instagram. TWDB Board members and staff continually share information on various social media sites.

- 6. 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.*

The TWDB continued efforts to prioritize urgent need projects through outreach efforts, technical assistance, and utilization of urgent need funding. Eligible projects could receive principal forgiveness or a reduced interest rate on financing. By offering this funding, the objective was to assist communities with projects that addressed an imminent peril to public health, safety, environment or welfare with a threat of failure in response to an emergency condition were given higher preference for immediate assistance. During SFY 2019, the TWDB committed funds to eight projects meeting these criteria totaling \$3,250,030.

#### **Long-Term Goals of the Texas DWSRF Program**

- 1. Maintain the fiscal integrity of the DWSRF in perpetuity.*

The long-term financial health of the DWSRF is monitored through ongoing cash flow and capacity analyses. Efficient and effective use of program resources remained a top priority of the program, especially given the economic pressure of low interest and investment rates. 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.

- 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.*

During SFY 2019, the TWDB provided DWSRF funds totaling over \$281 million to 42 projects that will protect public health and assist communities in maintaining or achieving compliance with SDWA requirements. While the program currently has ample lending capacity to satisfy demand, it has established a priority rating system that directly supports the goals of the SDWA. The TWDB reports on its efforts in achieving this goal using EPA's National Information Management System (NIMS) and Project and Benefits Reporting (PBR) databases as required.

- 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.*

The TWDB provided funding commitments during SFY 2019 to all eligible projects that submitted a complete application for assistance, except for those that withdrew or have applications still pending, thereby ensuring water systems within the state achieved or maintained compliance with the SDWA. Through the approval of leveraging and cross-collateralization with the CWSRF program, the TWDB can increase the capacity of low-interest funding options.



To encourage entities to use the DWSRF, a 135 basis point reduction from market interest rates on financing were provided to recipients. The resulting effects were substantial cost savings for the communities. To provide additional savings to disadvantaged communities, green projects, urgent need, and very small systems, the TWDB allocated \$30,000,000 of additional subsidy as shown in the SFY 2019 IUP.

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.*

Through the promotion of effective management, the TWDB provides additional prioritization points to drinking water systems that demonstrate a commitment to effective utility management practices. Categories in which systems may demonstrate their ability to maintain the level of financial, managerial and technical capacity include asset management, implementation of water plans, water conservation strategies, use of reclaimed water, and projects increasing energy efficiencies.

The TWDB also started two programs to assist communities with effective financial, managerial, and technical capacity. The first is the Asset Management Program for Small Systems, or AMPSS. The program is intended to assist small, rural wastewater systems with the development and implementation of an asset management plan and other management tools through use of program funds. The second is the “CPA to Go” Initiative. The TWDB will contract with Certified Public Accountants (CPA) to provide auditing and technical assistance services to designated recipients with the intent to assist struggling communities maintain adequate compliance with the requirements of the CWSRF. Further details are available in Program Initiatives, Asset Management Program for Small Systems (AMPSS) and CPA to Go Initiative, respectively.

### 3. Subsidies to Promote Sustainability

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

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

During SFY 2019, the TWDB prioritized the use of additional subsidization for those entities that met EPA’s guidance criteria. Disadvantaged communities were allocated most of the available

subsidy for system upgrades and replacements. The TWDB initially made available \$16,000,000, of additional subsidy for qualifying disadvantaged communities. An additional \$2,000,000 were initially made available to Small/Rural disadvantaged communities. The TWDB also made available \$3,000,000 of additional subsidy for very small system projects (serving 1,000 or fewer in population). The other components of this guidance were fulfilled in part by awarding additional points in the project ranking criteria for entities implementing effective management that will contribute to sustainable operations.

The EPA's sustainability strategy, which included financing alternative approaches that integrate a green component into the existing system, was prioritized through an additional subsidy for green costs. The TWDB made available \$2,000,000 of the amount required in additional subsidy for green projects in the form of principal forgiveness. No more than \$1,000,000 was offered to any project. Applicants with proposed project components that qualified as green were eligible for this additional subsidy. For further details, review Section 4, Green Project Reserve.

For the Urgent Need – Contaminants reserve, the TWDB allocated \$3,000,000 in principal forgiveness to these projects. For the Urgent Need – Other reserve, the TWDB allocated \$4,000,000 in principal forgiveness. If any Urgent Need project required a loan component to cover project costs, the TWDB offered zero percent interest. This was made available using an allocation not to exceed \$25 million from the total funds available.

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

## 4. Green Project Reserve

To further the EPA's sustainability strategy, the TWDB set a goal to fund green projects in the amount of 10% of the capitalization grant. The green project funding was allocated to projects that addressed green infrastructure, water efficiency, energy efficiency, or other environmentally innovative activities.

The TWDB designated projects as green in the IUP based upon designation by the entity and a review of the initial information submitted demonstrating their green components. The TWDB developed a green project information worksheet to facilitate a uniform approach to providing the information proving eligibility. All eligible projects considered as having green components received an invitation to apply for financial assistance. The TWDB committed to fund \$10,469,722 in green project costs during SFY 2019. Details of the Green Project Reserve are shown in Appendix A, Table 2.

## 5. Income from Program Fees

The TWDB assesses fees to recover administrative costs associated with the DWSRF. These fees are placed in a separate account held outside of the program funds. The fees are an assessment of 2.15% of the portion of the DWSRF financial assistance that is to be repaid and is assessed in full at closing.

For SFY 2019, the TWDB collected \$3,852,946 in DWSRF administrative fees. Fees are budgeted as a source of revenue for financing DWSRF administration expenses. During SFY 2019, no funds were transferred from the fee account to the general fund for operations. The balance of funds within the fee account as of August 31, 2019, was \$35,298,417.35.

## 6. Method of Cash Draw

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

The TWDB demonstrates that the required state match has been deposited and utilized prior to drawing 100% federal funds. In accordance with statute and the FFY 2018 Capitalization Grant, during SFY 2019, the TWDB deposited \$23,336,171 into the DWSRF to fully meet its requirement to match an amount at least equal to 20 percent of the amount awarded in the capitalization grant. Of the \$23.3 million, \$21,000,000 of program funds were deposited on April 26, 2018, and \$2,336,171 of state appropriations were deposited on September 18, 2018. Details of the state match are shown in Appendix A, Table 3.

## 7. Timely and Expeditious Use of Funds

As of August 31, 2019, the outstanding capitalization grant balance was \$9,113,590.35. Federal draws for SFY 2019 totaled \$81,759,468.39. The TWDB closed on 49 projects totaling \$205,700,717. Additionally, 12 projects totaling \$70,609,409 began work while 11 projects totaling \$49,747,085 were completed. The TWDB has ensured that recipients of financial assistance make sufficient progress to reasonably ensure completion of their project within the project period. Details of fund balances are shown in Appendix A, Table 4.

During SFY 2019, the TWDB did not need to support either the CWSRF or DWSRF programs with an inter-fund loan or transfer of funds.

## 8. Program Initiatives

### **Additional Subsidization**

The additional subsidization associated with the FFY 2018 grant that was allocated to closed projects and commitments totaled \$24,025,002 as of August 31, 2019. Details of the additional subsidization are shown in Appendix A, Table 1.

## **Disadvantaged Communities Funding**

In SFY 2019, the TWDB closed on three disadvantaged projects totaling \$7,341,664. A disadvantaged community is a community that meets the DWSRF's Affordability Criteria based upon income, unemployment rates, and population trends. For details on the DWSRF Affordability Criteria, please see the SFY 2019 IUP, Appendix D, Affordability Criteria to Determine Disadvantaged Community Eligibility.

## **Application Process**

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

The first round of invitations included projects whose total costs exceeded the amount of the capitalization grant, as evidenced by the Initial Invited Projects List within the SFY 2019 IUP. Applications received by the initial deadline were considered in the priority order listed on the Project Priority List. Thereafter, applications received were allocated funding on a first-come, first-served basis.

Additionally, the TWDB utilized an open IUP to allow for the addition of new projects at any time throughout the year. This encouraged entities with projects that were not on the initial list to apply at any time during the year. Once their project was added to the SFY 2019 IUP Project Priority List, invitations were extended for them to apply for funding.

## **Bypass of Projects on the Project Priority List**

The SFY 2019 IUP, in accordance with DWSRF regulations, included a process to bypass higher ranked projects to ensure that funds available are utilized in a timely manner, and that statutory and capitalization grant requirements were met. Following the application process listed above, higher ranked projects that did not apply for financial assistance were bypassed by lower ranked projects that were ready to apply for financial assistance.

## **American Iron and Steel**

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

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

During SFY 2018, the TWDB began implementation of a pilot program for small systems to undertake asset management planning. The pilot program allows qualified contractors to work

with six small water and wastewater system providers to create asset management plans including, but not limited to, an inventory of assets with replacement dates and estimated costs, best practices for operation and maintenance, and associated financial plans for obtaining funding to meet future needs. Funding for the pilot was obtained through use of the CWSRF and DWSRF origination fees. A total of \$450,000 was authorized for use. As of August 31, 2019, two communities had completed their asset management plans.

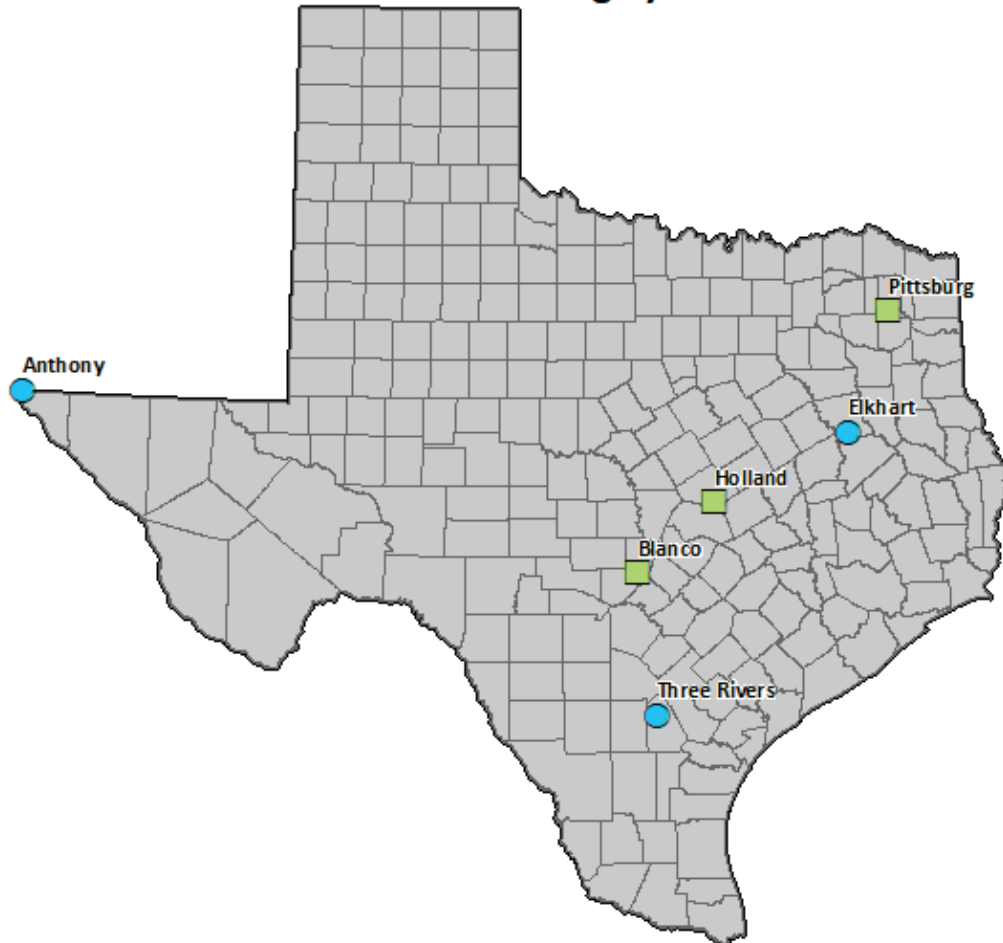
Details regarding the six communities to receive assistance are as follows:

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

**\$450,000**

\*an asterisk and green shading mean the asset management plan has been completed.

### AMPSS Benefitting Systems



## CPA to Go

Beginning in SFY 2019, the TWDB implemented a pilot program to assist CWSRF and DWSRF financial assistance recipients with auditing and technical assistance services. The aim is to help the recipient improve or maintain adequate compliance with State Revolving Fund program requirements. The TWDB will contract with Certified Public Accountants and assign them to assist with a recipient’s tasks. Some examples of contracted activities include: monitoring compliance with financial instrument covenants, monitoring allowable costs and cost principles, financial reporting, advising recipients on the design and implementation of internal control procedures, and assisting recipients in the preparation of financial statements, among many others. A total of \$200,000 was authorized for use.

The TWDB will continue to report the program’s effectiveness in subsequent DWSRF Annual Reports. Further details regarding the program may be found in Appendix A, Letter to EPA regarding the “CPA to Go” Initiative.

## Efforts to Address Systems in Need of Urgent Needs

There were several disasters that have impacted the state during SFY 2019. Most of the urgent need project funding requests received were related to flooding impacts on existing infrastructure. Projects dealt with flash floods to longer-term remediation following Hurricane Harvey’s impacts from August 2017. There were a small number that requested funding to combat contaminant issues with an immediate impact to public health.

The TWDB continues to join with other state, federal, and local agencies to aid communities impacted by disasters. Through the DWSRF’s Urgent Need funding reserves, the TWDB was able to make available principal forgiveness and zero-interest financing for damaged and imperiled infrastructure. Detailed descriptions of Urgent Need projects may be found in Appendix B, Descriptions of Closed Projects.

## Financial Indicators

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

Financial Indicators (as of June 30, 2019)						
NIMS Line #	Financial Indicators Based on Cumulative Activity	2015	2016	2017	2018	2019
418	Return on Federal Investment	144.2%	136.0%	142.0%	150.1%	158.8%
419	Assistance Provided as a % of Funds Available	84.3%	82.6%	87.7%	89.0%	83.2%
420	Disbursements as a % of Assistance Provided	98.5%	99.1%	99.1%	99.3%	98.7%
424	Set-Aside Spending Rate	96.5%	97.5%	98.4%	98.3%	94.0%



## 9. Performance Evaluation Review Follow-up

The DWSRF requires that states comply with Section 1452 of the Safe Drinking Water Act, 40 CFR 35.3570(c). The EPA conducts an annual Performance Evaluation Review (PER) to evaluate compliance with the program and grant requirements. The SFY 2018 PER was conducted April 29 – May 2, 2019. The review was based upon the TWDB SFY 2018 annual activity. For the review, there were interactive onsite discussions, file reviews, completion of the standardized national EPA checklists of program evaluation questions, and an analysis of the EPA Office of Chief Financial Officer’s selected cash transactions. The PER was finalized on August 6, 2019. Overall, the EPA found that the TWDB is in compliance with Section 1452 of the SDWA, 40 CFR 35.3570(c), and the capitalization grant conditions.

EPA did offer one recommendation to continue taking appropriate actions to fill the seven engineer vacancies within the TWDB’s Regional Water Project Development (RWPD) Division.

The TWDB agrees strong economic conditions have presented hiring challenges for public and private sector employers in the Austin-area. Despite these vacancies, TWDB staff have worked diligently to maintain good customer service and remain in full compliance with SRF requirements.

Since the onsite review by EPA Region 6 staff, RWPD continues to conduct interviews for engineering positions. Recruitment efforts also include offering recruitment bonuses, telecommuting options, and placement of engineers in locations across the state. TWDB management also continues to explore the possibility of contracting for specific engineering services, potentially including tasks such as plan review and site visits for TWDB-funded projects.

The TWDB will continue to respond to market conditions with appropriate steps to fill the engineering positions in RWPD.

## 10. Compliance Statements

### **Compliance with FFY 2018 DWSRF Grant Agreement Conditions**

The TWDB has complied with all administrative and programmatic conditions in the FFY 2018 DWSRF Capitalization Grant Assistance Agreement (Agreement). The Agreement was adhered to by the TWDB in an appropriate and expeditious manner in compliance with state and federal law. The TWDB understands the terms and conditions as set forth in the Agreement. Any proposed changes or necessary corrections were provided to EPA for appropriate Agreement Amendments.

### **State Statutes**

The TWDB has complied with all applicable state laws pertaining to the TWDB’s DWSRF program.

# Appendix A: DWSRF SFY 2019 Tables

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Table 1						
Green Project Reserve and Additional Subsidization - 2017 IUP / 2016 Grant						
IUP and/or Grant Targets	GPR: \$ 6,010,400		Add Sub Minimum			\$ 12,020,800
			Add Sub Maximum			\$ 18,031,200
Recipient	Amount	Green	Green Subsidy	V.S.S.	Disadvantaged	Urgent Need
114th St. Mobile Home	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ -	\$ -
Arlington	11,895,777	11,445,000	450,777	-	-	-
Ballinger	3,393,435	-	-	-	2,358,435	-
Barton WSC	200,000	-	-	200,000	-	-
Bracken Christian School	32,072	-	-	32,072	-	-
Buckholts	200,000	-	-	194,932	5,068	-
Commodore Cove ID	200,000	-	-	200,000	-	-
Cotulla	5,545,400	-	-	-	1,625,400	-
Derby Ing.	200,000	-	-	200,000	-	-
Gordon	1,188,072	1,166,157	174,923	200,000	353,149	-
Gorman	2,000,000	-	-	-	1,000,000	-
Lawn	3,563,239	-	-	200,000	2,478,239	-
Loop WSC	200,000	-	-	200,000	-	-
Lueders	483,557	-	-	145,068	338,489	-
Melvin	539,902	-	-	200,000	159,902	-
New Deal	1,033,800	658,709	-	98,800	-	-
Nueces Co.	900,000	-	-	200,000	630,000	-
Ranger	1,729,300	1,595,031	239,300	-	-	500,000
Rogers	2,405,000	-	-	200,000	-	-
Rolling Hills WS	2,333,300	-	-	200,000	1,633,300	500,000
Toyah	200,000	-	-	200,000	-	-
Winters	822,054	-	-	-	242,054	-
Woodloch	200,000	-	-	200,000	-	-
<b>Grand Totals</b>	<b>\$ 39,464,908</b>	<b>\$ 14,864,897</b>	<b>\$ 865,000</b>	<b>\$ 3,070,872</b>	<b>\$ 10,824,036</b>	<b>\$ 1,000,000</b>
					<b>Total Additional Subsidy: \$ 15,759,908</b>	

Green Project Reserve and Additional Subsidization - 2018 IUP / 2017 Grant						
IUP and/or Grant Targets	GPR: \$ 5,959,000		Add Sub Minimum			\$ 11,918,000
			Add Sub Maximum			\$ 29,795,000
Recipient	Amount	Green	Green Subsidy	V.S.S.	Disadvantaged	Urgent Need
Anahuac	\$ 325,000	\$ -	\$ -	\$ 325,000	\$ -	\$ -
Barton WSC	300,000	-	-	300,000	-	-
Beechwood	223,510	-	-	-	-	223,510
Bevil Oaks	500,000	-	-	-	-	500,000
Bridge City	500,000	-	-	-	-	500,000
Cisco	15,159,900	-	-	-	5,964,900	500,000
Devine	9,900,000	-	-	-	-	500,000
Dickens	760,000	-	-	300,000	-	-
Eastland	1,227,000	1,209,414	182,000	-	350,000	-
G-M WSC	5,490,900	-	-	-	2,715,900	-
Greater Texoma UA	300,000	-	-	300,000	-	-
Green Acres MHP	216,000	-	-	216,000	-	-
Holiday Beach WSC	700,000	-	-	-	-	700,000
Kirbyville	1,999,600	1,296,976	194,600	-	-	-
Ladonia	3,110,000	-	-	300,000	-	-
Lake Texoma VFW Post 7873	200,000	-	-	200,000	-	-
Lil Countryside WSC	250,000	-	-	250,000	-	-
Mason	2,659,200	-	-	-	969,200	700,000
Morton Valley WSC	200,000	-	-	200,000	-	-
New Ulm WSC	97,060	-	-	97,060	-	-
Nome	485,500	-	-	-	-	485,500
Paradise	300,000	-	-	300,000	-	-
Patterson Water Supply LLC	138,780	-	-	138,780	-	-
Pleasant Springs WSC	450,000	-	-	300,000	-	-
Ramirez Common School District	800,000	-	-	-	-	800,000
River Acres WSC	4,243,400	7,778,400	623,400	-	-	-
Rochelle WSC	300,000	-	-	300,000	-	-
Shallowater	1,600,000	-	-	-	-	500,000
Whitewater Springs WSC	500,000	-	-	300,000	-	-
<b>Grand Totals</b>	<b>\$ 52,935,850</b>	<b>\$ 10,284,790</b>	<b>\$ 1,000,000</b>	<b>\$ 3,826,840</b>	<b>\$ 10,000,000</b>	<b>\$ 5,409,010</b>
					<b>Total Additional Subsidy: \$ 20,235,850</b>	

GPR = Green Project Reserve

Add Sub = Additional Subsidization in the form of principal forgiveness

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Table 1 (Continued)						
Green Project Reserve and Additional Subsidization - 2019 IUP / 2018 Grant						
IUP and/or Grant Targets	GPR: \$ 8,704,000		Add Sub Minimum			\$ 17,408,000
			Add Sub Maximum			\$ 43,520,000
Recipient	Amount	Green	Green Subsidy	V.S.S.	Disadvantaged	Urgent Need
Brady	\$ 15,530,000	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 700,000
Comanche Co WSC	300,000	-	-	-	-	300,000
Commodore Cove Improvement Dist.	154,000	154,000	54,000	100,000	-	-
Eastland County WSD	2,919,485	-	-	-	1,837,503	-
Garland	7,645,037	6,500,245	975,037	-	-	-
Groveton	2,164,161	-	-	-	1,504,161	-
Ira WSC	300,000	-	-	300,000	-	-
Jefferson County WDIC # 10	500,000	-	-	-	-	500,000
Paint Rock	300,000	-	-	300,000	-	-
Presidio County	300,000	-	-	-	-	300,000
Roscoe	2,302,950	2,256,486	337,950	-	-	-
Study Butte WSC	300,000	-	-	300,000	-	-
Tom Green Co FWSD #2	300,000	-	-	300,000	-	-
<b>Total Closed</b>	<b>\$ 33,015,633</b>	<b>\$ 8,910,731</b>	<b>\$ 1,366,987</b>	<b>\$ 1,300,000</b>	<b>\$ 7,341,664</b>	<b>\$ 1,800,000</b>
Alice	\$ 2,995,000	\$ -	\$ -	\$ -	\$ 1,479,000	\$ -
Borden County	1,985,000	-	-	200,000	-	500,000
Brookshire MWD	2,575,000	-	-	-	-	300,000
Ellinger Sewer and WSC	300,000	-	-	300,000	-	-
Greater Texoma UA	3,758,106	-	-	-	1,864,905	-
Kerrville	500,000	-	-	-	-	500,000
Marlin	6,330,000	-	-	-	4,000,000	-
Palo Pinto WSC	1,630,593	1,558,991	231,186	300,000	484,407	-
Ropseville	1,268,750	-	-	300,000	468,750	-
Wolfe City	4,923,103	-	-	-	988,103	-
Wolfforth	300,000	-	-	-	149,970	150,030
<b>Total Unclosed</b>	<b>\$ 26,565,552</b>	<b>\$ 1,558,991</b>	<b>\$ 231,186</b>	<b>\$ 1,100,000</b>	<b>\$ 9,435,135</b>	<b>\$ 1,450,030</b>
<b>Grand Totals</b>	<b>\$ 59,581,185</b>	<b>\$ 10,469,722</b>	<b>\$ 1,598,173</b>	<b>\$ 2,400,000</b>	<b>\$ 16,776,799</b>	<b>\$ 3,250,030</b>
					<b>Total Additional Subsidy: \$ 24,025,002</b>	

GPR = Green Project Reserve

Add Sub = Additional Subsidization in the form of principal forgiveness

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Table 2			
Green Project Reserve - 2017 IUP / 2016 Grant			
Recipient	Green Category(ies)	Green Amount	Green Project Description
Arlington	Energy Efficiency	\$ 11,445,000	Energy efficient retrofits, upgrades, or new systems are business case eligible under Part B, Section 3.5-a. The business case provided documents substantial energy savings that would be accomplished by consolidating services and equipment and also by upgrading to more energy efficient components.
Gordon	Water Efficiency	1,166,157	Water line replacement is business case eligible under the Water Efficiency category, Part B, 2.5-2. The entity has listed an annual cost savings of approximately \$56,400, which corresponds to a payback period of about 21 years. This is less than the design life of 30 years. The water efficiency upgrades that include the Micro-Filtration unit and associated equipment seek to accomplish water savings by considerably reducing water consumption at the treatment plant and should deliver equal or better water services with less net water use as compared to traditional practices. These meet the business case decision criteria described in Part B, Section 2.4. Non-green eligible costs of \$12,000 represent upsizing of existing 6-inch line with 8-inch line. Engineer's cost estimate of \$5/l.f. difference at 2,400-l.f.
New Deal	Water Efficiency	658,709	Water line replacement is business case eligible under the Water Efficiency category, Part B, 2.5-2. The proposed water main replacement will also result in energy savings due to the lower friction in the new pipeline and from not pumping lost water.
Ranger	Water Efficiency	1,595,031	The replacement of existing malfunctioning water meters with meters with built in leak detection is categorically eligible under Part B, Section 2.2-3b. Retrofitting or adding AMR capabilities is categorically eligible under Part B, Section 2.2-4. Water line replacement is business case eligible under the Water Efficiency category, Part B, 2.5-2. The City has demonstrated a history of significant water loss, and this proposed projects seeks to address those losses.
<b>Total Unclosed</b>	<b>4</b>	<b>\$ 14,864,897</b>	

Green Project Reserve Requirement: \$ 6,010,400  
247%

Green Project Reserve - 2018 IUP / 2017 Grant			
Recipient	Green Category(ies)	Green Amount	Green Project Description
Eastland	Energy Efficiency, Water Efficiency	\$ 1,209,414	The green components associated with this project include saving water that is currently lost due to the leaking distribution system; saving electrical energy by eliminating the pumping of water currently lost; and due to the fact that the distribution system is old, replacing the piping will help eliminate potential sources of contaminants migrating into the water supply. In summary, the green components of the project are increased water efficiency, enhanced water conservation, and increased energy efficiency. Replacement of the aging infrastructure with this project will greatly reduce the water loss in the City's distribution system.
Kirbyville	Water Efficiency	1,296,976	Water line replacement is business case eligible under the Water Efficiency category, Part B, 2.5-2. Storage tank replacement/rehabilitation to reduce water loss is business case eligible under the Water Efficiency category, Part B, 2.5-3.
River Acres WSC	Green Infrastructure	7,778,400	Due to the age of the water distribution system, line leaks are occurring on a frequent basis. Therefore, the purpose of this project is to reduce the incidence of water line breaks and resulting water losses. This entire project entails the replacement of water distribution lines and meters in the older parts of the system.
<b>Total Unclosed</b>	<b>3</b>	<b>\$ 10,284,790</b>	

Green Project Reserve Requirement: \$ 5,959,000  
173%

Green Project Reserve - 2019 IUP / 2018 Grant			
Recipient	Green Category(ies)	Green Amount	Green Project Description
Commodore Cove Improvement Dist.	Green Infrastructure	\$ 154,000	The application of innovative treatment technologies or systems that improve environmental conditions, specifically, projects that significantly reduces the amount of chemicals needed for water treatment and that reduce the amount of chemicals and residuals in the treated water are eligible under Part B, Section 4.5-2.
Garland	Green Infrastructure	6,500,245	Existing water meters will be replaced with newer radio read meter technology. The replacement of existing malfunctioning water meters or upgrading existing meters with advanced metering infrastructure technology is categorically eligible under Part B, Section 2.2-3a(i).
Palo Pinto WSC	Water Efficiency	1,558,991	Water line replacement is business case eligible under the Water Efficiency category, Part B, 2.5-2. Storage tank replacement/rehabilitation to reduce water loss is business case eligible under the Water Efficiency category, Part B, 2.5-3.
Roscoe	Green Infrastructure	2,256,486	The proposed project will include the installation of new water lines to eliminate leaks and reduce water loss. The green component includes saving water that is currently lost due to leaking system; saving electrical energy by elimination pumping of water lost; and replacing piping to eliminate sources of contaminants migrating into water supply.
<b>Total Unclosed</b>	<b>4</b>	<b>\$ 10,469,722</b>	

Green Project Reserve Requirement: \$ 8,704,000  
120%



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Table 3 - Grant and Match Funds								
FFY	SFY/ IUP	Grant Award #	SRF Grant	State Match 20%	State Match provided from State Appropriations/ Other Sources	State Match provided from GO Bonds	State Match Provided	In-Kind
1997	1997	FS-99679501	\$ 70,153,800	\$ 14,030,760	\$ -	\$ -	\$ -	\$ -
1998	1998	FS-99679502	54,014,400	10,802,880	13,166,911	-	13,166,911	-
1999	1999	FS-99679503	56,612,200	11,322,440	5,843,600	3,000,000	8,843,600	-
2000	2000	FS-99679504	58,836,500	11,767,300	3,750,000	-	3,750,000	-
2001	2001	FS-99679505	59,079,800	11,815,960	4,098,104	10,000,000	14,098,104	-
2002	2002	FS-99679506	62,023,700	12,404,740	4,098,104	14,500,000	18,598,104	-
2003	2003	FS-99679507	61,651,000	12,330,200	3,130,403	20,000,000	23,130,403	-
2004	2004	FS-99679508	63,953,900	12,790,780	3,130,403	10,000,000	13,130,403	-
2005	2005	FS-99679509	63,818,500	12,763,700	3,636,971	12,800,000	16,436,971	-
2006	2006	FS-99679510	67,799,550	13,563,165	3,636,971	9,000,000	12,636,971	-
2007	2007	FS-99679511	67,801,000	13,560,200	3,735,026	9,622,377	13,357,403	-
2008	2008	FS-99679512	42,112,000	13,422,400	5,183,323	8,242,332	13,425,655	54,887
2009	2009	FS-99679513	10,737,920	13,422,400	-	13,422,400	13,422,400	-
2009	ARRA	2F-96692301	160,656,000	-	-	-	-	-
	2010	No Grant Used	-	-	-	-	-	-
2010	2011	FS-99679514	67,628,080	17,250,800	4,936,171	12,314,629	17,250,800	-
2011	2012	FS-99679515	59,854,000	11,970,800	7,597,404	4,373,396	11,970,800	77,600
2012	2013	FS-99679516	57,041,000	11,408,200	949,408	10,458,792	11,408,200	-
2013	2014	FS-99679517	53,517,000	10,703,400	351,787	10,351,613	10,703,400	-
2014	2015	FS-99679518	63,953,000	12,790,600	2,336,171	10,454,429	12,790,600	-
2015	2016	FS-99679519	63,532,000	12,706,400	2,336,171	10,454,429	12,790,600	-
2016	2017	FS-99679520	60,104,000	12,020,800	2,336,171	9,600,429	11,936,600	-
2017	2018	FS-99679521	59,590,000	11,918,000	2,336,171	9,581,829	11,918,000	-
2018	2019	FS-99679522	87,040,000	17,408,000	2,336,171	21,000,000	23,336,171	-
<b>Totals</b>			<b>\$ 1,471,509,350</b>	<b>\$ 282,173,925</b>	<b>\$ 78,925,441</b>	<b>\$ 209,176,655</b>	<b>\$ 288,102,096</b>	<b>\$ 132,487</b>

GO = General Obligations

Notes: The TWDB performed a \$100 million transfer between the DWSRF and the CWSRF. The transferred funds were from the SFY 2008, 2009, and 2011 associated grants, as reflected above.

The amount listed as the State Match 20% for the FFY 2006 grant represents the amount listed on the capitalization grant agreement. The TWDB did not request an amendment from EPA to update the amount to an accurate 20% of the grant and instead overmatched to this amount.

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<b>Table 4 – Capitalization Grant Draws</b>			
	<b>Beginning Balance</b>	<b>Expended</b>	<b>Balance - 08/31/2019</b>
<b>FS-99679521 FY 2017</b>			
Construction	\$ -	\$ -	\$ -
Administration	-	-	-
TCEQ 2% Set-Aside	807,821.97	807,821.97	-
TCEQ 10% Set-Aside	2,516,700.96	2,516,700.96	-
TCEQ 15% Set-Aside	508,535.81	508,535.81	-
<b>Totals</b>	<b>\$ 3,833,058.74</b>	<b>\$ 3,833,058.74</b>	<b>\$ -</b>
<b>FS-99679522 FY 2018</b>			
Construction	\$ 71,314,200.00	\$ 68,773,045.40	\$ 2,541,154.60
Administration	3,481,000.00	3,147,211.90	333,788.10
TCEQ 2% Set-Aside	1,740,800.00	405,319.64	1,335,480.36
TCEQ 10% Set-Aside	8,704,000.00	4,246,128.62	4,457,871.38
TCEQ 15% Set-Aside	1,800,000.00	1,354,704.09	445,295.91
<b>Totals</b>	<b>\$ 87,040,000.00</b>	<b>\$ 77,926,409.65</b>	<b>\$ 9,113,590.35</b>
<b>Grand Totals</b>	<b>\$ 90,873,058.74</b>	<b>\$ 81,759,468.39</b>	<b>\$ 9,113,590.35</b>

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Table 5 – Binding Commitments Summary										
IUP	Recipient	Project ID	Commitment #	Commitment Date	Status	Closing Date	Amount	Required Binding Commitments	Total Commitments / Quarter	% of Required
(1997) - (2018)	Previous SFYs						\$2,663,153,540	\$ 1,434,028,986	\$2,663,153,540	185.71%
2018	Beechwood WSC	62801	LF1000870	09/06/2018	Active	03/20/2019	\$223,510	\$1,434,028,986	\$2,755,697,050	192.16%
2018	Bevil Oaks	62806	LF1000874	09/06/2018	Active	12/20/2018	\$500,000			
2018	Kerrville	62804	L1000875	09/06/2018	Active	12/20/2018	\$5,000,000			
2018	Greater Texoma UA	62797	L1000819	10/03/2018	Active	01/30/2019	\$3,415,000			
2018	Creedmoor Maha WSC	62805	LM19876	10/16/2018	Active	05/10/2019	\$9,335,000			
2018	Creedmoor Maha WSC	62805	LM20876	10/16/2018	Commitment					
2018	Wills Point	62798	L1000888	10/16/2018	Active	02/15/2019	\$4,500,000			
2018	Goliad	62807	L1000878	10/30/2018	Active	10/09/2019	\$1,000,000			
2018	Hillsboro	62799	L1000813	10/30/2018	Active	01/15/2019	\$3,130,000			
2018	Terrell	62808	LM19881	10/30/2018	Active	06/11/2019	\$1,700,000			
2018	Terrell	62808	LM21881	10/30/2018	Commitment		\$1,535,000			
2018	Terrell	62808	LM22881	10/30/2018	Commitment		\$4,150,000			
2018	Bridge City	62815	LF1000897	11/12/2018	Active	02/15/2019	\$500,000			
2018	Granbury	62814	L1000890	11/12/2018	Active	12/18/2018	\$13,810,000			
2018	Greater Texoma UA	62810	L1000880	11/12/2018	Active	01/30/2019	\$7,490,000			
2018	Pleasant Springs WSC	21737	L1000810	11/12/2018	Active	02/25/2019	\$150,000			
2018	Pleasant Springs WSC	21737	LF1000811	11/12/2018	Active	02/25/2019	\$300,000			
2018	Red Creek MUD	62800	L1000902	11/12/2018	Active	03/26/2019	\$1,355,000			
2018	San Antonio Water System	62811	L1000887	11/12/2018	Active	09/25/2019	\$33,550,000			
2018	Stephens Regional SUD	62816	L1000894	11/12/2018	Active	01/15/2019	\$900,000			
2018	Arlington	62813	L1000898	12/13/2018	Active	09/20/2019	\$79,500,000	\$1,434,028,986	\$2,881,091,587	200.91%
2019	Brady	10447	L1000917	12/13/2018	Active	03/21/2019	\$10,830,000			
2019	Brady	10447	LF1000918	12/13/2018	Active	04/03/2019	\$4,700,000			
2018	Shallowater	21709	L1000900	12/13/2018	Active	01/17/2019	\$1,100,000			
2018	Shallowater	21709	LF1000906	12/13/2018	Active	01/17/2019	\$500,000			
2018	Whiteface	62803	L1000873	12/13/2018	Active	04/18/2019	\$450,000			
2018	Bonham	62809	L1000886	01/10/2019	Active	04/11/2019	\$9,830,000			
2019	Commodore Cove ID	62718	LF1000922	01/10/2019	Active	04/29/2019	\$154,000			
2019	Comanche County WSC	62837	LF1000932	01/22/2019	Active	04/29/2019	\$300,000			
2019	Eules	62824	L1000947	01/22/2019	Active	04/25/2019	\$9,275,000			
2018	Anahuac	62710	LF1000963	02/25/2019	Active	05/10/2019	\$325,000			
2019	Garland	62842	L1000970	02/25/2019	Active	08/02/2019	\$6,670,000			
2019	Garland	62842	LF1000965	02/25/2019	Active	08/02/2019	\$975,037			
2018	Nome	62820	LF1000909	02/25/2019	Active	05/17/2019	\$485,500			
2019	Paint Rock	62834	LF1000951	02/25/2019	Active	05/29/2019	\$300,000			

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Table 5 – Binding Commitments Summary											
IUP	Recipient	Project ID	Commitment #	Commitment Date	Status	Closing Date	Amount	Required Binding Commitments	Total Commitments / Quarter	% of Required	
2019	Brookshire MWD	62829	L1000912	03/05/2019	Active	09/27/2019	\$1,025,000	\$1,434,028,986	\$2,917,435,500	200.91%	
2019	Brookshire MWD	62829	L1000956	03/05/2019	Active	09/27/2019	\$1,250,000				
2019	Brookshire MWD	62829	LF1000954	03/05/2019	Active	09/27/2019	\$300,000				
2019	Groveton	62826	L1000911	03/05/2019	Active	06/25/2019	\$660,000				
2019	Groveton	62826	LF1000953	03/05/2019	Active	06/25/2019	\$1,504,161				
2019	Parker County SUD	62843	L1000979	03/28/2019	Commitment		\$15,080,000				
2019	Study Butte WSC	62844	LF1000967	03/28/2019	Active	06/17/2019	\$300,000				
2019	Tom Green Co FWSD # 2	62817	LF1000941	03/28/2019	Active	06/21/2019	\$300,000				
2019	Palo Pinto WSC	62821	L1000905	04/10/2019	Active	09/27/2019	\$615,000				
2019	Palo Pinto WSC	62821	LF1000989	04/10/2019	Active	09/27/2019	\$1,015,593				
2019	Presidio County	62838	LF1000950	04/10/2019	Active	07/26/2019	\$300,000				
2019	Upper Jasper Co WA	62847	L1000990	04/10/2019	Active	08/22/2019	\$3,355,000				
2019	Fort Griffin SUD	62823	L1000936	05/09/2019	Active	10/16/2019	\$1,525,000				
2019	Ira WSC	62845	LF1000968	05/09/2019	Active	08/07/2019	\$300,000				
2019	Jefferson Co WCID # 10	62851	LF1001012	05/09/2019	Active	08/02/2019	\$500,000				
2019	Roscoe	62832	L1001001	05/09/2019	Active	08/13/2019	\$1,965,000				
2019	Roscoe	62832	LF1001002	05/09/2019	Active	08/13/2019	\$337,950				
2019	Wolfe City	62827	L1000948	05/09/2019	Active	10/03/2019	\$3,065,000				
2019	Wolfe City	62827	L1001007	05/09/2019	Active	10/03/2019	\$870,000				
2019	Wolfe City	62827	LF1001008	05/09/2019	Active	10/03/2019	\$988,103				
2019	Greater Texoma UA	62831	LF1001019	05/28/2019	Commitment		\$1,088,106				
2019	Eastland Co WSD	62830	L1000977	06/04/2019	Active	08/22/2019	\$805,000	\$1,434,028,986	\$2,991,812,735	208.63%	
2019	Eastland Co WSD	62830	LF1000978	06/04/2019	Active	08/22/2019	\$2,114,485				
2019	Greater Texoma UA	62831	L1001017	06/04/2019	Commitment		\$1,645,000				
2019	Greater Texoma UA	62831	L1001018	06/04/2019	Commitment		\$1,025,000				
2019	Ropesville	62836	L1000974	06/04/2019	Active	09/05/2019	\$500,000				
2019	Ropesville	62836	LF1000975	06/04/2019	Active	09/05/2019	\$768,750				
2019	Borden County	62828	L1000961	06/24/2019	Commitment	10/21/2019	\$1,285,000				
2019	Borden County	62828	LF1000962	06/24/2019	Commitment	10/21/2019	\$700,000				
2019	Kerrville	62852	LF1001010	06/24/2019	Active	09/11/2019	\$500,000				
2019	Alice	62835	L1000931	07/22/2019	Commitment		\$2,995,000				
2019	Alice	62835	L1000985	07/22/2019	Commitment		\$1,025,000				
2019	Alice	62835	LF1000984	07/22/2019	Commitment		\$1,479,000				
2019	Ector County UD	62853	L1001021	07/22/2019	Commitment	10/22/2019	\$45,765,000				
2019	Willow Park	62850	L1001032	08/13/2019	Commitment		\$13,770,000				
<b>SFY Totals</b>		<b>70</b>									<b>\$328,659,195</b>

Note: Due to a change in the way commitments are processed by the TWDB, some commitments are shown above with a blank dollar amount. The full amount committed to each recipients' project is reflected within another commitment listed above.

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<b>Table 6 - Federal Funds Drawn</b>	
<b>SFY</b>	<b>Amount</b>
1997 - 2009 (incl. ARRA)	\$ 555,881,085
2010	111,652,167
2011	140,761,437
2012	105,178,704
2013	52,114,038
2014	84,209,872
2015	77,716,526
2016	148,192,086
2017	41,890,440
2018	63,039,936
2019	81,759,468
<b>Grand Total</b>	<b>\$ 1,462,395,760</b>

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<b>Table 7 – Grant Payments by Quarter</b>					
	<b>SFY 1997 - SFY 2018</b>	<b>SFY 2019</b>			
	<b>Total</b>	<b>1st Quarter</b>	<b>2nd Quarter</b>	<b>3rd Quarter</b>	<b>4th Quarter</b>
<b>GRANT PAYMENTS</b>					
All Previous Grants (including ARRA)	\$ 1,384,469,350	\$ -	\$ -	\$ -	\$ -
FS-99679522		87,040,000	-	-	-
<b>QUARTERLY TOTAL</b>	<b>\$ 1,384,469,350</b>	<b>\$ 87,040,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

<b>REQUIRED BINDING COMMITMENTS</b>	<b>SFY 1997 - SFY 2019</b>	<b>SFY 2020</b>			
		<b>1st Quarter</b>	<b>2nd Quarter</b>	<b>3rd Quarter</b>	<b>4th Quarter</b>
Cumulative EPA Payments	\$ 1,384,469,350	\$ 1,471,509,350	\$ 1,471,509,350	\$ 1,471,509,350	\$ 1,471,509,350
+ State Match	264,765,925	282,173,925	282,173,925	282,173,925	282,173,925
- Set-Asides	215,206,289	226,540,689	226,540,689	226,540,689	226,540,689
<b>REQUIRED BINDING COMMITMENTS (Within One Year From the Date of the EPA Payment)</b>	<b>\$ 1,434,028,986</b>	<b>\$ 1,527,142,586</b>	<b>\$ 1,527,142,586</b>	<b>\$ 1,527,142,586</b>	<b>\$ 1,527,142,586</b>



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Table 8 - Administrative Costs						
SFY	Funds Received					Total Administration Expended
	Federal Funds (including ARRA Funds)				State Funds	
	4% Administration	Banked Administration	Other	Total Federal Funds		
1997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1998	2,806,152	-	-	2,806,152	-	951,001
1999	-	-	-	-	-	1,222,382
2000	2,160,576	-	-	2,160,576	-	830,921
2001	-	-	-	-	-	1,525,991
2002	2,264,488	-	-	2,264,488	-	432,220
2002	2,353,460	-	-	2,353,460	-	-
2003	-	-	-	-	-	1,853,449
2004	2,363,192	-	-	2,363,192	-	1,259,843
2005	2,480,948	-	-	2,480,948	-	2,487,202
2006	2,466,040	-	-	2,466,040	-	3,295,962
2007	2,711,982	-	-	2,711,982	-	3,851,198
2008	2,712,040	1,123,737	-	3,835,777	-	3,909,161
2009	2,684,480	1,722,671	-	4,407,151	-	4,084,522
2009	6,426,240	-	-	6,426,240	-	-
2010	2,684,480	-	-	2,684,480	-	6,439,595
2011	3,450,160	-	-	3,450,160	-	5,162,897
2012	2,394,160	-	-	2,394,160	-	3,268,839
2013	2,149,153	-	-	2,149,153	-	3,443,891
2014	2,140,680	-	-	2,140,680	-	3,075,565
2015	2,558,120	-	-	2,558,120	-	2,558,120
2016	2,541,280	-	-	2,541,280	-	2,541,280
2017	2,404,160	-	-	2,404,160	-	2,316,747
2018	2,383,600	-	-	2,383,600	-	2,471,013
2019	3,481,600	-	-	3,481,600	-	3,147,212
<b>Grand Totals</b>	<b>\$ 54,135,391</b>	<b>\$ 2,846,408</b>	<b>\$ -</b>	<b>\$ 60,463,399</b>	<b>\$ -</b>	<b>\$ 60,129,011</b>

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<b>Table 9 - DBE Utilization</b>						
	<b>MBE Goals</b>	<b>MBE Actual</b>	<b>% of Procurement</b>	<b>WBE Goals</b>	<b>WBE Actual</b>	<b>% of Procurement</b>
Construction	19.44%	\$ 11,466,154.00	3.98%	9.17%	\$ 7,566,572.16	2.63%
Supplies	25.34%	448,412.54	0.16%	8.82%	221,535.97	0.08%
Equipment	16.28%	-	0.00%	11.45%	-	0.00%
Services	20.41%	4,269,619.22	1.48%	13.66%	3,311,326.81	1.15%
<b>Totals</b>		<b>\$ 16,184,185.76</b>	<b>5.62%</b>		<b>\$ 11,099,434.94</b>	<b>3.86%</b>

**Total Procurements in the DWSRF: \$ 287,904,553.71**

**Overall DBE Procurements: 9.48%**

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Table 10 - Multi-Year Funding								
IUP	Recipient	Project ID	Commitment #	Commitment Date	Commitment Status	Actual Closing Date	Anticipated Closing Date	Commitment Amount
2019	Austin	62854	LM201040	10/03/2019	Committed		01/15/2020	\$ 3,800,000
2019	Austin	62854	LM221040	10/03/2019	Committed		01/15/2020	15,700,000
2019	Austin	62854	LM241040	10/03/2019	Committed		01/15/2020	26,830,000
2019	Austin	62854	LM211040	10/03/2019	Committed		01/15/2020	9,400,000
2019	Austin	62854	LM231040	10/03/2019	Committed		01/15/2020	12,100,000
2018	Boyd	62772	LM18740	06/21/2018	Closed	09/07/2018		720,000
2018	Boyd	62772	LM19800	06/21/2018	Committed		01/15/2020	5,120,000
2018	Creedmoor Maha WSC	62805	LM19876	10/16/2018	Closed	05/10/2019		4,667,500
2018	Creedmoor Maha WSC	62805	LM20876	10/16/2018	Committed		05/08/2020	4,667,500
2017	Dallas	62741	LM17066	05/31/2017	Closed	05/14/2018		44,000,000
2017	Dallas	62741	LM18066	05/31/2017	Closed	05/13/2019		44,000,000
2017	Dallas	62741	LM19066	05/31/2017	Committed		05/13/2020	44,000,000
2017	Dallas	62741	LM20066	05/31/2017	Committed		05/13/2021	44,000,000
2017	Dallas	62741	LM21066	05/31/2017	Committed		05/13/2022	44,000,000
2018	Del Rio	61580	LM19690	02/15/2018	Closed	05/24/2019		3,000,000
2018	Del Rio	61580	LM21690	02/15/2018	Committed		02/28/2020	3,000,000
2013	Eagle Pass	62556	L1000103	02/28/2013	Closed	05/15/2013		5,795,000
2013	Eagle Pass	62556	LF1000104	02/28/2013	Closed	05/15/2013		2,428,296
2016	Eagle Pass	62556	LM16100561	10/05/2016	Closed	12/16/2016		17,090,000
2016	Eagle Pass	62556	LM17100561	10/05/2016	Closed	07/12/2018		11,900,000
2016	Eagle Pass	62556	LM18100561	10/05/2016	Committed		10/24/2019	15,075,000
2016	Pearland	62712	L1000611	11/17/2016	Closed	03/09/2017		10,225,000
2016	Pearland	62712	L1000612	11/17/2016	Closed	03/09/2017		12,025,000
2016	Pearland	62712	LM18100563	11/17/2016	Closed	05/24/2018		8,650,000
2016	Pearland	62712	LM19100563	11/17/2016	Closed	08/06/2019		21,000,000
2016	Pearland	62712	LM20100563	11/17/2016	Committed		04/01/2020	107,600,000
2018	River Acres WSC	62773	LF1000736	03/21/2018	Closed	09/20/2018		623,400
2018	River Acres WSC	62773	LM18763	03/21/2018	Closed	09/20/2018		3,620,000
2018	River Acres WSC	62773	LM19764	03/21/2018	Committed		02/26/2020	1,750,000
2018	River Acres WSC	62773	LM20765	03/21/2018	Committed		06/26/2020	1,785,000
2018	Terrell	62808	LM19881	10/30/2018	Closed	06/11/2019		1,700,000
2018	Terrell	62808	LM21881	10/30/2018	Committed		04/15/2021	1,535,000
2018	Terrell	62808	LM22881	10/30/2018	Committed		04/15/2022	4,150,000
<b>Grand Totals</b>		<b>9 unique projects</b>						<b>\$ 535,956,696</b>

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**Table 11 – Sources and Uses of Funds (Cash Basis)**

<b>Cash Available:</b>	\$	<b>230,423,945.67</b>
 <b>SOURCES:</b>		
Federal Grants Drawn	\$	81,759,468.39
State Match Deposited		2,336,171.00
Principal Repayments		87,159,098.01
Interest Repayments		18,881,705.12
DWSRF Revenue Bond Proceeds		237,040,438.28
Investment Earnings on Funds		7,353,103.89
<b>TOTAL SOURCES:</b>	<b>\$</b>	<b>434,529,984.69</b>
 <b>USES:</b>		
<b><u>Set-Asides Used</u></b>		
Administration Expenses - 4% Set-Aside	\$	3,147,211.90
TCEQ Small Systems Technical Assistance Program - 2% Set-Aside		1,213,141.61
TCEQ Texas State Management Program - 10% Set-Aside		6,762,829.58
TCEQ Capacity Development - 15% Set-Aside		1,863,239.90
<b>Total Set-Asides:</b>	<b>\$</b>	<b>12,986,422.99</b>
 <b><u>Projects Funded</u></b>		
Funds Disbursed	\$	205,760,217.00
<b>Total Projects Funded:</b>	<b>\$</b>	<b>205,760,217.00</b>
 <b><u>Debt Service</u></b>		
Revenue Bonds - Principal Paid	\$	2,095,000.00
Match General Obligation Bonds - Principal Paid		9,916,812.88
Total Interest Paid		10,171,262.65
<b>Total Debt Service:</b>	<b>\$</b>	<b>22,183,075.53</b>
 <b>TOTAL USES:</b>	 <b>\$</b>	 <b>240,929,715.52</b>
 <b>NET SOURCES (USES):</b>	 <b>\$</b>	 <b>193,600,269.17</b>
 <b>Cash - Ending Balance (8/31/2019):</b>	 <b>\$</b>	 <b>424,024,214.84</b>

*Fees are not deposited into the Fund; therefore, based on EPA guidance they are not included in the Sources and Uses of Funds.  
Revenue Bond Proceeds are net of cost of issuance.*

# Texas Water Development Board

## SFY 2019 Drinking Water State Revolving Fund

### Annual Report

Operational Minimum DSC: 1.10  
 Lowest Total DSC: 1.90

PROJECTED ANNUAL CASH FLOW  
 COVERAGE1 AS OF AUGUST 31, 2019

Fiscal Year (2)	Balance & Loan Receipt		Match Excess	Balance & Pledged Principal & Non-Pledged Loan Receipts		Revenue Bond Debt Service (6)	Revenue Bond Debt Service Coverage (7)	Total Debt Service	Total Debt Service Coverage (8)	Annual Excess Revenue
	Interest 7/1 - 6/30 (3)	Debt Service for Match (4)		7/1 - 6/30 (5)	7/1 - 6/30 (5)					
2020	\$17,740,978	\$18,452,647	\$ -	\$50,913,434	\$17,776,200	2.86	\$36,228,847	1.90	\$32,425,564	
2021	18,019,030	17,823,298	195,732	60,067,862	17,700,200	3.40	35,523,498	2.20	42,563,394	
2022	17,436,633	17,134,929	301,703	61,700,762	17,700,200	3.50	34,835,129	2.27	44,302,265	
2023	16,777,091	16,315,879	461,212	61,608,068	17,697,450	3.51	34,013,329	2.30	44,371,829	
2024	16,058,485	15,449,635	608,850	61,908,075	17,696,200	3.53	33,145,835	2.35	44,820,725	
2025	15,290,331	14,312,736	977,595	62,216,800	17,700,450	3.57	32,013,186	2.42	45,493,945	
2026	14,463,540	13,133,763	1,329,776	63,159,173	17,698,950	3.64	30,832,713	2.52	46,790,000	
2027	13,586,051	12,045,259	1,540,792	64,045,511	17,700,950	3.71	29,746,209	2.61	47,885,352	
2028	12,646,322	9,972,729	2,673,593	61,433,160	17,700,200	3.62	27,672,929	2.68	46,406,553	
2029	11,799,604	7,557,842	4,241,762	57,763,834	17,700,700	3.50	25,258,542	2.75	44,304,896	
2030	10,994,224	4,103,866	6,890,358	57,412,705	17,696,200	3.63	21,800,066	3.14	46,606,863	
2031	10,158,184	2,468,221	7,689,963	53,263,150	17,700,700	3.44	20,168,921	3.14	43,252,413	
2032	9,377,867	1,411,575	7,966,292	51,968,044	17,702,450	3.39	19,114,025	3.21	42,231,886	
2033	8,572,990	810,755	7,762,234	52,878,704	17,700,200	3.43	18,510,955	3.32	42,940,738	
2034	7,725,308	682,739	7,042,569	49,431,540	17,697,700	3.19	18,380,439	3.11	38,776,409	
2035	6,932,122	-	6,932,122	46,786,448	17,703,450	3.03	17,703,450	3.03	36,015,121	
2036	6,228,565	-	6,228,565	39,636,354	17,704,150	2.59	17,704,150	2.59	28,160,769	
2037	5,579,083	-	5,579,083	35,340,936	17,697,250	2.31	17,697,250	2.31	23,222,769	
2038	4,942,164	-	4,942,164	33,732,223	17,700,500	2.18	17,700,500	2.18	20,973,887	
2039	4,343,073	-	4,343,073	29,726,895	14,280,000	2.39	14,280,000	2.39	19,789,968	
2040	3,829,012	-	3,829,012	27,637,301	-	-	-	-	31,466,313	
2041	3,323,918	-	3,323,918	25,591,056	-	-	-	-	28,914,974	
2042	2,835,403	-	2,835,403	25,944,618	-	-	-	-	28,780,020	
2043	2,332,118	-	2,332,118	25,796,545	-	-	-	-	28,128,662	
2044	1,847,822	-	1,847,822	24,248,885	-	-	-	-	26,096,707	
2045	1,386,574	-	1,386,574	23,617,383	-	-	-	-	25,003,957	
2046	939,584	-	939,584	19,935,039	-	-	-	-	20,874,623	
2047	599,781	-	599,781	15,918,143	-	-	-	-	16,517,924	
2048	312,817	-	312,817	14,173,279	-	-	-	-	14,486,096	
2049	102,768	-	102,768	7,705,975	-	-	-	-	7,808,743	
2050	15,620	-	15,620	2,125,000	-	-	-	-	2,140,620	
2051	-	-	-	370,000	-	-	-	-	370,000	
2052	-	-	-	-	-	-	-	-	-	
2053	-	-	-	-	-	-	-	-	-	
2054	-	-	-	-	-	-	-	-	-	
	<b>\$246,197,060</b>	<b>\$151,675,874</b>	<b>\$95,232,855</b>	<b>\$1,268,056,900</b>	<b>\$350,654,100</b>		<b>\$502,329,974</b>		<b>\$1,011,923,985</b>	

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

**Texas Water Development Board**  
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Fiscal Year (1)	PROJECTED SOURCES OF REVENUES					Total Non-Pledged Annual Loan Receipts 7/1 - 6/30 (3)	Total Projected Income to Pay Debt Service (4)	
	AS OF AUGUST 31, 2019							
	Loan Receipts Principal From 7/1 - 8/31 (2)	Loan Receipts Interest From 7/1 - 8/31 (2)	Loan Receipts Principal 9/1 - 6/30 (2)	Loan Receipts Interest 9/1 - 6/30 (2)				
2020	\$9,047,000	\$3,688,408	\$44,631,000	\$14,671,515	\$2,751,719	\$62,054,233		
2021	9,637,000	3,589,978	47,638,000	14,330,622	3,382,862	78,086,892		
2022	9,683,000	3,481,047	48,436,000	13,846,655	3,627,762	79,137,394		
2023	10,349,000	3,358,797	48,314,000	13,296,044	3,611,068	78,385,159		
2024	10,503,000	3,221,349	47,913,000	12,699,689	3,646,075	77,966,560		
2025	10,985,000	3,075,946	47,906,000	12,068,982	3,807,800	77,507,131		
2026	11,186,000	2,916,444	48,374,000	11,387,594	3,800,173	77,622,713		
2027	11,497,000	2,744,755	49,062,000	10,669,607	3,797,511	77,631,562		
2028	11,184,000	2,563,483	46,095,000	9,901,567	3,841,160	74,079,482		
2029	11,587,000	2,406,973	42,644,000	9,236,121	3,935,834	69,563,438		
2030	11,729,000	2,240,246	42,311,000	8,587,251	3,514,705	68,406,929		
2031	12,077,000	2,102,912	38,872,000	7,917,938	2,662,150	63,421,334		
2032	12,606,000	1,957,637	37,383,000	7,274,954	2,508,044	61,345,910		
2033	12,850,000	1,801,085	37,835,000	6,615,353	2,437,704	61,451,694		
2034	12,801,000	1,644,899	34,282,000	5,924,222	2,299,540	57,156,848		
2035	12,577,000	1,486,048	31,142,000	5,287,223	2,843,448	53,718,571		
2036	10,509,000	1,324,295	25,680,000	4,742,517	1,379,354	45,864,919		
2037	9,829,000	1,162,982	23,571,000	4,254,789	1,260,936	40,920,019		
2038	8,004,000	1,004,348	22,652,000	3,779,181	1,251,223	38,674,387		
2039	6,470,000	873,755	20,645,000	3,338,725	1,077,895	34,069,968		
2040	6,330,000	759,139	20,138,000	2,955,257	1,029,301	31,466,313		
2041	6,425,000	658,730	18,329,000	2,564,779	932,056	28,914,974		
2042	6,570,000	554,889	18,589,000	2,176,672	930,618	28,780,020		
2043	6,430,000	447,985	18,398,000	1,777,228	828,545	28,128,662		
2044	6,175,000	346,272	17,048,000	1,399,838	770,885	26,096,707		
2045	6,305,000	253,778	16,774,000	1,040,302	668,383	25,003,957		
2046	3,205,000	159,186	12,967,000	685,806	663,039	20,874,623		
2047	3,275,000	101,316	12,056,000	440,596	657,143	16,517,924		
2048	2,315,000	45,069	10,400,000	211,501	498,279	14,486,096		
2049	950,000	10,978	5,065,000	57,699	325,975	7,808,743		
2050	-	-	1,175,000	4,642	-	2,140,620		
2051	-	-	370,000	-	-	370,000		
2052	-	-	-	-	-	-		
2053	-	-	-	-	-	-		
2054	-	-	-	-	-	-		
	\$263,090,000	\$49,982,730	\$936,695,000	\$193,144,867	\$64,741,185	\$1,507,653,782		

- (1) The Texas Water Development Board's fiscal year runs from 9/1 to 8/31.  
(2) Represents scheduled repayments on \$1,199,785,000 of outstanding pledged Political Subdivision Bonds as of August 31, 2019.  
(3) Represents scheduled repayments on \$53,128,788 of outstanding non-pledged Political Subdivision Bonds as of August 31, 2019.  
(4) Reflects that for projecting revenue available to pay debt service due within a fiscal year, revenues received for the period ending 6/30 in the same fiscal year are used.



**Texas Water Development Board  
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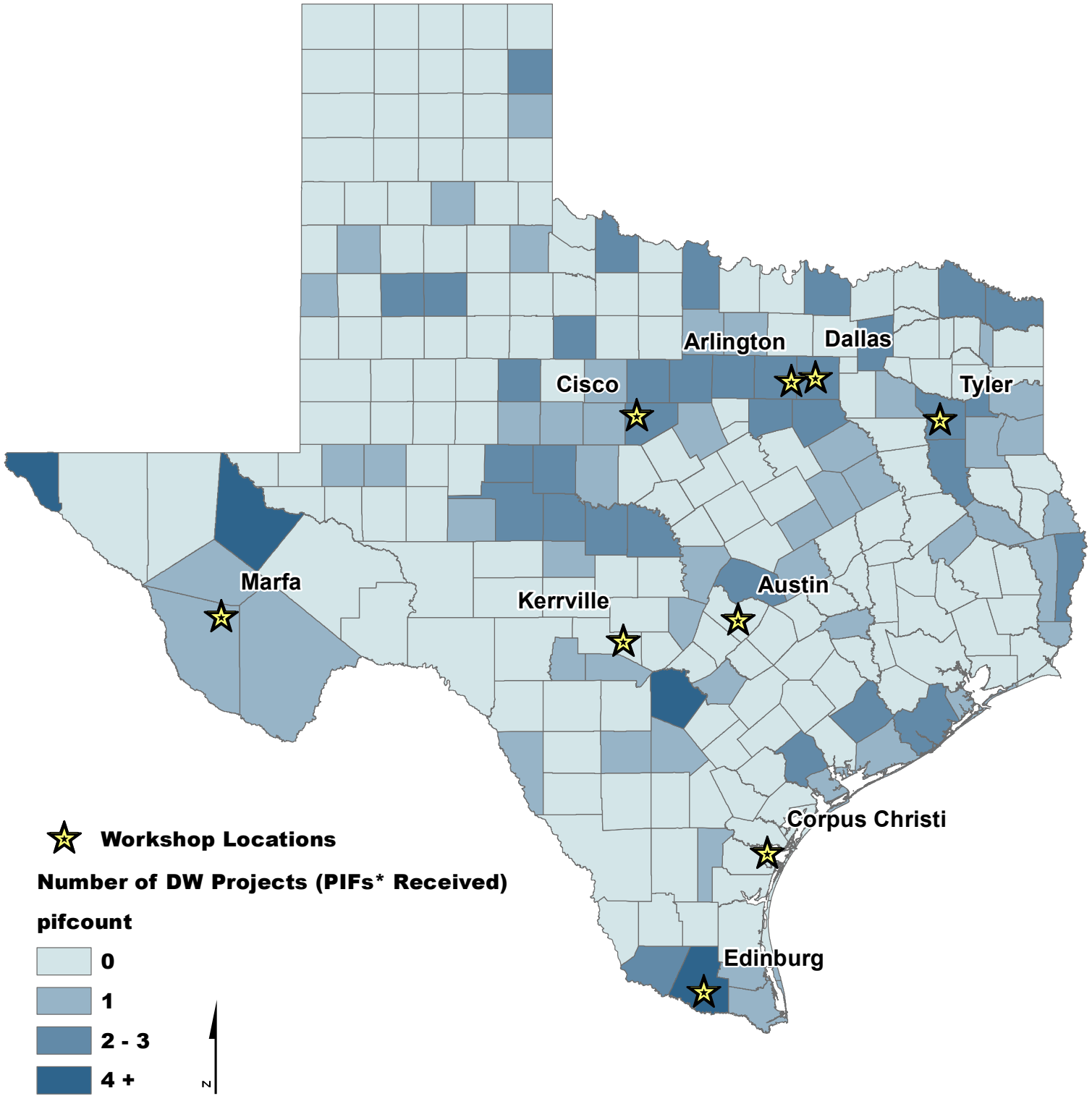
**DEBT SERVICE ON OUTSTANDING BONDS  
AS OF AUGUST 31, 2019**

Fiscal Year (1)	Revenue Bonds			Revenue Bonds (Match Portion)			State Match Fixed Rate Bonds (2)			Total Debt Service
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2020	\$6,900,000	\$10,876,200	\$17,776,200	\$3,310,000	\$1,896,400	\$5,206,400	\$9,850,792	\$3,395,455	\$13,246,247	\$36,228,847
2021	7,100,000	10,600,200	17,700,200	3,420,000	1,764,000	5,184,000	9,623,536	3,015,762	12,639,298	35,523,498
2022	7,455,000	10,245,200	17,700,200	3,590,000	1,593,000	5,183,000	9,308,009	2,643,921	11,951,929	34,835,129
2023	7,825,000	9,872,450	17,697,450	3,765,000	1,413,500	5,178,500	8,861,140	2,276,240	11,137,379	34,013,329
2024	8,215,000	9,481,200	17,696,200	3,955,000	1,225,250	5,180,250	8,353,406	1,915,979	10,269,385	33,145,835
2025	8,630,000	9,070,450	17,700,450	4,155,000	1,027,500	5,182,500	7,565,373	1,564,863	9,130,236	32,013,186
2026	9,060,000	8,638,950	17,698,950	4,365,000	819,750	5,184,750	6,673,812	1,275,201	7,949,013	30,832,713
2027	9,515,000	8,185,950	17,700,950	4,580,000	601,500	5,181,500	5,841,908	1,021,851	6,863,759	29,746,209
2028	9,990,000	7,710,200	17,700,200	4,810,000	372,500	5,182,500	4,015,564	774,665	4,790,229	27,672,929
2029	10,490,000	7,210,700	17,700,700	2,640,000	132,000	2,772,000	4,196,943	588,900	4,785,842	25,258,542
2030	11,010,000	6,686,200	17,696,200	-	-	-	3,712,324	391,542	4,103,866	21,800,066
2031	11,565,000	6,135,700	17,700,700	-	-	-	2,249,716	218,505	2,468,221	20,168,921
2032	12,145,000	5,557,450	17,702,450	-	-	-	1,299,143	112,432	1,411,575	19,114,025
2033	12,750,000	4,950,200	17,700,200	-	-	-	755,423	55,332	810,755	18,510,955
2034	13,385,000	4,312,700	17,697,700	-	-	-	657,169	25,570	682,739	18,380,439
2035	14,060,000	3,643,450	17,703,450	-	-	-	-	-	-	17,703,450
2036	14,735,000	2,969,150	17,704,150	-	-	-	-	-	-	17,704,150
2037	15,435,000	2,262,250	17,697,250	-	-	-	-	-	-	17,697,250
2038	16,210,000	1,490,500	17,700,500	-	-	-	-	-	-	17,700,500
2039	13,600,000	680,000	14,280,000	-	-	-	-	-	-	14,280,000
2040	-	-	-	-	-	-	-	-	-	-
2041	-	-	-	-	-	-	-	-	-	-
2042	-	-	-	-	-	-	-	-	-	-
2043	-	-	-	-	-	-	-	-	-	-
2044	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-
2046	-	-	-	-	-	-	-	-	-	-
2047	-	-	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-	-	-
2054	-	-	-	-	-	-	-	-	-	-
	<b>\$220,075,000</b>	<b>\$130,579,100</b>	<b>\$350,654,100</b>	<b>\$38,590,000</b>	<b>\$10,845,400</b>	<b>\$49,435,400</b>	<b>\$82,964,256</b>	<b>\$19,276,218</b>	<b>\$102,240,474</b>	<b>\$502,329,974</b>

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

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**Map of Workshops Conducted in SFY 2019**



\*Project Information Form

# Appendix B: DWSRF SFY 2019 Projects

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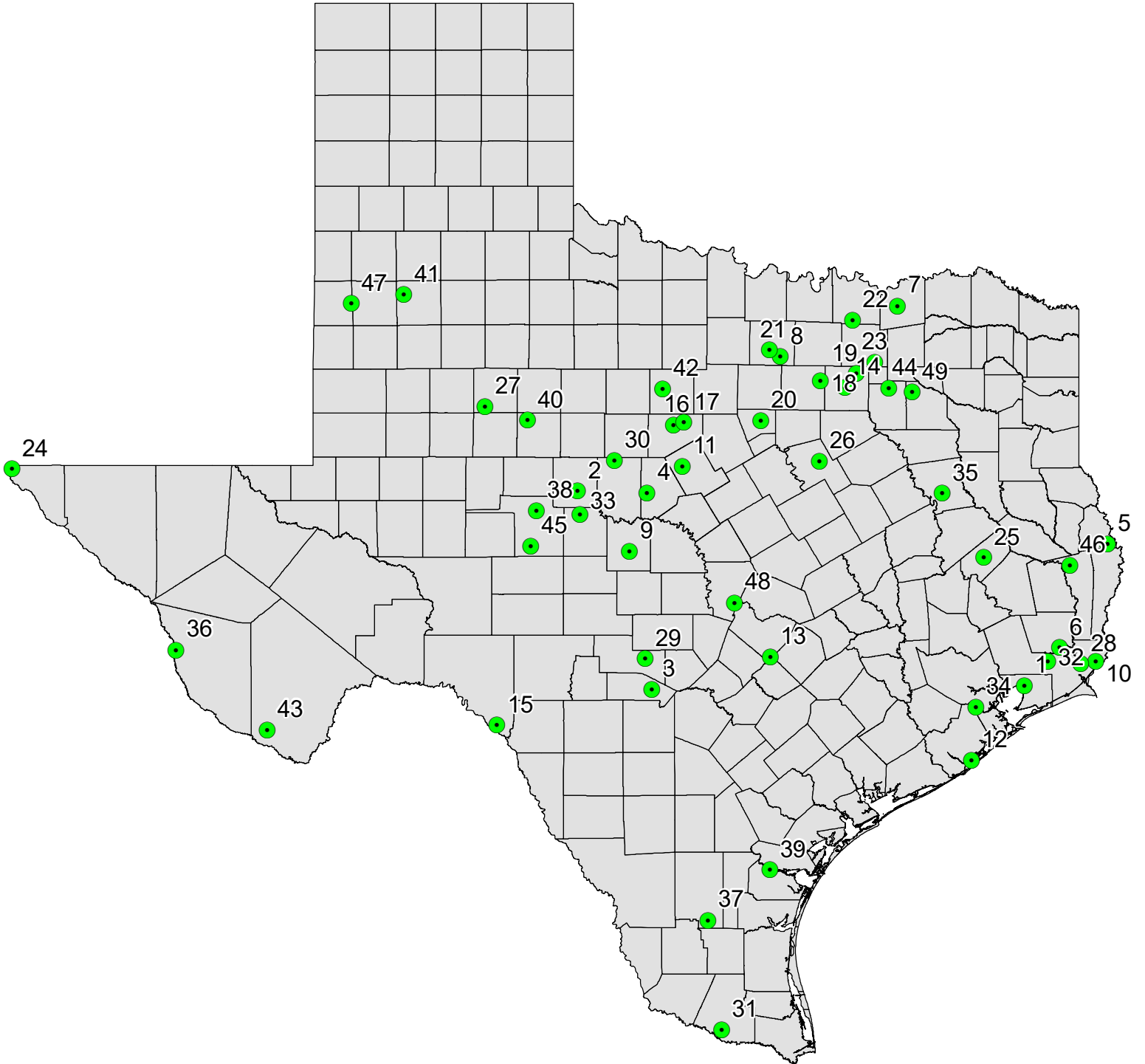
Commitments Closed										
Map ID	Entity	Commitment #	Loan Amount	Principal Forgiven	Total Closed	First Principal Payment	Last Principal Payment	Interest Rate	IUP Year	Small Community
1	Anahuac	LF1000963		\$ 325,000	\$ 325,000				2018	YES
2	Ballinger	L1000591	1,035,000	-	1,035,000	6/1/2021	6/1/2030	1.52%	2017	YES
2	Ballinger	LF1000665		2,358,435	2,358,435				2017	YES
3	Bandera	L1000785	3,000,000	-	3,000,000	2/1/2021	2/1/2048	2.14%	2018	YES
4	Bangs	L1000798	1,760,000	-	1,760,000	2/15/2020	2/15/2049	2.32%	2018	YES
5	Beechwood WSC	LF1000870		223,510	223,510				2018	YES
6	Bevil Oaks	LF1000874		500,000	500,000				2018	YES
7	Bonham	L1000886	9,830,000	-	9,830,000	2/15/2020	2/15/2049	1.60%	2018	
8	Boyd	LM18740	720,000	-	720,000	9/1/2019	9/1/2048	2.07%	2018	YES
9	Brady	L1000917	10,830,000	-	10,830,000	9/1/2021	9/1/2050	0.00%	2019	YES
9	Brady	LF1000918		4,700,000	4,700,000				2019	YES
10	Bridge City	LF1000897		500,000	500,000				2018	YES
11	Comanche County WSC	LF1000932		300,000	300,000				2019	YES
12	Commodore Cove ID	LF1000922		154,000	154,000				2019	YES
13	Creedmoor Maha WSC	LM19876	4,667,500	-	4,667,500	6/1/2019	5/1/2049	2.95%	2018	YES
14	Dallas	LM18066	44,000,000	-	44,000,000	10/1/2020	10/1/2048	0.87%	2017	
15	Del Rio	LM19690	3,000,000	-	3,000,000	6/1/2022	6/1/2038	1.02%	2018	
16	Eastland	L1000697	695,000	-	695,000	2/15/2019	2/15/2038	1.52%	2018	YES
16	Eastland	LF1000706		532,000	532,000				2018	YES
17	Eastland Co WSD	L1000977	805,000	-	805,000	1/1/2021	1/1/2050	0.00%	2019	
17	Eastland Co WSD	LF1000978		2,114,485	2,114,485				2019	
18	Eules	L1000947	9,275,000	-	9,275,000	7/15/2020	7/15/2049	1.16%	2019	
19	Garland	L1000970	6,670,000	-	6,670,000	3/1/2020	3/1/2034	0.45%	2019	
19	Garland	LF1000965		975,037	975,037				2019	
20	Granbury	L1000890	13,810,000	-	13,810,000	8/15/2020	8/15/2048	1.83%	2018	
21	Greater Texoma UA	LF1000799		300,000	300,000				2018	YES
22	Greater Texoma UA	L1000819	3,415,000	-	3,415,000	8/15/2019	8/15/2048	2.30%	2018	YES
23	Greater Texoma UA	L1000880	7,490,000	-	7,490,000	8/15/2020	8/15/2049	2.20%	2018	YES
24	Green Acres Mobile Home Park	LF1000720		216,000	216,000				2018	YES
25	Groveton	L1000911	660,000	-	660,000	8/15/2021	8/15/2040	0.00%	2019	YES
25	Groveton	LF1000953		1,504,161	1,504,161				2019	YES
26	Hillsboro	L1000813	3,130,000	-	3,130,000	7/1/2020	7/1/2039	1.59%	2018	YES
27	Ira WSC	LF1000968		300,000	300,000				2019	YES
28	Jefferson Co WCID # 10	LF1001012		500,000	500,000				2019	YES
29	Kerrville	L1000875	5,000,000	-	5,000,000	8/15/2020	8/15/2049	1.94%	2018	
30	Lawn	L1000582	885,000	-	885,000	3/1/2020	3/1/2049	2.17%	2017	YES
30	Lawn	LF1000643		2,678,239	2,678,239				2017	YES
31	McAllen	L1000746	12,000,000	-	12,000,000	2/1/2021	2/1/2048	1.78%	2018	
32	Nome	LF1000909		485,500	485,500				2018	YES
33	Paint Rock	LF1000951		300,000	300,000				2019	YES

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Commitments Closed										
Map ID	Entity	Commitment #	Loan Amount	Principal Forgiven	Total Closed	First Principal Payment	Last Principal Payment	Interest Rate	IUP Year	Small Community
34	Pearland	LM19100563	21,000,000	-	21,000,000	9/1/2020	9/1/2049	0.65%	2016	
35	Pleasant Springs WSC	L1000810	150,000	-	150,000	8/1/2020	8/1/2049	3.16%	2018	YES
35	Pleasant Springs WSC	LF1000811		300,000	300,000				2018	YES
36	Presidio County	LF1000950		300,000	300,000				2019	YES
37	Ramirez Common School District	LF1000803		800,000	800,000				2018	YES
38	Red Creek MUD	L1000902	1,355,000	-	1,355,000	9/1/2019	9/1/2038	1.63%	2018	YES
39	River Acres WSC	LF1000736		623,400	623,400				2018	YES
39	River Acres WSC	LM18763	3,620,000	-	3,620,000	7/1/2019	7/1/2048	3.36%	2018	YES
40	Roscoe	L1001001	1,965,000	-	1,965,000	2/15/2021	2/15/2050	1.23%	2019	YES
40	Roscoe	LF1001002		337,950	337,950				2019	YES
41	Shallowater	L1000900	1,100,000	-	1,100,000	2/15/2020	2/15/2049	0.00%	2018	YES
41	Shallowater	LF1000906		500,000	500,000				2018	YES
42	Stephens Regional SUD	L1000894	900,000	-	900,000	8/15/2019	8/15/2043	2.03%	2018	YES
43	Study Butte WSC	LF1000967		300,000	300,000				2019	YES
44	Terrell	LM19881	1,700,000	-	1,700,000	2/15/2020	2/15/2049	2.08%	2018	
45	Tom Green Co FWSD # 2	LF1000941		300,000	300,000				2019	YES
46	Upper Jasper Co WA	L1000990	3,355,000	-	3,355,000	9/1/2020	9/1/2044	1.18%	2019	YES
47	Whiteface	L1000873	450,000	-	450,000	2/15/2020	2/15/2039	1.60%	2018	YES
48	Whitewater Springs WSC	L1000780	200,000	-	200,000	4/1/2019	4/1/2044	3.01%	2018	YES
48	Whitewater Springs WSC	LF1000781		300,000	300,000				2018	YES
49	Wills Point	L1000888	4,500,000	-	4,500,000	2/15/2020	2/15/2044	1.64%	2018	YES
<b>Totals</b>		<b>61</b>	<b>\$ 182,972,500</b>	<b>\$ 22,727,717</b>	<b>\$ 205,700,217</b>					

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Map of Project Locations





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## Descriptions of Closed Projects

<b>Anahuac</b> Water Line Replacement, Ground Storage Tank Replacement, Elevated Tank Rehabilitation, and SCADA Project # 62710			
Commitment Amount	\$325,000	Closing Date	05/10/2019
Commitment Code(s)	LF1000963	Map Location	1
<p>The City of Anahuac (City) has several water system deficiencies/needs that will be addressed by this project. Proposed use of funds includes: replacement of old tuberculated cast iron piping that results in pipeline breaks, leaks, discolored water and low pressure; installation of a new ground storage tank will keep the water plant in operation; rehabilitation of the existing elevated storage tank after inspection located corrosion and deterioration in various structural members and the coating system, and installation of SCADA system communications to improve efficiency and operations. Pending availability of funds other water systems improvements may be included: installing erosion protection along levee perimeter of raw water holding pond; replacement of the existing standby generator located at the water treatment plant; improvements to the piping and electrical controls at the ground storage tank location; installation of altitude control valves at elevated storage tanks with installation of security cameras and perimeter fence improvements. Update 2/4/19: The standby generator was destroyed as a result of Hurricane Harvey. A new application for Disaster Relief Funding was submitted to replace the generator and automatic transfer switch, and to elevate both above the Hurricane Harvey Flood level.</p>			
<b>Ballinger</b> Alternative Water Supply Project # 62720			
Commitment Amount	\$3,393,435	Closing Date	01/30/2019
Commitment Code(s)	L1000591, LF1000665	Map Location	2
<p>The City has identified a need to seek an alternative water supply in times of drought. Current raw water sources for the City, O.H. Ivie Reservoir and Lake Ballinger, have remained very low in the last several years, with storage decreasing to less than 15 percent of capacity. Additionally, the City is under Texas Commission on Environmental Quality enforcement action for exceeding the maximum contaminant level of total trihalomethanes when lake levels are low.</p> <p>The City proposes to increase its available water supply by constructing a new raw water supply line from Lake Fort Phantom Hill to the City's water treatment plant. The City is exploring two alternatives for transporting the new supply: 1) a raw water supply line from Lake Fort Phantom Hill to the City, or 2) a pipeline to be used conjointly with the City of Abilene. Additionally, the City is proposing to upgrade an existing waterline from O.H. Ivie Reservoir and construct a 10-million-gallon earthen storage reservoir at the water treatment plant to serve as an auxiliary supply.</p>			

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<b>Bandera</b>			
Water System Improvements			
Project # 62793			
Commitment Amount	\$3,000,000	Closing Date	09/11/2018
Commitment Code(s)	L1000785	Map Location	3
<p>The City of Bandera (City) is under an enforcement order from the Texas Commission on Environmental Quality (TCEQ) to upgrade its current storage and pumping capacity to meet minimum regulatory requirements.</p> <p>The City proposes to replace one ground storage tank and one elevated storage tank (EST), install additional high service pumps to increase pumping capacity, replace pressure relief valves, and implement Supervisory Control and Data Acquisition improvements. The City proposes to acquire property for its proposed new EST.</p>			
<b>Bangs</b>			
Water System Improvements			
Project # 62796			
Commitment Amount	\$1,760,000	Closing Date	11/09/2018
Commitment Code(s)	L1000798	Map Location	4
<p>Need: The City of Bangs (City) has identified issues managing disinfection residuals and nitrification within its distribution system.</p> <p>Description: The City proposes to plan, design, and construct disinfection facilities at the City's pump station, modify its elevated storage tank to promote better mixing within the tank, replace existing waterlines and upsize the supply line from the pump station to the elevated storage tank, and install a SCADA system.</p>			
<b>Beechwood WSC</b>			
Urgent Need Water System Project			
Project # 62801			
Commitment Amount	\$223,510	Closing Date	03/20/2019
Commitment Code(s)	LF1000870	Map Location	5
<p>Need: The Beechwood Water Supply Corporation (Corporation) received approximately 30 inches of rain during Hurricane Harvey, and erosion of a nearby waterway exposed the existing water line and washed out several meters. Additionally, the excessive rainfall undercut a ground storage tank, causing damage to the foundation. The foundation must be repaired, and tank returned to service to meet Texas Commission on Environmental Quality (TCEQ) storage capacity requirements.</p> <p>Description: The Corporation proposes to relocate approximately 500 feet of existing waterline at the end of Ridgecrest Drive, relocate existing water meters, and provide new service lines and connections for approximately ten residences. Additionally, the Corporation plans to repair the foundation of one of the 33,000-gallon bolted ground storage tanks. All proposed work is directly related to recovering from Hurricane Harvey.</p>			

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<b>Bevil Oaks</b>			
Urgent Need Water Treatment Plant Restoration Project			
Project # 62806			
Commitment Amount	\$500,000	Closing Date	12/20/2018
Commitment Code(s)	LF1000874	Map Location	6
<p>Most of the critical electrical, control, and standby power generation equipment at the City's water treatment plant was destroyed during the Hurricane Harvey flooding event. While the existing equipment was dried out and is still in use, it is expected the equipment's useful life has diminished.</p> <p>The proposed project will replace damaged electrical controls, switchgear, and a standby generator that was inundated with approximately eight feet of flood waters during Hurricane Harvey. The project will provide for the installation of a new control building mounted on an elevated steel structure above the 8-foot flood level. A second, separate elevated structure will be constructed just west of the existing plant to elevate the control panel for the existing remote well. These controls were also inundated with flood waters.</p>			
<b>Bonham</b>			
City of Bonham Water System Improvements			
Project # 62809			
Commitment Amount	\$9,830,000	Closing Date	04/11/2019
Commitment Code(s)	L1000886	Map Location	7
<p>Project Description: The City of Bonham operates an aging water distribution system. The City has experienced line brakes and water loss due to the deteriorating water lines.</p> <p>Project Description: The City intends to utilize DWSRF funds for Planning, Design, and Construction of approximately 66,350 linear feet of 6-inch to 24-inch replacement water lines.</p>			
<b>Boyd</b>			
2017 Phase I Water System Improvements			
Project # 62772			
Commitment Amount	\$720,000	Closing Date	09/07/2018
Commitment Code(s)	LM18740	Map Location	8
<p>Project Need: The City of Boyd's (City) water system is experiencing substandard water pressure during high demand periods, ineffective pumping, and the system is reaching insufficient water supply and storage. The system is also experiencing contaminant levels that exceed permitted by TCEQ.</p> <p>Project Description: Creation of an asset management plan, water conservation plan, drought contingency plan, including improvements to the water supply, treatment, pumping, storage facilities and the distribution system.</p>			

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<b>Brady</b>			
Water System Improvements			
Project # 10447			
Commitment Amount	\$10,830,000	Closing Date	03/21/2019
Commitment Code(s)	L1000917	Map Location	9
<p>Need: The City of Brady (City) received an Administrative Order from the United States Environmental Protection Agency for non-compliance with the Maximum Contaminant Level (MCL) for radionuclides in its groundwater supply, specifically combined radium (radium-226 and -228) and gross alpha particles. In addition, the City's surface water treatment plant is currently unable to treat surface water effectively to meet state and federal MCLs for disinfection by-products, leading to the City receiving violations from the Texas Commission on Environmental Quality for total trihalomethanes.</p> <p>Project Description: The City has completed planning and design phases of the project. Funds are now needed for the construction of water system improvements to bring the City's drinking water into compliance with state and federal standards. Improvements include a new radionuclide reduction treatment plant, water transmission lines, elevated and ground storage facilities, and pre-treatment improvements at the surface water treatment plant. The proposed project will also include the development of an asset management plan for the City's water system.</p>			
<b>Brady</b>			
Water System Improvements			
Project # 10447			
Commitment Amount	\$4,700,000	Closing Date	04/03/2019
Commitment Code(s)	G1000916, LF1000918	Map Location	9
Project Need and Description same as above. Separated due to two separate closings.			
<b>Bridge City</b>			
Flushing Valve Unit Replacement			
Project # 62815			
Commitment Amount	\$500,000	Closing Date	02/15/2019
Commitment Code(s)	LF1000897	Map Location	10
<p>Project Need: The City of Bridge City (City) is seeking financial assistance to remove and replace damaged flushing valve units. The damaged units do not allow the system to be flushed adequately, resulting in buildup of Trihalomethanes (THMs).</p> <p>Project Description: The City is seeking financial assistance to replace flush valves that were submerged in floodwaters during Hurricane Harvey. The flush valves are not designed to be submerged and the floodwater damaged the bearings, making them inoperable.</p>			

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Comanche County WSC			
Pump Station Improvements (VSS)			
Project # 62837			
Commitment Amount	\$300,000	Closing Date	04/29/2019
Commitment Code(s)	LF1000932	Map Location	11
<p>Project Need: The City is in TCEQ violation for inadequate ground storage capacity, pumping capacity, and water supply at the Sipe Springs pump station.</p> <p>Project Description: Replace existing inline pump station located on State Highway 36 with a new 40,000-gallon ground storage tank, new pumps and disinfection system. Approximately 40 meters will be taken off the Sipe Springs system. Removing these meters will bring the system back into compliance with TCEQ for minimum water supply.</p>			
Commodore Cove ID			
Ceramic Ultra-Filtration Treatment			
Project # 62718			
Commitment Amount	\$154,000	Closing Date	04/29/2019
Commitment Code(s)	LF1000922	Map Location	12
<p>Need: The Commodore Cove Improvement District (District) has experienced ongoing issues related to maintaining compliance with Texas Commission on Environmental Quality (TCEQ) drinking water standards and have received violations for elevated levels of Total Trihalomethanes (TTHM). Installation of a Ceramic Ultra Filtration Filter (formerly known as Reserve Osmosis) to meet TCEQ requirements on TTHM's.</p> <p>Project Description: The District is requesting financial assistance for the purchase and construction of a ceramic ultra-filtration (CUF) treatment system in order to meet the maximum contaminant levels for TTHM's required by the TCEQ's drinking water standards. A portion of the currently supplied groundwater will be treated with the CUF system and the permeate will be blended back in with the chlorinated groundwater prior to distribution. The system includes a CUF treatment package unit, pre-treatment equipment, storage tank, booster pumps, and all necessary piping, valves, and appurtenances. Previous financial assistance provided funds to purchase the CUF treatment unit, however additional funds are needed for the purchase and installation of remaining treatment system components.</p>			
Creedmoor Maha WSC			
Water Loss Reduction Project			
Project # 62805			
Commitment Amount	\$4,667,500	Closing Date	05/10/2019
Commitment Code(s)	LM19876	Map Location	13
<p>Project Need: The Creedmoor-Maha Water Supply Corporation (Corporation) is located approximately 5 miles south of Austin serving an estimated population of 7,500. The Corporation's service area population is expected to grow by 30 percent over the next 20 years. The Corporation needs to upgrade aging, undersized water lines and mains, to reduce water loss and provide for the anticipated increase in demand. The Corporation will also transition away from the City of Austin as a source of water supply. The Corporation does not anticipate a renewal of its existing contract, which is set to expire in 2026. The Corporation currently relies on water supply from the City of Austin, Aqua Water Supply Corporation and groundwater wells.</p>			

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Project Description: The Corporation proposes to construct a 12-inch water main from its connection point with Aqua Texas to an elevated storage tank site, a new booster pump station, replace approximately 12 miles of water main with new 8 and 12-inch water lines, and develop an asset management plan.

**Dallas**  
Water Distribution System Improvements (5 Year)  
Project # 62741

Commitment Amount	\$44,000,000	Closing Date	05/13/2019
Commitment Code(s)	LM18066	Map Location	14

Dallas Water Utilities' small diameter water main replacement program provides for the rehabilitation or replacement of approximately 40 miles of small diameter water main every year. The purpose of the program is to maintain integrity of the water distribution system, thereby reducing main breaks, maintenance costs, water losses and impacts to the public.

The City of Dallas will utilize DWSRF funds to construct multiple segments of small diameter water main (less than 20-inch) replacements totaling nearly 40 miles/year.

**Del Rio**  
Water Main Replacement  
Project # 61580

Commitment Amount	\$3,000,000	Closing Date	05/24/2019
Commitment Code(s)	LM19690	Map Location	15

Need: The City of Del Rio has pressure problems within old sections of their water distribution system that requires frequent maintenance. The City has identified pipe replacement in an area that will result in improvements to pressure, water quality, and a reduction on O&M expense.

Project Description: Proposed construction includes the replacement of approximately 97,863 LF of deteriorated or undersized located within various portions of the City. The new lines will replace existing lines in the same locations or will be located within the same road rights-of-way.

**Eastland**  
2018 Water System Improvements  
Project # 62769

Commitment Amount	\$1,227,000	Closing Date	09/05/2018
Commitment Code(s)	L1000697, LF1000706	Map Location	16

Project Need: The City of Eastland (City) needs to replace deteriorated water distribution system components that have reached the end of their useful life to address water quality and loss issues.

Project Need: The City is proposing to replace approximately 8,900 linear feet of 12-inch water line, valves, connections, appurtenances, and pressure reducing valves to address water loss and deteriorated pipe conditions that affect water quality.

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<b>Eastland Co WSD</b>			
ECWSD 2019 Water System Improvements			
Project # 62830			
Commitment Amount	\$2,919,485	Closing Date	08/22/2019
Commitment Code(s)	L1000977, LF1000978	Map Location	17
<p>Project Need: The Eastland County Water Supply District (District) is in violation of TCEQ maximum contaminant levels for disinfection by-products and minimum capacity for high service pump capacity.</p> <p>Project Description: Proposed project includes improvements to high service pumps and clearwell, improvements to chlorine dioxide system, and new disinfection by-product removal system.</p>			
<b>Eules</b>			
Groundwater Well Site Improvements			
Project # 62824			
Commitment Amount	\$9,275,000	Closing Date	04/25/2019
Commitment Code(s)	L1000947	Map Location	18
<p>Project Need: The City of Eules operates two aging groundwater wells have developed perforations in the casings due to corrosion. This has resulted in poor water quality do to infiltrate into the wells from overlying formations. As the groundwater quality continues to degrade, it has become more difficult to meet the secondary MCL for TDS.</p> <p>Project Description: The City of Eules intends to utilize DWSRF funds for Construction of two replacement wells at the current well sites. The project will include plugging and abandoning the two existing wells, drilling two new wells, adding updated disinfection equipment, constructing a new pump station, and a new electrical building, and improvements to the well sites.</p>			
<b>Garland</b>			
Radio Read Water Meter Retrofit			
Project # 62842			
Commitment Amount	\$7,645,037	Closing Date	08/02/2019
Commitment Code(s)	L1000970, LF1000965	Map Location	19
<p>Project Need: The City's existing radio read meter system no longer operates efficiently. Replacing old meters and ITRON 60W end points with new water meters with ITRON 100W end points. In future periods, the City will use this information to assess the condition of the assets and prioritize their replacement.</p> <p>Project Description: To ensure proper metering while conserving energy and providing timely data needed for system operations and billing, the City plans to replace its existing meters and transmission end points</p>			

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<b>Granbury</b>			
2018 DWSRF WTP Phase II Expansion			
Project # 62814			
Commitment Amount	\$13,810,000	Closing Date	12/18/2018
Commitment Code(s)	L1000890	Map Location	20
<p>The City of Granbury (City) is proposing to expand its 2.5 million gallon per day (MGD) brackish desalination water treatment plant (WTP) to phase II to maintain compliance with the TCEQ's 85% capacity requirement. The proposed project would increase WTP capacity from 2.5 MGD 5.0 MGD. Improvements would expand raw water pump station, flocculation and sedimentation basins, microfiltration (MF) and reverse osmosis (RO) systems, and high service pump station, as well as construct new one million-gallon (MG) clearwell storage tank at the existing WTP site.</p>			
<b>Greater Texoma UA</b>			
GTUA/City of Paradise Water System Improvements Project			
Project # 62791			
Commitment Amount	\$300,000	Closing Date	09/26/2018
Commitment Code(s)	LF1000799	Map Location	21
<p>Project Need: The City of Paradise purchases water from a regional water supplier and the water supplied exceeds TCEQ Maximum Contaminant Level's (MCL) for Trihalomethanes and Halo acetic Acids. The City has been fined by TCEQ for exceeding MCL.</p> <p>Project Description: The City of Paradise proposes to extend water lines necessary to connect existing homes and businesses, and complete an existing project involving piping changes, including installation of new appurtenances to reduce short- circuiting, and provide aeration of the water supplied to the Elevated Tank followed by a new chlorination system.</p>			
<b>Greater Texoma UA</b>			
GTUA/Gunter Water System Improvements Project			
Project # 62797			
Commitment Amount	\$3,415,000	Closing Date	01/30/2019
Commitment Code(s)	L1000819	Map Location	22
<p>Project Need: The City of Gunter would violate TCEQ Water Supply Standards if the largest well is out of service.</p> <p>Project Description: The City of Gunter (City) proposes a well, ground storage tank, disinfection facilities at a new pump station site. The City project also includes new water mains, SCADA and appurtenances to insure a stable water supply that meets TCEQ standards.</p>			



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<b>Greater Texoma UA</b>			
Greater Texoma Utility Authority/Bear Creek SUD 2019 Water System Improvements Project			
Project # 62810			
Commitment Amount	\$7,490,000	Closing Date	01/30/2019
Commitment Code(s)	L1000880	Map Location	23
<p>Project Need: The Bear Creek Special Utility District's (District) water system lacks adequate pumping and storage and requires an interconnection and additional ground storage capacity between its two pressure zones to ensure proper water supply in the event of an outage. The water system currently has pumps for its pressure zones 1 and 2 on top of a 500,000-gallon concrete storage tank. The pump stations at this delivery point account for approximately 60 percent of customer's water and is the only delivery for both pressure zones in this area. The location of the pumps also has created maintenance issues and safety hazards.</p> <p>Project Description: The proposed project includes the construction of a new pump station and a 2.0-million-gallon ground storage tank, yard piping, valving, and associated water lines, to address storage capacity requirements and emergency interconnection between pressure zones 1 and 2.</p>			
<b>Green Acres Mobile Home Park</b>			
Green Acres Arsenic removal			
Project # 62778			
Commitment Amount	\$216,000	Closing Date	09/20/2018
Commitment Code(s)	LF1000720	Map Location	24
<p>Need: Green Acres Mobile Home Park (MHP)'s water system received numerous violations from Texas Commission on Environmental Quality (TCEQ) for exceeding the maximum contaminant level (MCL) of arsenic. The MHP has been above the MCL for five years, and its small water system waiver has expired; therefore, the MHP is in violation of its Agreed Order with TCEQ.</p> <p>Description: The MHP proposes to plan, design, and construct an arsenic removal system to attain compliance with TCEQ's MCL for arsenic and complete an asset management plan. The MHP also proposes to update its water meters and flush valve and to evaluate its projected water use.</p>			
<b>Groveton</b>			
Proposed Water Well			
Project # 62826			
Commitment Amount	\$2,164,161	Closing Date	06/25/2019
Commitment Code(s)	L1000911, LF1000953	Map Location	25
<p>Project Need: The City of Groveton (City) existing surface water supplies are not fully reliable under drought conditions due to infrastructure limitations.</p> <p>Project Description: The City is requesting funds to construct a new water well and transmission main to supplement the current Trinity River Authority (TRA) water supply. The City water supply currently consists of 150 gallons per minute (gpm) from the TRA under a wholesale water supply agreement. The project will serve to alleviate supply capacity deficiencies. The project includes constructing a new water well to supply 150-250 gpm, along with associated pumping, treatment, and transmission facilities to connect the new well to the City water system.</p>			

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**Hillsboro**  
City of Hillsboro Water System Improvements  
Project # 62799

Commitment Amount	\$3,130,000	Closing Date	01/15/2019
Commitment Code(s)	L1000813	Map Location	26

The City of Hillsboro (City) needs to make water system improvements to maintain its long-term water supply and improve system performance. The northern and downtown areas of the City have inadequate water service for low pressure and available supply.

The proposed project will construct a composite elevated storage tank and modify an existing elevated storage tank and ground storage tank, construct a new pump station and modify an existing pump station. The project also includes site piping with valve modifications, new system controls, and new 12-inch water main to connect to existing distribution system. Project includes land acquisition for elevated storage tank site.

**Ira WSC**  
Water Distribution Improvements  
Project # 62845

Commitment Amount	\$300,000	Closing Date	08/07/2019
Commitment Code(s)	LF1000968	Map Location	27

Need: The Ira Water Supply Corporation currently has undersized (1.5") water lines per TCEQ rules within its system. Additionally, some water lines were installed over 50 years ago and are prone to water loss of greater than 30%.

Description: The Ira Water Supply Corporation proposes to replace portions of the existing water distribution lines west of Ira, Tx with PVC water lines.

**Jefferson Co WCID # 10**  
Jefferson County WCID #10 - Water Treatment Plant Control/Lab Building Replacement Project  
Project # 62851

Commitment Amount	\$500,000	Closing Date	08/02/2019
Commitment Code(s)	LF1001012	Map Location	28

Project Need: Jefferson County Water Control & Improvement District No.10's (District) Water Treatment Plant Control and Lab Building needs replacement due to flooding from Hurricane Harvey.

Project Description: The District intends to build a new Control and Lab Building at the Surface Water Treatment Plant site. The new building will be built at a higher elevation to mitigate potential future flood damage.

**Kerrville**  
Kerrville WTP THM Control Facility  
Project # 62804

Commitment Amount	\$5,000,000	Closing Date	12/20/2018
Commitment Code(s)	L1000875	Map Location	29

The City of Kerrville has high concentrations of trihalomethanes at its surface water treatment plant and at various locations in the distribution system. Recorded concentration levels in the distribution system are greater

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than the established maximum contaminant level (MCL) of 0.080 micrograms per liter, caused by high concentrations of total organic carbon, a precursor to formation of the trihalomethanes in the raw and finished surface water.

The City will construct activated granular carbon contactors and add chlorination as a pretreatment at the water treatment plant to remove total organic carbon. These improvements will allow the City to reliably meet the allowed trihalomethane MCLs.

**Lawn**

New Water Source

Project # 62568

Commitment Amount	\$3,563,239	Closing Date	09/07/2018
Commitment Code(s)	L1000582, LF1000643	Map Location	30

**Project Need:** The City has experienced multiple deficiencies at its 40-year old water treatment plant (WTP) on Lake Coleman, which has resulted in the City being cited by the Texas Commission on Environmental Quality (TCEQ) with numerous compliance issues. The City's water supply contract with the City of Coleman is currently on a month-to-month basis and the City needs to secure a long-term water supply. The City is also experiencing significant water loss within its transmission and distribution lines as well as aged water meters.

**Project Description:** The proposed regional project constructs a shared pump station and approximately 39 miles of transmission lines serving the cities of Lawn, Buffalo Gap, and Tuscola/Taylor County WCID #1 from the Abilene Hergesheimer Water Treatment Plant (WTP) in order to secure a long-term reliable treated water source. The cities of Lawn, Buffalo Gap, and the District will share the cost and maintenance of the Abilene Pump Station, standpipe and transmission line. The city's aged Lake Coleman WTP will be decommissioned and abandoned once the new water supply is available. The improvements to the City's water distribution system include replacing an existing standpipe and rehabilitating another standpipe to improve system water pressure. The replacement of deteriorated water lines and aged water meters with new lines and a new automated meter read (AMR) system will address real and apparent water losses. The City also plans to replace the line to the Hudson pump station and to construct an emergency interconnect with Eula Water Supply Corporation in order to provide for an alternate water supply during an emergency.

**McAllen**

Southwest and Northwest Water Treatment Plants, Transmission, and Raw Water Conveyance Improvements

Project # 62790

Commitment Amount	\$12,000,000	Closing Date	11/06/2018
Commitment Code(s)	L1000746	Map Location	31

**Need:** The City of McAllen (City) needs to expand the capacity at its South Water Treatment Plant (WTP) to keep up with water supply demands. In addition, the Supervisory Control and Data Acquisition (SCADA) system at both the North WTP and the South WTP need to be upgraded or replaced.

**Project Description:** The project will expand the capacity of the South WTP from 8 million-gallon-per-day (MGD) to 12 MGD. The project also includes improvements to SCADA and filter control systems at both the South and North WTPs; and construction of a 24-inch to 30-inch raw water supply line and an 18-inch transmission main.

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<b>Nome</b>			
City of Nome - 2018 DWSRF Water System Urgent Need Project			
Project # 62820			
Commitment Amount	\$485,500	Closing Date	05/17/2019
Commitment Code(s)	LF1000909	Map Location	32
<p>Project Need: The City of Nome's (City) surface water treatment plant (SWTP) was inundated with five to six feet of flood water during Hurricane Harvey. The floodwater caused damage to most of the facilities within the SWTP. The City is requesting funding to repair damage to the SWTP caused by Hurricane Harvey. The project includes clearing/removing debris; filling/stabilizing soil cavities; replacing fence, blowers, turbidimeters, sump pumps; repairing berms and restoring the site, walkway and parking areas. The lab and operations building will also be restored.</p>			
<b>Paint Rock</b>			
Distribution Line Improvements			
Project # 62834			
Commitment Amount	\$300,000	Closing Date	05/29/2019
Commitment Code(s)	LF1000951	Map Location	33
<p>Project Need: The City of Paint Rock's (City) water distribution system primarily consists of aging asbestos concrete pipe that is a frequent source of leaks and necessary repairs. In addition, the valves and fire hydrants within the system are inoperable and are in need of replacement.</p> <p>Project Description: The City proposes to replace approximately 2,800 feet of 6-inch asbestos concrete water line with new polyvinyl chloride lines, replace fire hydrants and isolation valves, and install flush valves.</p>			
<b>Pearland</b>			
10 MGD Surface Water Treatment Plant			
Project # 62712			
Commitment Amount	\$21,000,000	Closing Date	08/06/2019
Commitment Code(s)	LM19100563	Map Location	34
<p>NEED: Due to continued and sustained growth in residential, commercial and industrial sectors within the City of Pearland (City), the City requires additional potable water to meet the growing demand. The City currently receives potable water from the City of Houston's Southeast Water Purification Plant (SEWPP) and from ground water wells. As there is no additional source water available from the SEWPP, the new Plant will be beneficial in efforts to implement a diversification of source water.</p> <p>DESCRIPTION: TWDB funds will be used for Planning, Acquisition, Design and Construction with pilot testing, of a 10 MGD Surface Water Treatment Plant (Plant) including 36" diameter transmission lines to various points and the replacement of existing aging customer water meters. The Plant will treat raw water from the GCWA canal for distribution throughout the City's water system. The Plant will be located on City property on CR48 adjacent to the GCWA canal. The project activities are scheduled over a five-year period with new potable water capacity available by 2022. The City currently has agreements in place with Gulf Coast Water Authority (GCWA) to access 10 MGD of raw water from the American Canal</p>			

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<b>Pleasant Springs WSC</b>			
Water Plant #2			
Project # 21737			
Commitment Amount	\$450,000	Closing Date	02/25/2019
Commitment Code(s)	L1000810, LF1000811	Map Location	35
<p>Pleasant Springs Water Supply Corporation (Corporation) needs to develop an additional water supply and storage capacity. With Commitment L1000221, the Corporation was able to fund Contract 1, a new water well, and Contract 3, a new elevated storage tank. The bids for Contracts 2 and 3 came in over budget and thus additional funding was needed. Commitment DWSRF L1000810 is needed to fund Contract 2, plant improvements, which are needed to make the new water plant operational.</p> <p>The Corporation proposed to construct a new 300 gallon per minute water well, 100,000-gallon elevated storage tank and other improvements needed to make Water Plant No. 2 operational. The project will supply water and storage capacity addressing the Corporations long-term needs.</p>			
<b>Presidio County</b>			
Candelaria Water Supply Corporation - Arsenic Removal Project			
Project # 62838			
Commitment Amount	\$300,000	Closing Date	07/26/2019
Commitment Code(s)	LF1000950	Map Location	36
<p>Need: The Candelaria Water Supply Corporation (Corporation) is experiencing water quality issues in its drinking water system. The Corporation has been issued an administrative order by the EPA for exceeding the maximum contaminant level (MCL) of 0.01 mg/L for arsenic. Additionally, the distribution system has recorded disinfection residual levels below the Texas Commission on Environmental Quality minimum levels of 0.2 mg/L of free chlorine or 0.5 mg/L of chloramines.</p> <p>Description: Presidio County proposes to evaluate its two wells separately to review arsenic levels. Absent any blending options, the proposed project will evaluate, pilot and construct an arsenic removal treatment to meet primary drinking water standards. An asset management plan will also be completed to allow for improved system management.</p>			
<b>Ramirez Common School District</b>			
Urgent Need Water System			
Project # 62786			
Commitment Amount	\$800,000	Closing Date	09/21/2018
Commitment Code(s)	LF1000803	Map Location	37
<p>Need: The Ramirez Common School District (District) is a public, one-school district that currently obtains its water from a well located across the street from the District, on the property of a local church. The water well does not meet public water supply standards. Water from the well has been found to have levels of Arsenic above the maximum contaminant level (MCL) and has also tested positive for coliforms, including E. coli.</p> <p>Project Description: The District proposes to drill a new water well on school property and construct additional improvements including new absorption media filters, disinfection system, booster pumps, hydro-pneumatic tank, pump house, emergency back-up generator, ground storage tank and a distribution line from the new well system to the school.</p>			

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<b>Red Creek MUD</b>			
Water System Improvements			
Project # 62800			
Commitment Amount	\$1,355,000	Closing Date	03/26/2019
Commitment Code(s)	L1000902	Map Location	38
<p>Need: The Red Creek Municipal Utility District (District) has experienced pressure issues within the last five (5) years due to increased water demand and hydraulic constraints associated with an existing 4-inch waterline distribution pipe. The original developer constructed the subdivision with large acre tracts and over time the tracts have been divided, increasing water demand. Additionally, the District's Bristow Water Plant, which supplies pressure to the northern portion of the District, has been susceptible to lightning strikes over the years causing loss of power. Distribution pressure becomes critically low when the plant loses power, therefore, the District proposed to install a back-up generator and auto-transfer switch to prevent pressure lost to customers in the northern portion of the District.</p> <p>Description: The District proposes to replace approximately 29,000 linear feet of 4-inch waterline with 6-inch PVC waterline and add a diesel generator to their Bristow Water Plant. The project includes refinancing \$371,000 remaining from a 1996 United States Department of Agriculture - Farmers Home Administration (USDA-FmHA) water project.</p>			
<b>River Acres WSC</b>			
Water Distribution System Improvements			
Project # 62773			
Commitment Amount	\$4,243,400	Closing Date	09/20/2018
Commitment Code(s)	LF1000736, LM18763	Map Location	39
<p>Need: River Acres Water Supply Corporation's water lines are in an advanced state of deterioration, resulting in substantial water losses and are in need of replacement.</p> <p>The project entails replacing old lines, valves, service lines, water meters, and hydrants and installing new polyvinyl chloride (PVC) water lines, gate valves, hydrants, service connections, and automated meter (AMR) systems that includes reconciliation hardware and software.</p>			
<b>Roscoe</b>			
Roscoe 2018 Water Line Improvements			
Project # 62832			
Commitment Amount	\$2,302,950	Closing Date	08/13/2019
Commitment Code(s)	L1001001, LF1001002	Map Location	40
<p>Project Need: The City of Roscoe has recorded TCEQ violations pertaining to the Lead and Copper Rule. Water samples at the entry points verify that the water is corrosive at times and has caused metallic pipe materials to leach from the pipes and into the water. The City is experiencing high water loss from deteriorating water distribution lines and is not in compliance with TCEQ standards for minimum water pipeline sizes with maximum number of service connections required to ensure proper system pressures and flow capacities.</p> <p>Project Description: The City of Roscoe is proposing to replace aging and undersized metal water lines with up-sized PVC pipelines to ensure all TCEQ regulations are met and to greatly diminish the risk of pipeline leaks and breaks along with giving the system a more reliable and effective distribution capability. Completion of this project will also include the development of an asset management plan for the City's water system.</p>			

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<b>Shallowater</b>			
Water & Wastewater Improvements			
Project # 21709			
Commitment Amount	\$1,600,000	Closing Date	01/17/2019
Commitment Code(s)	L1000900, LF1000906	Map Location	41
<p>Need: The City of Shallowater’s groundwater source contains levels of uranium, radium, and fluoride which exceed the allowable maximum contaminant levels for safe drinking water. The City proposes to install a GE Electrodialysis Reverse Osmosis (EDR) System and ground water storage tanks to treat their drinking water. The City’s wastewater system also requires upgrades to improve the wastewater treatment plant (WWTP) treatment process and safety.</p> <p>Project Description: The City of Shallowater proposes to construct improvements to their existing water treatment plant, which include the installation of an EDR System and the construction of new pump station and groundwater storage tanks. Proposed wastewater improvements will address rehabilitation of the main lift station and the entry manhole to the WWTP. The WWTP improvements include renovation of the sludge removal system for the Imhoff tanks and sludge drying beds, as well as safety and electrical upgrades.</p>			
<b>Stephens Regional SUD</b>			
Stephens Regional SUD Treatment Improvements			
Project # 62816			
Commitment Amount	\$900,000	Closing Date	01/15/2019
Commitment Code(s)	L1000894	Map Location	42
<p>Project Need: The Stephens Regional Special Utility District (District) Water Treatment Plant (WTP) has experienced difficulty in the past evaporating the amount of reverse osmosis (RO) concentrate produced even when operating the facility well below the design capacity as a result of original design flaws of the evaporation ponds. One of the ponds experienced a dam breach in 2016 resulting in an unauthorized wastewater discharge from the WTP. Since 2016 the District has had a moratorium in place for additional water system customer connections until a solution to these issues could be implemented. The WTP needs capacity improvements for the handling and disposal of RO concentrate in order to operate the plant efficiently meeting customer water demands while avoiding future system failures. In addition, the District's most recent water loss audit shows it is above its water loss threshold for apparent loss from meters of which statute and rules require mitigation.</p> <p>Project Description: At this time, the District proposes to perform planning, design, and construction activities for the recommended floating evaporators to be installed in their existing evaporation ponds within the RO concentrate disposal system at their WTP. The project also includes construction of an evaporator control building, electrical service, and necessary permitting activities. The District also proposes to perform a water loss study to assist them in identifying meters within the distribution system that need to be replaced as well as to recommend locations for master meters to help identify areas of high-water loss in the distribution system.</p>			



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**Study Butte WSC**  
Water System Improvements  
Project # 62844

Commitment Amount	\$300,000	Closing Date	06/17/2019
Commitment Code(s)	LF1000967	Map Location	43

The water system is in an isolated area with limited personnel. Existing manual-read meters are over 15 years old and have no means of monitoring and logging flow and usage. Radio-read meters would allow them to better identify and reduce water loss, which is over 50% of their input volume according to their water loss audit. In addition, the Corporation has several areas of water line that are in need of replacement as they are aging and prone to breaks and leaks.

The project consists of installing 250 radio-read meters, installing up to 10 system check valves, and replacement of approximately 4,500 ft of 4-in and 8-in water lines as funds allow after meter replacement.

**Terrell**  
City of Terrell Drinking Water Improvements  
Project # 62808

Commitment Amount	\$1,700,000	Closing Date	06/11/2019
Commitment Code(s)	LM19881	Map Location	44

**Project Need:** The City of Terrell (City) is requesting funds to make improvements to its aging storage tank and to replace water pipe lines that will need to be relocated due to new road construction.

**Project Description:** The City's proposed project will consist of the construction of a new 1.5 million-gallon storage tank and associated piping, water line replacement and utility relocations.

**Tom Green Co FWSD # 2**  
Water System Improvements  
Project # 62817

Commitment Amount	\$300,000	Closing Date	06/21/2019
Commitment Code(s)	LF1000941	Map Location	45

The District has several major problems that affect the ability to meet TCEQ rules, accurately measure customer usage and improve pressure within the system. The following discussion will outline those problems.1. TCEQ Rules Violation- The District has been discharging backwash water from the WTP into a street ditch without a discharge permit. Violation Track #563421, concerning the unauthorized discharge of backwash wastewater TWC 26.121 and 290.42(d)(3)(A). This item has been referred to the Attorney General on 05/24/2017; the wastewater was still discharged from the backwash wastewater-holding tank. Also, the turbidimeters discharged wastewater to the northwest corner of the property, where the fluids were growing cattails. The District was also directed to have a storage area for chemicals out of the WTP.2. Customer meter problems- The District's meters have not been measuring usage accurately, nor are they sized properly for the needs of their customers. This has resulted in meters not registering usage, under reporting usage and in some cases over reporting usage. There is also evidence that meters have been tampered with by customers allowing for a bypass of the meter altogether.3. Need for line replacement- The District needs to upgrade line sizes to assure pressure maintenance, reduce water loss from undersized lines and provide fire protection.

As part of the proposed DWSRF project, the District proposes to construct:1. An irrigation system on the WTP



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and Elevated Storage Tank property to dispose of approximately 5,500 gallons/month of wastewater discharge from the WTP. This use is authorized under Chapter 210.53 (a) which authorizes the use of water treatment filter backwash for reuse.2. Construction of a storage building for chemical storage.3. Meter replacement with Automated Meter Reading, instillation of appropriate software and billing programs to assure that the system provides the necessary information for billing and accounting for water use.4. Extend a new 6-inch line from the WTP south on 3rd St. to connect to an existing 6-inch line on McKee St. This will provide a loop that will improve water pressure and provide sufficient flow for fire protection.

**Upper Jasper Co WA**

Water System Improvements

Project # 62847

Commitment Amount	\$3,355,000	Closing Date	08/22/2019
Commitment Code(s)	L1000990	Map Location	46

**Project Need:** The Upper Jasper County Water Authority (Authority) is seeking planning, design, and construction funding to replace aged water lines. The Authority is plagued by failing pipes that cause disruptions in service and lead to boil water notices. An aging 10-inch aerial river crossing, which connects to a well on the south side of the Angelina River is at an increased risk of failure. A failure of the aerial river crossing would lead to a loss of service to approximately 370 households.

**Project Description:** The Authority proposes to replace approximately 11,000 linear feet of 8 to 10-inch water lines from the existing well site. Additionally, the Authority proposes to drill a new well north of the Angelina River along with directional drilling of a new river crossing. Finally, the Authority proposes to replace a ten-thousand-gallon transfer ground storage tank that has exceeded its serviceable life at the Plum Ridge Plant site. These measures would allow the Authority to provide a more reliable water source to its customers.

**Whiteface**

Water System Improvements

Project # 62803

Commitment Amount	\$450,000	Closing Date	04/18/2019
Commitment Code(s)	L1000873	Map Location	47

**Need:** The City's existing 50,000-gallon elevated storage tank (EST) is deteriorated and has reached the end of its useful life. Additionally, the EST does not comply with Texas Commission on Environmental Quality regulations.

**Project Description:** The City proposes to plan, design, and construct a new 115,000-gallon standpipe to provide pressurized water service throughout the community. The City also intends to construct a new transmission pipeline from the standpipe to the existing water line, conduct meter testing, and replace water meters.

**Whitewater Springs WSC**

New Well #4

Project # 62783

Commitment Amount	\$500,000	Closing Date	04/24/2019
Commitment Code(s)	L1000780, LF1000781	Map Location	48

**Project Need:** Whitewater Springs Water Supply Corporation (Corporation) provides water service to approximately 231 residents in Burnet County, nine miles south of Bertram, Texas. The Corporation has three

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existing low-producing Trinity formation water wells. The housing subdivision served by the Corporation has added approximately five new residents annually since 2000. Current population projections indicate that Texas Commission on Environmental Quality minimum capacity requirements will be exceeded by 2020.

Project Description: The proposed project is to construct a new water well, install a ground storage tank, a water disinfection system, two high service pumps, and a water transmission line connecting the pumping plant to the existing water transmission system, and develop an asset management plan.

**Wills Point**  
Upgrade Water Treatment Plant  
Project # 62798

Commitment Amount	\$4,500,000	Closing Date	02/15/2019
Commitment Code(s)	L1000888	Map Location	49

The City of Wills Point operates an aging Water Treatment Plant that has been cited by TCEQ for failure to provide an air gapped connection on the filter-to-waste line per 30 TAC 290.42(d)(2)(E).

The City of Wills Point intends to utilize DWSRF funds for Planning, Design, and Construction of the City’s Water Treatment Plant improvements. The City will rehabilitate the waste discharge pond, add new filters, and provide an air gapped connection on the filter-to-waste line. Other improvements to the plant include variable frequency drives for pumps at the raw water intake, a dedicated elevated storage tank for filter backwash, incorporation of chemical feed equipment with the SCADA system, an improved catwalk for clarifier access, a permanent manifold system for the chlorine building, and other improvements to the treatment plant. An asset management plan will be prepared as a part of this project.

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DWSRF Project Starts					
Entity	Project #	Commitment #	Closing Date	Start Date	Net Amount
Anahuac	62710	LF1000963	05/10/2019	12/10/2018	\$ 325,000
Anahuac	62710	L1000566	05/05/2017	12/10/2018	5,175,000
Booker	62754	L1000651	11/06/2017	01/17/2019	455,000
Cottonwood Shores	62707	L1000554	01/12/2017	01/03/2019	1,395,000
Eldorado	62785	L1000754	04/12/2018	03/05/2019	1,200,000
Elmendorf	21773	L1000789	08/08/2018	04/08/2019	10,770,000
Gladewater	62745	L1000630	09/29/2017	03/11/2019	1,600,000
Harris Co MUD # 50	61571	L100072	03/29/2012	03/04/2019	200,000
Harris Co MUD # 50	62683	L1000471	07/14/2016	02/18/2019	2,470,000
Harris Co MUD # 50	62683	LF1000492	07/14/2016	02/18/2019	1,034,409
Nevada SUD	62782	L1000762	05/24/2018	03/11/2019	1,490,000
Rochelle WSC	62765	LF1000721	06/28/2018	03/07/2019	300,000
San Antonio Water System	62811	L1000887	09/25/2019	02/18/2019	30,765,000
West Wise SUD	62730	L1000579	01/10/2018	12/12/2018	13,430,000
<b>Totals</b>	<b>12</b>	<b>unique projects</b>			<b>\$ 70,609,409</b>

DWSRF Project Completions					
Entity	Project #	Commitment #	Closing Date	Completion Date	Net Amount
Booker	62754	L1000651	11/6/2017	5/21/2019	\$ 455,000
Castroville	62534	L1000392	11/24/2015	11/2/2018	3,500,000
Castroville	62534	L1000065	3/21/2013	11/2/2018	350,000
Cisco	62717	L1000713	6/27/2018	5/16/2019	4,565,000
Cisco	62717	LF1000714	6/27/2018	5/16/2019	6,464,900
Cisco	62717	L1000564	1/17/2017	5/16/2019	500,000
Fayetteville	62667	L1000436	1/25/2016	10/9/2018	200,000
Fayetteville	62667	LF1000437	1/25/2016	10/9/2018	200,000
Goldthwaite	62560	L1000121	5/9/2013	8/30/2019	1,480,000
Goldthwaite	62560	LF1000120	5/9/2013	8/30/2019	620,296
Harris Co MUD # 50	61571	L100072	3/29/2012	7/23/2019	200,000
Harris Co WCID # 36	62641	L1000322	10/10/2014	7/1/2019	3,885,000
Harris Co WCID # 36	62641	LF1000327	10/10/2014	7/1/2019	1,091,413
Kellyville-Berea WSC	62725	L1000577	1/17/2018	1/11/2019	635,000
San Antonio Water System	62631	L1000303	6/19/2014	4/3/2019	22,400,000
Seymour	62693	L1000514	2/23/2017	2/22/2019	2,115,000
Seymour	62693	LF1000530	2/23/2017	2/22/2019	885,476
Sol Y Mar WS	62629	LF1000272	6/17/2015	1/14/2019	200,000
<b>Totals</b>	<b>11</b>	<b>unique projects</b>			<b>\$ 49,747,085</b>

**Texas Water Development Board**  
**SFY 2019 Drinking Water State Revolving Fund**  
**Annual Report**

**Project Benefits Reporting Statement**

The Texas Water Development Board (TWDB) complied with the FFY 2018 Capitalization Grant requirement to report all use of funds into the Drinking Water Project Benefits Reporting system (PBR). This reporting was completed before the last day of the month following the month of closing on TWDB financial assistance. All projects listed as “commitments closed” (see table on page B.3) were reported to PBR and the National Information Management System (NIMS) accordingly.

**Texas Water Development Board  
SFY 2019 Drinking Water State Revolving Fund  
Annual Report**

**Special Appropriations Act Program**

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

The TWDB has assisted the EPA with 37 projects under this program. A few of the SAAP projects have received additional funding from TWDB Financial Assistance Programs. As of August 31, 2019, 34 projects have been completed.

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

Below is a list of the current Texas SAAP projects:

<b>Project Name</b>	<b>Project #</b>	<b>Estimated Completion Date</b>
Fort Bend Co FWSD 1 CWSRF-GR-SAAP	21524	07/30/2021
Joshua Mountain Valley/Village Creek Drainage Improvements	80036	03/17/2020
Temple SAAP Little Elm Trunk Sewer	80035	03/01/2020

# Attachment A: Letter to EPA regarding the “CPA to Go” Initiative

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November 14, 2018

Ms. Claudia V. Hosch  
Associate Director, Assistance Programs Branch  
U.S. Environmental Protection Agency, Region 6  
1445 Ross Avenue, Suite 1200  
Dallas, TX 75202-2733

Re: "CPA to Go" Initiative - Use of fees generated under the Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs

Dear Ms. Hosch: *Claudia*

The Texas Water Development Board (TWDB) is pleased to notify you that we will be developing and implementing a pilot program called "CPA to Go" using 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 auditing and 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, under Audit Services, the contracted CPA would undertake compliance monitoring in the following areas for designated recipients not required to file a federal Single Audit:

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

#### Our Mission

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas

#### Board Members

Peter M. Lake, Chairman | Kathleen Jackson, Board Member | Brooke T. Paup, Board Member  
Jeff Walker, Executive Administrator

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

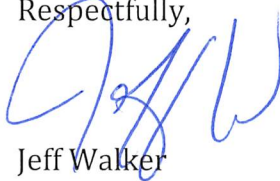
- Advising recipients on the design and implementation of internal control procedures, particularly those addressing Internal Controls Over Financial Reporting in response to material weakness and significant deficiency control weaknesses identified in audits of Comprehensive Annual Financial Reports and/or in Single Audit Reports and Management Letters (or the equivalent),
- Assisting recipients in the preparation of 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 when requested by the TWDB and best practices related to disclosure recommendations.

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 TWDB anticipates allocating a total of \$200,000 of origination fees generated under the SRF programs to the initial "CPA to Go" pilot program. 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.

We would appreciate any suggestions and look forward to keeping EPA Region 6 apprised of the progress of this new effort that will benefit the TWDB's SRF programs.

Respectfully,



Jeff Walker  
Executive Administrator

c.:

Mr. Salvador Gandara, Chief, Community Infrastructure Section, EPA-Region 6  
Mr. Dave Reazin, CWSRF Fund Coordinator, EPA-Region 6  
Mr. Javier M. Ballí, DWSRF Fund Coordinator, EPA-Region 6



## **“CPA to Go” Program**

### **Clean and Drinking Water State Revolving Fund programs**

#### **SECTION II – STATEMENT OF WORK**

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##### **2.1 DESCRIPTION OF SERVICES**

TWDB is seeking Certified Public Accountants (Consultants) with experience in providing professional services to entities that have received financing through the federal Clean Water State Revolving Fund or the Drinking Water State Revolving Fund programs (Recipients).

##### **Work Activities - Audit Services.**

Work performed will be limited to engagements to monitor Recipients which are exempted from the requirement to file a federal Single Audit. TWDB will identify specific engagement procedures and the entity to be monitored. The Consultant must conduct the work in accordance with U.S. Government Accountability Office’s Generally Accepted Government Auditing Standards attestation standards. Work performed under this provision will be limited in scope to one or more of the following compliance requirements:

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

##### **Work Activities - Technical Assistance.**

Work performed will be considered technical assistance. TWDB will identify the specific type of assistance which is needed and the entity to which it will be provided. Consultants will provide guidance regarding best practices. Examples of technical assistance may include but are not limited to:

- Advise Recipients on the design and implementation of internal control procedures, particularly those addressing internal controls over financial reporting (ICFR) in response to material weakness and significant deficiency control weaknesses identified in audits of comprehensive annual financial reports (CAFR) and/or in Single Audit Reports (SAR) and management letters (or equivalent).
- Assist Recipients in the preparation of financial statements required by the covenants of loan and other financial commitment documents (commitments); Such

financial statements must be prepared in compliance with generally accepted accounting principles (GAAP) and generally accepted government accounting standards issued by the Government Accounting Standards Board (GASB). This assistance will not include actually performing the independent audit of the entity's financial statement.

- Assist Recipients in the identification and interpretation of funding commitment provisions and covenants when requested by the TWDB and best practices disclosure recommendations.

The TWDB will be solely responsible for allocating the professional services projects to Consultants.

# Attachment B: SFY 2019 Annual Financial Report – DWSRF Financial Statements

**Texas Water Development Board**

**DRINKING WATER  
STATE REVOLVING FUND**

**Annual Financial Report**

For the Year Ended  
August 31, 2019

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### General Purpose Financial Statements:

- Exhibit I – Combined Statement of Net Position
- Exhibit II – Combined Statement of Revenues, Expenses, and Changes in Net Position
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### Combining Statements:

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

### Schedule 1 – Loans and Contracts

# General Purpose Financial Statements

**UNAUDITED**

**Drinking Water State Revolving Fund**  
**Exhibit I - Combined Statement of Net Position - Proprietary Funds**  
 August 31, 2019

	<b>Total Enterprise Funds (Exhibit F-1)</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents:	
Cash in Bank (Note 3)	\$ 0.01
Cash Equivalents	196,143,114.54
Short Term Investments	240,693,894.07
Receivables from:	
Federal	2,263,457.68
Interest and Dividends	5,370,863.29
Loans and Contracts	56,220,964.70
<b>Total Current Assets</b>	<b>500,692,294.29</b>
Non-Current Assets:	
Loans and Contracts	1,196,692,822.91
Investments	22,142,878.04
<b>Total Non-Current Assets</b>	<b>1,218,835,700.95</b>
<b>Total Assets</b>	<b>1,719,527,995.24</b>
<b>LIABILITIES</b>	
Current Liabilities:	
Payables from:	
Accounts Payable	4,479.25
Interest Payable	1,064,383.33
Interfund Payables	9,850,792.30
Due to Other Funds	752,159.43
Due to Other Agencies	1,945,161.93
Revenue Bonds Payable	12,820,637.57
<b>Total Current Liabilities</b>	<b>26,437,613.81</b>
Non-Current Liabilities:	
Interfund Payables	73,113,464.07
Revenue Bonds Payable	291,568,425.44
<b>Total Non-Current Liabilities</b>	<b>364,681,889.51</b>
<b>Total Liabilities</b>	<b>391,119,503.32</b>
<b>NET POSITION</b>	
Restricted for:	
Other	1,328,408,491.92
<b>Total Net Position</b>	<b>\$ 1,328,408,491.92</b>

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

UNAUDITED

**Drinking Water State Revolving Funds**  
**Exhibit II - Combining Statement of Revenues, Expenses, and**  
**Changes in Fund Net Position - Proprietary Funds**  
For the Fiscal Year Ended August 31, 2019

	<u>Total Enterprise Funds (Exhibit F-2)</u>
<b>OPERATING REVENUES:</b>	
Interest and Investment Income	\$ 13,698,731.87
Net Increase (Decrease) Fair Market Value	150,091.24
Other Operating Revenue	3,852,946.00
<b>Total Operating Revenues</b>	<u><b>17,701,769.11</b></u>
<b>OPERATING EXPENSES:</b>	
Salaries and Wages	6,663,654.48
Payroll Related Costs	2,009,509.48
Professional Fees and Services	1,435,445.83
Travel	163,444.61
Materials and Supplies	88,169.76
Communication and Utilities	12,127.17
Repairs and Maintenance	37.67
Rentals and Leases	28,802.82
Printing and Reproduction	2,090.74
Interest	9,093,255.40
Other Operating Expenses	3,082,918.23
<b>Total Operating Expenses</b>	<u><b>22,579,456.19</b></u>
<b>Operating Income (Loss)</b>	<u><b>(4,877,687.08)</b></u>
<b>NONOPERATING REVENUE (EXPENSES):</b>	
Federal Revenue	81,895,329.72
Federal Grant Pass-Through Revenue (Expense)	(956,009.43)
Other Benefit Payments	(3,584,485.00)
Other Intergovernmental Payments	(19,143,232.00)
<b>Total Nonoperating Revenue (Expenses)</b>	<u><b>58,211,603.29</b></u>
<b>Income/(Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers</b>	<u><b>53,333,916.21</b></u>
<b>OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:</b>	
Transfers In	<u>2,336,171.00</u>
<b>Total Other Revenue, Expenses, Gain/Losses and Transfers</b>	<u><b>2,336,171.00</b></u>
<b>Change in Net Position</b>	<u><b>55,670,087.21</b></u>
Total Net Position - Beginning	1,272,738,404.71
<b>Total Net Position, August 31, 2019</b>	<u><u><b>\$ 1,328,408,491.92</b></u></u>

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



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**Drinking Water State Revolving Fund**  
**Exhibit III - Combining Statement of Cash Flows - Proprietary Funds**  
For the Fiscal Year Ended August 31, 2019

	<u>Total Enterprise Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Payments to Suppliers for Goods and Services	(165,705.22)
Payments to Employees	(2,958,286.56)
<b>Net Cash Provided by Operating Activities</b>	<u><b>(3,123,991.78)</b></u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Proceeds from Debt Issuance	237,568,513.10
Proceeds from State Appropriations	2,336,171.00
Proceeds from Transfers from Other Funds	401,336,212.55
Proceeds from Grant Receipts	81,759,468.39
Proceeds from Other Financing Activities	102,623,560.59
Payments of Principal on Debt Issuance	(12,011,812.88)
Payments of Interest	(10,171,262.65)
Payments of Other Costs of Debt Issuance	(634,602.30)
Payments for Transfers to Other Funds	(401,336,212.55)
Payments for Grant Disbursements	(32,566,928.09)
Payments for Other Uses	(23,220.12)
<b>Net Cash Provided by Noncapital Financing Activities</b>	<u><b>368,879,887.04</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from Interest and Investment Income	291,720,954.00
Proceeds from Principal Payments on Non-Program Loans	87,159,098.01
Payments for Non-program Loans Provided	(642,355,132.20)
<b>Net Cash Provided by Investing Activities</b>	<u><b>(263,475,080.19)</b></u>
 Net (Decrease) in Cash and Cash Equivalents	 102,280,815.07
 Cash and Cash Equivalents--September 1, 2018	 <u>93,862,299.48</u>
<b>Cash and Cash Equivalents--August 31, 2019</b>	<b><u>\$ 196,143,114.55</u></b>

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

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**Clean Water State Revolving Fund**  
**Exhibit III - Combining Statement of Cash Flows - Proprietary Funds (cont.)**  
**For the Fiscal Year Ended August 31, 2019**

	<u>Total Enterprise Fund</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
<b>Operating Income (Loss)</b>	<b>\$ 3,823,080.16</b>
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities</b>	
Operating Income and Cash Flow Categories:	
Classification Differences	-
Changes in Assets and Liabilities:	
(Increase) Decrease in Receivables	12,725,885.91
(Increase) Decrease in Loans & Contracts	(95,873,401.99)
Increase (Decrease) in Payables	234,646,965.77
Increase (Decrease) in Deposits	(149,099,433.76)
Increase (Decrease) in Unearned Revenues	752,159.43
Increase (Decrease) in Other Liabilities	(10,099,247.30)
<b>Total Adjustments</b>	<b>(6,947,071.94)</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ (3,123,991.78)</b>
<b>Non-Cash Transactions</b>	
Net Increase (Decrease) in Fair Value of Investments	\$ 150,091.24

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

**Notes  
to the  
Financial  
Statements**

## ***Notes to the Financial Statements***

<b>NOTE 1: <i>Summary of Significant Accounting Policies</i></b>
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### **Entity**

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

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

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

### **Fund Structure**

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

#### ***Proprietary Fund Type***

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

- State Revolving Funds (Appropriated Fund 9999) – local funds held outside the treasury for purposes of the following federally supported programs:
  - Drinking Water State Revolving Fund (Account 0951)

#### ***Basis of Accounting***

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

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### Texas Water Development Board (580)

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

Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

### ***Net Position and Fund Balances***

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

### **Assets, Liabilities, and Fund Balances / Net Position**

#### ***Assets***

---

##### Cash and Cash Equivalents

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

##### Investments

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

##### Interest and Dividends Receivable

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

##### Notes / Loans and Contracts Receivable

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

##### Restricted Assets

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

#### ***Liabilities***

---

##### Accounts Payable

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

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### Texas Water Development Board (580)

#### Bonds Payable – Revenue Bonds

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

#### ***Fund Balance / Net Position***

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

#### Fund Balance Components

Fund balances for governmental funds are classified as restricted, committed, or unassigned in the fund financial statements.

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

#### Net Position Components

The potential categories for net position include

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

#### ***Interfund Activities and Balances***

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The agency has the following types of transactions among funds:

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

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

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**Texas Water Development Board (580)**

**Statement of Cash Flows**

***Cash Flows from Investing Activities***

Non-program Loans

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

Classification Differences

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

**NOTE 2: Deposits, Investments and Repurchase Agreements**

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

**Deposits of Cash in Bank**

As of August 31, 2019, the carrying amount of deposits was \$0.01 as presented below.

Governmental and Business-Type Activities	Amount
Cash in Bank – Carrying Value	\$0.01
Cash in Bank per AFR	\$0.01
<hr/>	
Governmental Funds Current Assets Cash in Bank	\$0.01
Cash in Bank per AFR	\$0.01

This amount consists of cash in local banks. This amount is included on the Combined Statement of Net Assets as part of the “Cash and Cash Equivalents” account.

As of August 31, 2019, the total bank balance was as follows:

Governmental and Business Type Activities	\$0.01	Fiduciary Funds	\$ - 0 -	Discrete Component Units	\$ - 0 -
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Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the agency will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The agency has a policy requiring collateralization limited to obligations of the U.S. or U.S.

**UNAUDITED**

**Texas Water Development Board (580)**

government agencies held in the name of the agency. As of August 31, 2019, bank balances were not exposed to custodial credit risk.

**Investments**

As of August 31, 2019, the fair value of investments is as presented below.

Government and Business-Type Activities	Fair Value Hierarchy			Total
	Level 1	Level 2	Level 3	
<b>INVESTMENTS AT FAIR VALUE</b>				
Commercial Paper (Texas Treasury Safekeeping Trust Co)	\$ 129,891,793.44	\$ -	\$ -	\$ 129,891,793.44
U.S. Government Agency Obligations (Texas Treas. Safekeeping Trust Co)	113,635,061.26			113,635,061.26
Total Investment at Fair Value	\$ 243,526,854.70	\$ -	\$ -	\$ 243,526,854.70
<b>INVESTMENTS AT AMORTIZED COST</b>				
Repurchase Agreement (Texas Treasury Safekeeping Trust Co)				\$ 215,453,031.95
Total Investment at Amortize Cost				\$ 215,453,031.95
<b>Total Investments-Gov't &amp; Business Type</b>				<b>\$ 458,979,886.65</b>

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the agency will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The agency will only make payment for and accept delivery of securities on a delivery versus payment basis, and securities are held in the name of the agency. As of August 31, 2019, investments were not exposed to custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As required by the agency's investment policy, investments purchased must be rated as to investment quality by a nationally recognized investment rating firm with a minimum of an 'A' rating. Furthermore, our investment policy requires that repurchase agreements be collateralized by obligations of the U.S. Government or U.S. Government Agencies. As of August 31, 2019, the agency's credit quality distribution of securities and repurchase agreements with credit risk exposure was as follows.

**Standard and Poor's**

Fund Type	GAAP Fund	Investment Type	Amount	Rating
05	3050	Commercial Paper (Texas Treasury Safekeeping Trust Co)	\$ 129,891,793.44	A1, A1+
05	3050	Repurchase Agreement (Texas Treasury Safekeeping Trust Co)	\$ 215,453,031.95	Not Rated
05	3050	U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	\$ 113,635,061.26	Not Rated



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**Texas Water Development Board (580)**

**NOTE 3: Long-Term Liabilities**

**Changes in Long-Term Liabilities**

During the year ended August 31, 2019, the following changes occurred in long-term liabilities:

Business-Type Activities	Balance 09-01-18	Additions	Reductions	Balance 08-31-19	Amounts Due Within One Year	Amounts Due Thereafter
Notes & Loans Payable (Interfund)	\$92,881,069.25	-	\$9,916,812.88	\$82,964,256.37	\$9,850,792.30	\$73,113,464.07
Revenue Bonds Payable	69,786,098.71	234,602,964.31	.01	304,389,063.01	12,820,637.57	291,568,425.44
<b>Total Business-Type Activities</b>	<b>\$162,667,167.96</b>	<b>\$234,602,964.31</b>	<b>\$9,916,812.89</b>	<b>\$387,353,319.38</b>	<b>\$22,671,429.87</b>	<b>\$364,681,889.51</b>

**NOTE 4: Interfund Activity and Transactions**

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

*Interfund Activity*

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

Activities between funds that represent lending/borrowing arrangements outstanding at the end of the fiscal year are interfund loans. Individual interfund receivables and payables balances as of August 31, 2019, were as follows:

	Interfund Receivables	Interfund Payables	Current	Noncurrent	Purpose
Enterprise (05)	DFUND (FT05) Appd Fund 0371, D23 Fund 0371	DWSRF (FT05) Appd Fund 9999 D23 Fund 0951	\$ 9,850,792.30	\$ 73,113,464.07	State Match Loan
<b>Total Interfund Receivable/Payable</b>			<b>\$25,497,290.97</b>	<b>\$ 270,414,141.46</b>	

**UNAUDITED**

**Texas Water Development Board (580)**

*Interfund Transactions*

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

**NOTE 5: Contingencies and Commitments**

**Disclosure of Contingent Liabilities**

**Federal Costs**

As a prime contractor with a federal granting agency, the TWDB is contingently liable to refund any disallowed costs to the granting agency. As of August 31, 2019, there were eight federal contracts closed during fiscal year 2019 with no disallowed costs.

**Outstanding Loan and Grant Commitments**

As of August 31, 2019, the TWDB had made commitments to provide political subdivisions and non-profit entities financing from the proceeds remaining from current or future bond issues, accumulated loan repayments, federal draw downs, appropriations or other lawful sources as follows:

Program	For Loans	For Grants	Total
Drinking Water State Revolving Fund (DWSRF)*	\$ 491,249,500.00	\$ 6,839,552.00	\$ 498,089,052.00
<b>Total Commitments</b>	<b>\$ 491,249,500.00</b>	<b>\$ 6,839,552.00</b>	<b>\$ 498,089,052.00</b>

\* DWSRF and CWSRF Grants shown here represent Principal Forgiveness

**NOTE 6: Bonded Indebtedness**

As discussed more fully in the sections that follow, the TWDB is authorized through various statutory and constitutional provisions to issue general obligation and revenue bonds and private activity bonds. As of August, 31, 2019, the TWDB had 54 bond issues (including sub-series) outstanding. Additional detailed supplemental bond information is disclosed in Schedules 2A – 2F.

Miscellaneous Bond Information (Amounts in Thousands)							
Description of Issue	Bonds Issued to Date	Date Issued	Range of Interest Rates		Maturities		First Call Date
					First Year	Last Year	
<b>STATE REVOLVING FUND</b>							
State Revolving Fund Rev Bds New Ser '18	288,395,000	04/26/2018	4.000%	5.000%	2019	2038	08/01/2027
State Revolving Fund Rev Bds New Ser '19	221,005,000	04/24/2019	4.000%	5.000%	2020	2039	08/01/2029

## UNAUDITED

### Texas Water Development Board (580)

#### Revenue Bonds

The Texas Constitution and Water Code authorize the TWDB to issue revenue bonds backed by pledged revenue sources and restricted funds. The TWDB had ten revenue bond issues outstanding at August 31, 2019.

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

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

#### *State Revolving Funds*

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

#### Pledged Future Revenues

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

	<b>SRF Revenue Bonds</b>
Pledged Revenue Required for Future Principal and Interest on Existing Bonds	\$766,715,800.00
Term of Commitment Year Ending Aug. 31	2039
Percentage of Revenue Pledged	100%
Current Year Pledged Revenue	\$483,507,188.76
Current Year Principal and Interest Paid	\$27,821,992.52

UNAUDITED

Texas Water Development Board (580)

**NOTE 7: *Loans and Contracts***

The Board purchases bonds from political subdivisions (including private water supply corporations). As of August 31, 2019, the balance of these bonds owned by the Board was \$1,252,913,787.61. In general, the majority of these bonds pays interest semi-annually and principal annually and allow for early redemption ten years after the original date of issuance. All bonds are secured by either pledged revenue or taxes. Interest rates on the bonds range from 0.00% to 6.86% maturing through the year 2050. It is the opinion of management that all bonds are fully collectible; therefore, no provision for uncollectible amounts is included in these financial statements.

**NOTE 8: *Available Federal Funds***

As of August 31, 2019, there was \$9,113,590.35 balance of Federal Funds available through the Automated Standard Application for Payments that remained undrawn for the State Revolving Fund.

**NOTE 9: *Status of Available Administrative Funding***

Cost-recovery loan origination and servicing charges are imposed to cover administrative costs of operating the State Revolving Fund, but an interest rate subsidy is offered to offset the charges. There was \$12,555,045.00 collected on loans made during the fiscal year ending August 31, 2019. The administrative account had expenses totaling \$106,517.48 in Fiscal Year 2019.

**NOTE 10: *State Match Requirement***

Deferral of State match deposits was allowed by EPA for FY97 grant payments until September 30, 1999. Deposits of match funds have been made to the fund bringing the total match for federal reporting purposes to \$264,765,925.00.

# Combining Statements

UNAUDITED

Drinking Water State Revolving Fund  
 Exhibit F-1 - Combined Statement of Net Position - Proprietary Funds  
 August 31, 2019

	Drinking Water Loan Program	Administration (Federal)	Administration (Fees)	Set Asides (Exhibit SA-2)	Totals (Exhibit I)
<b>ASSETS</b>					
Current Assets:					
Cash and Cash Equivalents:					
Cash in Bank (Note 3)	\$ 0.01	\$ -	\$ -	\$ -	\$ 0.01
Cash Equivalents	188,280,755.51	-	7,862,359.03	-	196,143,114.54
Short Term Investments	205,467,009.27	-	35,226,884.80	-	240,693,894.07
Receivables from:					
Federal	-	318,295.75	-	1,945,161.93	2,263,457.68
Interest and Dividends	5,299,330.74	-	71,532.55	-	5,370,863.29
Loans and Contracts	56,220,964.70	-	-	-	56,220,964.70
<b>Total Current Assets</b>	<b>455,268,060.23</b>	<b>318,295.75</b>	<b>43,160,776.38</b>	<b>1,945,161.93</b>	<b>500,692,294.29</b>
Non-Current Assets:					
Loans and Contracts	1,196,692,822.91	-	-	-	1,196,692,822.91
Investments	22,142,878.04	-	-	-	22,142,878.04
<b>Total Non-Current Assets</b>	<b>1,218,835,700.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,218,835,700.95</b>
<b>Total Assets</b>	<b>1,674,103,761.18</b>	<b>318,295.75</b>	<b>43,160,776.38</b>	<b>1,945,161.93</b>	<b>1,719,527,995.24</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Payables from:					
Accounts Payable	4,479.25	-	-	-	4,479.25
Interest Payable	1,064,383.33	-	-	-	1,064,383.33
Interfund Payables	9,850,792.30	-	-	-	9,850,792.30
Due to Other Funds	752,159.43	-	-	-	752,159.43
Due to Other Agencies	(318,295.75)	318,295.75	-	1,945,161.93	1,945,161.93
Revenue Bonds Payable	12,820,637.57	-	-	-	12,820,637.57
<b>Total Current Liabilities</b>	<b>24,174,156.13</b>	<b>318,295.75</b>	<b>-</b>	<b>1,945,161.93</b>	<b>26,437,613.81</b>
Non-Current Liabilities:					
Interfund Payables	73,113,464.07	-	-	-	73,113,464.07
Revenue Bonds Payable	291,568,425.44	-	-	-	291,568,425.44
<b>Total Non-Current Liabilities</b>	<b>364,681,889.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>364,681,889.51</b>
<b>Total Liabilities</b>	<b>388,856,045.64</b>	<b>318,295.75</b>	<b>-</b>	<b>1,945,161.93</b>	<b>391,119,503.32</b>
<b>NET POSITION</b>					
Restricted for:					
Other	1,285,247,715.54	-	43,160,776.38	-	1,328,408,491.92
<b>Total Net Position</b>	<b>\$ 1,285,247,715.54</b>	<b>\$ -</b>	<b>\$ 43,160,776.38</b>	<b>\$ -</b>	<b>\$ 1,328,408,491.92</b>

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

UNAUDITED

Drinking Water State Revolving Funds  
 Exhibit F-2 - Combining Statement of Revenues, Expenses, and  
 Changes in Fund Net Position - Proprietary Funds  
 For the Fiscal Year Ended August 31, 2019

	Drinking Water Loan Program	Administration (Federal)	Administration (Fees)	Set Asides (Exhibit SA-2)	Totals (Exhibit II)
<b>OPERATING REVENUES:</b>					
Interest and Investment Income	\$ 12,922,352.03	\$ -	\$ 776,379.84	\$ -	\$ 13,698,731.87
Net Increase (Decrease) Fair Market Value	150,091.24	-	-	-	150,091.24
Other Operating Revenue	-	-	3,852,946.00	-	3,852,946.00
<b>Total Operating Revenues</b>	<b>13,072,443.27</b>	<b>-</b>	<b>4,629,325.84</b>	<b>-</b>	<b>17,701,769.11</b>
<b>OPERATING EXPENSES:</b>					
Salaries and Wages	-	2,728,847.32	-	3,934,807.16	6,663,654.48
Payroll Related Costs	-	519,397.98	-	1,490,111.50	2,009,509.48
Professional Fees and Services	1,202,375.69	122,063.41	111,006.73	-	1,435,445.83
Travel	4,452.74	28,337.01	-	130,654.86	163,444.61
Materials and Supplies	-	2,674.15	-	85,495.61	88,169.76
Communication and Utilities	-	12,127.17	-	-	12,127.17
Repairs and Maintenance	-	37.67	-	-	37.67
Rentals and Leases	-	28,802.82	-	-	28,802.82
Printing and Reproduction	2,090.74	-	-	-	2,090.74
Interest	9,093,255.40	-	-	-	9,093,255.40
Other Operating Expenses	-	23,220.12	-	3,059,698.11	3,082,918.23
<b>Total Operating Expenses</b>	<b>10,302,174.57</b>	<b>3,465,507.65</b>	<b>111,006.73</b>	<b>8,700,767.24</b>	<b>22,579,456.19</b>
<b>Operating Income (Loss)</b>	<b>2,770,268.70</b>	<b>(3,465,507.65)</b>	<b>4,518,319.11</b>	<b>(8,700,767.24)</b>	<b>(4,877,687.08)</b>
<b>NONOPERATING REVENUE (EXPENSES):</b>					
Federal Revenue	69,729,054.83	3,465,507.65	-	8,700,767.24	81,895,329.72
Federal Grant Pass-Through Revenue (Expense)	(956,009.43)	-	-	-	(956,009.43)
Other Benefit Payments	(3,584,485.00)	-	-	-	(3,584,485.00)
Other Intergovernmental Payments	(19,143,232.00)	-	-	-	(19,143,232.00)
Other Nonoperating Revenue (Expenses)	-	-	-	-	-
<b>Total Nonoperating Revenue (Expenses)</b>	<b>46,045,328.40</b>	<b>3,465,507.65</b>	<b>-</b>	<b>8,700,767.24</b>	<b>58,211,603.29</b>
<b>Income/(Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers</b>	<b>48,815,597.10</b>	<b>-</b>	<b>4,518,319.11</b>	<b>-</b>	<b>53,333,916.21</b>
<b>OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:</b>					
Transfers In	2,336,171.00	-	-	-	2,336,171.00
<b>Total Other Revenue, Expenses, Gain/Losses and Transfers</b>	<b>2,336,171.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,336,171.00</b>
<b>Change in Net Position</b>	<b>51,151,768.10</b>	<b>-</b>	<b>4,518,319.11</b>	<b>-</b>	<b>55,670,087.21</b>
Total Net Position - Beginning	1,234,095,947.44	-	38,642,457.27	-	1,272,738,404.71
<b>Total Net Position, August 31, 2019</b>	<b>\$ 1,285,247,715.54</b>	<b>\$ -</b>	<b>\$ 43,160,776.38</b>	<b>\$ -</b>	<b>\$ 1,328,408,491.92</b>

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

UNAUDITED

Drinking Water State Revolving Fund  
 Exhibit SA-2 - Combining Statement of Expenses - Set Aside Programs  
 For the Fiscal Year Ended August 31, 2019

	<b>PWSS Program Administration</b>	<b>PWSS Enforcement</b>	<b>PWSS Homeland Security</b>	<b>Source Water Protection</b>	<b>Capacity Development</b>	<b>Inspection and Investigation</b>	<b>Technical Assistance</b>	<b>Laboratory Accrediation</b>	<b>Support Services</b>	<b>Totals (Exhibit F-2)</b>
<b>OPERATING EXPENSES:</b>										
Salaries and Wages	\$ 65,102.78	\$ 109,498.17	\$ 40,334.46	\$ 67,401.53	\$ 2,052,963.71	\$ 1,481,814.07	\$ 8,302.95	\$ 109,389.49	\$ -	\$ 3,934,807.16
Payroll Related Costs	\$ 24,654.43	41,466.92	15,274.65	25,524.98	777,457.43	561,162.97	3,144.32	41,425.80	-	1,490,111.50
Travel	\$ 57,770.45	-	5,939.63	-	33,069.52	20,584.65	-	13,290.61	-	130,654.86
Materials and Supplies	\$ 16,260.53	-	-	-	30,949.33	38,285.75	-	-	-	85,495.61
Contracts	\$ -	-	-	-	281,252.81	14,583.00	-	-	-	295,835.81
Other Operating Expenses	\$ 357,888.38	-	15,524.00	-	1,111,456.22	31,659.76	-	-	-	1,516,528.36
Indirect	\$ 20,637.59	34,710.92	12,786.01	21,366.28	650,789.50	469,735.11	2,632.06	34,676.47	-	1,247,333.94
<b>Total Operating Expenses</b>	<b>\$ 542,314.16</b>	<b>\$ 185,676.01</b>	<b>\$ 89,858.75</b>	<b>\$ 114,292.79</b>	<b>\$ 4,937,938.52</b>	<b>\$ 2,617,825.31</b>	<b>\$ 14,079.33</b>	<b>\$ 198,782.37</b>	<b>\$ -</b>	<b>\$ 8,700,767.24</b>



# Schedules

UNAUDITED

Texas Water Development Board  
 Schedule 6 - Loans and Contracts  
 For the Fiscal Year Ended August 31, 2019

Recipient	Original Amount	Outstanding Balance	Due From	Due To
<b>Drinking Water State Revolving Fund</b>				
Abilene	\$ 2,500,000.00	\$ 1,780,000.00	02/15/2014	02/15/2033
Agua SUD	3,967,000.00	2,845,000.00	08/01/2011	08/01/2040
Agua SUD	3,565,000.00	2,790,000.00	08/01/2015	08/01/2034
Alpine	4,131,000.00	2,337,000.00	03/01/2007	03/01/2036
Alvord	360,000.00	110,000.00	10/01/2004	10/01/2023
Alvord	360,000.00	150,000.00	10/01/2006	10/01/2025
Amarillo	1,310,000.00	535,000.00	04/01/2014	04/01/2023
Amarillo	17,195,000.00	13,860,000.00	04/01/2016	04/01/2035
Amarillo	18,075,000.00	10,860,000.00	05/15/2012	05/15/2031
Anahuac	700,000.00	35,000.00	08/01/2006	08/01/2025
Anahuac	5,175,000.00	5,070,000.00	10/15/2018	10/15/2047
Anthony	980,000.00	930,000.00	02/15/2018	02/15/2046
Anthony	735,000.00	379,000.00	02/15/2015	02/15/2024
Arlington	38,000,000.00	-	06/01/2009	06/01/2028
Arlington	11,445,000.00	10,840,000.00	06/01/2019	06/01/2037
Ballinger	3,865,000.00	2,435,000.00	06/01/2009	06/01/2038
Ballinger	605,000.00	425,000.00	06/01/2017	06/01/2026
Ballinger	1,035,000.00	1,035,000.00	06/01/2021	06/01/2030
Bandera	3,000,000.00	3,000,000.00	02/01/2021	02/01/2048
Bandera Co FWSD # 1	585,000.00	505,000.00	08/15/2016	08/15/2035
Bangs	231,000.00	67,000.00	02/15/2015	02/15/2021
Bangs	1,760,000.00	1,760,000.00	02/15/2020	02/15/2049
Baytown Area WA	9,975,000.00	2,135,000.00	05/01/2007	05/01/2026
Beechwood WSC	1,369,000.00	895,000.00	07/01/2009	07/01/2038
Beeville	3,300,000.00	2,835,000.00	02/15/2017	02/15/2036
Benton City WSC	145,000.00	-	10/01/2001	10/01/2030
Bistone Municipal WSD	6,130,000.00	4,780,000.00	06/01/2015	06/01/2034
Blanco	3,150,000.00	3,055,000.00	08/15/2019	08/15/2047
Blossom	600,000.00	555,000.00	01/01/2011	01/01/2039
Bolivar Peninsula SUD	5,070,000.00	4,360,000.00	02/15/2010	02/15/2038
Bolivar Peninsula SUD	1,200,000.00	865,000.00	02/15/2010	02/15/2027
Bolivar Peninsula SUD	2,360,000.00	1,760,000.00	02/15/2010	02/15/2028
Bonham	7,355,000.00	4,165,000.00	02/15/2007	02/15/2036
Bonham	9,830,000.00	9,830,000.00	02/15/2020	02/15/2049
Booker	455,000.00	415,000.00	08/15/2018	08/15/2037
Boyd	720,000.00	720,000.00	09/01/2019	09/01/2048
Brady	6,115,000.00	2,520,000.00	05/01/2002	05/01/2031
Brady	350,000.00	210,000.00	09/01/2015	09/01/2024
Brady	10,830,000.00	10,830,000.00	09/01/2021	09/01/2050
Brazosport WA	15,500,000.00	12,620,000.00	09/01/2015	09/01/2034
Breckenridge	2,380,000.00	2,180,000.00	03/15/2016	03/15/2045
Breckenridge	1,680,000.00	1,455,000.00	03/15/2015	03/15/2044
Bright Star-Salem SUD	5,930,000.00	4,115,000.00	09/01/2011	09/01/2030
Brown Co WID # 1	20,490,000.00	10,495,000.00	02/01/2009	02/01/2028
Brownwood	6,335,000.00	2,360,000.00	03/15/2006	03/15/2025
Burleson Co MUD # 1	1,440,000.00	952,000.00	06/01/2005	06/01/2034
Burleson Co MUD # 1	120,000.00	72,000.00	06/01/2006	06/01/2035
Burnet	110,000.00	40,000.00	08/15/2013	08/15/2022
Cameron	9,305,000.00	8,315,000.00	03/01/2017	03/01/2042
Carbon	95,000.00	83,000.00	02/15/2016	02/15/2035
Castroville	350,000.00	140,000.00	02/01/2014	02/01/2023

UNAUDITED

**Texas Water Development Board**  
**Schedule 6 - Loans and Contracts**  
 For the Fiscal Year Ended August 31, 2019

Recipient	Original Amount	Outstanding Balance	Due From	Due To
Castroville	3,500,000.00	2,925,000.00	08/01/2016	08/01/2035
Central Texas WSC	22,340,000.00	12,042,530.00	03/15/2010	02/15/2030
Central Washington Co WSC	2,815,000.00	2,815,000.00	10/01/2019	10/01/2046
Chandler	750,000.00	750,000.00	10/15/2019	10/15/2042
Cisco	3,000,000.00	2,285,000.00	02/15/2010	02/15/2038
Cisco	2,200,000.00	1,425,000.00	02/15/2010	02/15/2038
Cisco	4,565,000.00	4,565,000.00	02/15/2020	02/15/2049
Cockrell Hill	1,875,000.00	-	04/01/2012	04/01/2031
Coleman	5,025,000.00	3,325,000.00	04/01/2010	04/01/2039
Comanche	705,000.00	605,000.00	09/01/2014	09/01/2043
Commerce	2,274,000.00	1,707,000.00	02/15/2013	02/15/2040
Commerce	466,000.00	354,000.00	02/15/2013	02/15/2040
Corpus Christi	51,215,000.00	46,105,000.00	07/15/2017	07/15/2045
Coryell City WSD	2,000,000.00	1,975,000.00	10/01/2018	10/01/2037
Cottonwood Shores	1,395,000.00	1,290,000.00	05/01/2018	05/01/2037
Cotulla	3,920,000.00	3,815,000.00	02/01/2019	02/01/2047
Craft-Turney WSC	1,625,000.00	1,580,000.00	02/15/2019	02/15/2042
Creedmoor Maha WSC	4,667,500.00	4,615,500.00	06/01/2019	05/01/2049
Crystal Clear SUD	15,000,000.00	14,495,000.00	12/01/2018	12/01/2042
Cypress Creek UD	2,035,000.00	2,035,000.00	09/01/2019	09/01/2047
D & M WSC	1,900,000.00	1,730,000.00	08/15/2018	08/15/2037
Dallas	44,000,000.00	44,000,000.00	10/01/2019	10/01/2047
Dallas	44,000,000.00	44,000,000.00	10/01/2020	10/01/2048
Del Rio	9,645,000.00	6,855,000.00	06/01/2012	06/01/2040
Del Rio	5,845,000.00	-	06/01/2001	06/01/2020
Del Rio	5,400,000.00	540,000.00	06/01/2002	06/01/2021
Del Rio	3,000,000.00	3,000,000.00	06/01/2022	06/01/2038
DeLeon	80,000.00	40,000.00	02/15/2014	02/15/2023
DeLeon	520,000.00	450,000.00	02/15/2015	02/15/2043
Denton Co FWSD #1A	3,260,000.00	1,940,000.00	12/15/2011	12/15/2030
Deport	350,000.00	50,000.00	09/01/2001	09/01/2020
Devine	2,755,000.00	2,685,000.00	02/01/2019	02/01/2048
Devine	6,645,000.00	6,620,000.00	02/01/2019	02/01/2048
Dickens	460,000.00	455,000.00	08/15/2019	08/15/2048
Eagle Pass	7,455,000.00	-	12/01/2003	12/01/2032
Eagle Pass	17,090,000.00	16,580,000.00	12/01/2018	12/01/2046
Eagle Pass	11,900,000.00	11,900,000.00	12/01/2020	12/01/2047
Eagle Pass	11,545,000.00	6,155,000.00	12/01/2005	12/01/2034
Eagle Pass	5,400,000.00	3,955,000.00	12/01/2004	12/01/2033
Eagle Pass Water Works System	5,795,000.00	5,115,000.00	12/01/2013	12/01/2042
East Cedar Creek FWSD	730,000.00	355,000.00	07/01/2008	07/01/2027
East Rio Hondo WSC	1,379,000.00	1,121,900.00	10/01/2014	09/01/2034
East Tawakoni	1,215,000.00	695,000.00	01/01/2008	01/01/2027
East Tawakoni	1,000,000.00	765,000.00	01/01/2012	01/01/2030
Eastland	2,385,000.00	1,610,000.00	12/01/2009	12/01/2036
Eastland	695,000.00	690,000.00	02/15/2019	02/15/2038
Eastland Co WSD	3,495,000.00	3,145,000.00	01/01/2015	01/01/2044
Eastland Co WSD	805,000.00	805,000.00	01/01/2021	01/01/2050
Edgewood	835,000.00	695,000.00	05/01/2011	05/01/2039
Edinburg	5,405,000.00	4,615,000.00	03/01/2017	03/01/2036
Edinburg	10,425,000.00	8,025,000.00	03/01/2015	03/01/2034
El Campo	375,000.00	189,000.00	02/01/2015	02/01/2024
El Jardin WSC	3,545,000.00	2,185,000.00	09/01/2004	09/01/2033

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Recipient	Original Amount	Outstanding Balance	Due From	Due To
El Paso Co Tornillo WID	130,000.00	85,000.00	08/01/2011	08/01/2038
Eldorado	560,000.00	460,000.00	08/01/2015	08/01/2036
Eldorado	1,200,000.00	1,150,000.00	08/01/2019	08/01/2038
Elmendorf	10,770,000.00	10,770,000.00	08/01/2021	08/01/2048
Emory	720,000.00	536,000.00	07/01/2014	07/01/2033
Eules	4,685,000.00	3,805,000.00	07/15/2016	07/15/2035
Eules	9,275,000.00	9,275,000.00	07/15/2020	07/15/2049
Fayetteville	200,000.00	160,000.00	08/01/2016	08/01/2035
Flatonia	660,000.00	245,000.00	09/01/2007	09/01/2026
Fort Worth	49,585,000.00	24,095,000.00	03/01/2009	03/01/2027
Fort Worth	40,000,000.00	23,540,000.00	02/15/2011	02/15/2030
Fort Worth	16,145,000.00	8,845,000.00	02/15/2011	02/15/2030
Garland	6,670,000.00	6,670,000.00	03/01/2020	03/01/2034
Gladewater	1,600,000.00	1,525,000.00	08/15/2018	08/15/2037
G-M WSC	2,970,000.00	2,402,280.00	03/15/2010	02/15/2040
G-M WSC	2,775,000.00	2,720,000.00	03/01/2019	03/01/2048
Goldthwaite	1,480,000.00	1,340,000.00	11/01/2015	11/01/2044
Gordon	460,000.00	450,000.00	03/01/2019	03/01/2048
Gorman	140,000.00	108,000.00	03/01/2016	03/01/2030
Gorman	1,000,000.00	980,000.00	03/01/2019	03/01/2048
Granbury	16,430,000.00	15,775,000.00	08/15/2017	08/15/2045
Granbury	2,720,000.00	2,180,000.00	08/15/2018	08/15/2027
Granbury	15,000,000.00	14,755,000.00	08/15/2018	08/15/2037
Granbury	13,810,000.00	13,810,000.00	08/15/2020	08/15/2048
Grand Prairie	4,000,000.00	2,800,000.00	01/15/2015	01/15/2030
Greater Texoma UA	325,000.00	25,000.00	10/01/1999	10/01/2018
Greater Texoma UA	1,745,000.00	830,000.00	06/01/2008	06/01/2027
Greater Texoma UA	485,000.00	255,000.00	06/01/2015	06/01/2024
Greater Texoma UA	3,695,000.00	2,965,000.00	08/15/2015	08/15/2034
Greater Texoma UA	2,515,000.00	1,675,000.00	10/01/2016	10/01/2024
Greater Texoma UA	2,875,000.00	2,525,000.00	06/01/2016	06/01/2034
Greater Texoma UA	27,310,000.00	23,480,000.00	10/01/2016	10/01/2035
Greater Texoma UA	2,125,000.00	1,935,000.00	08/15/2017	08/15/2037
Greater Texoma UA	7,155,000.00	6,830,000.00	10/01/2018	10/01/2037
Greater Texoma UA	1,225,000.00	1,110,000.00	08/15/2018	08/15/2037
Greater Texoma UA	15,200,000.00	15,200,000.00	09/01/2019	09/01/2048
Greater Texoma UA	935,000.00	935,000.00	10/01/2019	10/01/2048
Greater Texoma UA	3,415,000.00	3,405,000.00	08/15/2019	08/15/2048
Greater Texoma UA	7,490,000.00	7,490,000.00	08/15/2020	08/15/2049
Greenville	305,000.00	170,000.00	02/15/2011	02/15/2029
Groesbeck	1,025,000.00	570,000.00	08/15/2007	08/15/2036
Groesbeck	2,150,000.00	1,502,000.00	02/15/2011	02/15/2040
Groveton	660,000.00	660,000.00	08/15/2021	08/15/2040
Hamlin	5,500,000.00	2,280,000.00	03/01/2002	03/01/2031
Harris Co MUD #50	2,470,000.00	2,130,000.00	03/01/2017	03/01/2035
Harris Co MUD #148	2,710,000.00	1,870,000.00	04/01/2012	04/01/2031
Harris Co WCID #36	3,885,000.00	3,230,000.00	09/01/2015	09/01/2034
Harris Co WCID #36	5,000,000.00	2,665,000.00	09/15/2009	09/15/2027
Hico	1,520,000.00	1,265,000.00	08/15/2014	08/15/2042
Hidalgo Co MUD #1	5,605,000.00	3,795,000.00	02/15/2010	02/15/2039
Hillsboro	3,130,000.00	3,130,000.00	07/01/2020	07/01/2039
Hondo	490,000.00	200,000.00	02/01/2014	02/01/2023
Hondo	5,470,000.00	4,805,000.00	08/01/2017	08/01/2036

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Recipient	Original Amount	Outstanding Balance	Due From	Due To
Honey Grove	2,700,000.00	2,540,000.00	09/01/2017	09/01/2045
Honey Grove	200,000.00	82,000.00	03/01/2014	03/01/2023
Houston	48,040,000.00	38,980,000.00	11/15/2015	11/15/2034
Houston Co WCID #1	5,940,000.00	4,320,000.00	08/01/2009	08/01/2038
Hubbard	1,500,000.00	1,290,000.00	02/15/2014	02/15/2043
Jefferson	2,600,000.00	2,360,000.00	02/15/2018	02/15/2037
Johnson County SUD	22,000,000.00	21,080,000.00	08/15/2019	08/15/2038
Karnes City	3,600,000.00	2,845,000.00	06/01/2011	06/01/2037
Kellyville-Berea WSC	635,000.00	610,000.00	02/15/2019	02/15/2038
Kerrville	5,000,000.00	5,000,000.00	08/15/2020	08/15/2049
Kirbyville	1,805,000.00	1,730,000.00	08/15/2019	08/15/2038
Kountze	930,000.00	245,000.00	03/15/2000	03/15/2024
La Feria	880,000.00	650,000.00	09/15/2013	09/15/2032
Ladonia	200,000.00	100,000.00	02/15/2015	02/15/2024
Ladonia	2,810,000.00	2,785,000.00	08/15/2019	08/15/2047
Lake Livingston WSSSC	3,130,000.00	2,850,000.00	12/01/2015	12/01/2034
Lake Livingston WSSSC	17,500,000.00	15,180,000.00	12/01/2010	12/01/2039
Lake Palo Pinto Area WSC	130,000.00	75,000.00	04/01/2015	04/01/2024
Lake Palo Pinto Area WSC	1,480,000.00	1,334,000.00	04/01/2017	04/01/2036
Lamar Co WSD	3,170,000.00	2,005,000.00	07/10/2008	07/10/2027
Lamar Co WSD	1,380,000.00	1,160,000.00	07/10/2012	07/10/2039
Laredo	5,500,000.00	4,865,000.00	03/01/2016	03/01/2045
Laredo	4,600,000.00	4,045,000.00	03/01/2016	03/01/2045
Lawn	885,000.00	885,000.00	03/01/2020	03/01/2049
Lee Co FWSD #1	525,000.00	480,000.00	03/01/2017	03/01/2046
Liberty	915,000.00	645,000.00	03/01/2017	03/01/2026
Llano	890,000.00	890,000.00	09/15/2019	09/15/2038
Los Fresnos	1,000,000.00	775,000.00	02/01/2016	02/01/2025
Lower Neches Valley Authority	18,495,000.00	16,050,000.00	08/01/2009	08/01/2035
Marlin	10,380,000.00	7,230,000.00	07/01/2007	07/01/2036
Marlin	1,680,000.00	1,560,000.00	07/01/2015	07/01/2042
Mason	990,000.00	990,000.00	03/01/2020	03/01/2049
McAllen	12,000,000.00	12,000,000.00	02/01/2021	02/01/2048
Melvin	180,000.00	175,000.00	09/01/2018	09/01/2047
Menard	550,000.00	220,000.00	03/01/2014	03/01/2023
Mexia	605,000.00	195,000.00	08/15/2005	08/15/2024
Mexia	2,780,000.00	1,780,000.00	08/15/2010	08/15/2038
Mexia	960,000.00	610,000.00	08/15/2010	08/15/2038
Midlothian	25,010,000.00	-	09/01/2009	09/01/2028
Millersview-Doole WSC	15,816,000.00	11,695,000.00	12/01/2005	12/01/2034
Mission	7,780,000.00	4,565,000.00	02/15/2011	02/15/2030
Montgomery	1,730,000.00	1,570,000.00	03/01/2018	03/01/2037
Moran	180,000.00	155,000.00	02/15/2015	02/15/2044
Mount Calm	331,000.00	105,000.00	03/01/2005	03/01/2024
Mount Pleasant	24,785,000.00	20,305,000.00	03/15/2009	03/15/2033
Mountain Peak SUD	995,000.00	545,000.00	12/01/2010	12/01/2029
Mustang SUD	3,555,000.00	3,450,000.00	09/01/2018	09/01/2047
Nacogdoches	7,770,000.00	2,700,000.00	03/01/2008	03/01/2027
Nevada SUD	1,490,000.00	1,425,000.00	05/15/2019	05/15/2038
New Deal	935,000.00	910,000.00	03/01/2019	03/01/2048
North Central Texas MWA	5,500,000.00	4,390,000.00	07/10/2014	07/10/2043
North Collins SUD	1,059,999.96	779,999.96	06/01/2013	06/01/2032
North San Saba WSC	310,000.00	84,777.65	02/01/2012	01/01/2022

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Recipient	Original Amount	Outstanding Balance	Due From	Due To
North San Saba WSC	335,000.00	300,500.00	01/01/2014	01/01/2044
Nueces County	70,000.00	-	09/12/2018	09/12/2018
Paris	2,900,000.00	2,005,000.00	06/15/2014	06/15/2032
Pearland	10,225,000.00	9,220,000.00	09/01/2018	09/01/2027
Pearland	12,025,000.00	11,685,000.00	09/01/2018	09/01/2047
Pearland	8,650,000.00	8,650,000.00	09/01/2019	09/01/2019
Pearland	21,000,000.00	21,000,000.00	09/01/2020	09/01/2049
Pecos City	8,315,000.00	550,000.00	06/15/2001	06/15/2020
Pharr	13,310,000.00	8,660,000.00	09/01/2008	09/01/2027
Pharr	8,725,000.00	7,450,000.00	09/01/2014	09/01/2042
Pleasant Springs WSC	150,000.00	150,000.00	08/01/2020	08/01/2049
Port Arthur	2,080,000.00	1,260,000.00	02/15/2016	02/15/2025
Port Mansfield PUD	220,000.00	202,000.00	04/01/2017	04/01/2046
Porter SUD	1,590,000.00	810,000.00	06/01/2009	06/01/2028
Possum Kingdom WSC	1,625,000.00	1,045,000.00	12/15/2010	12/15/2029
Possum Kingdom WSC	4,700,000.00	1,330,000.00	12/15/2004	12/15/2023
Ranger	420,000.00	420,000.00	02/15/2020	02/15/2049
Ranger	570,000.00	570,000.00	02/15/2020	02/15/2049
Raymondville	2,145,000.00	1,815,000.00	04/01/2014	04/01/2033
Red Creek MUD	1,355,000.00	1,355,000.00	09/01/2019	09/01/2038
Red River Co WSC	1,250,000.00	1,010,000.00	04/01/2014	04/01/2041
Reklaw	300,000.00	284,000.00	03/01/2018	03/01/2047
Reno	1,145,000.00	585,000.00	01/01/2005	01/01/2024
Reno	900,000.00	475,000.00	01/01/2006	01/01/2024
Rio Grande City	8,700,000.00	7,180,000.00	02/15/2011	02/15/2040
Rio Grande City	12,200,000.00	8,935,000.00	02/15/2011	02/15/2040
Rio Hondo	1,278,000.00	903,000.00	08/01/2014	08/01/2033
Rio Hondo	300,000.00	255,000.00	08/01/2017	08/01/2036
River Acres WSC	3,620,000.00	3,520,000.00	07/01/2019	07/01/2048
River Oaks	8,000,000.00	7,560,000.00	06/15/2018	06/15/2047
Robert Lee	758,000.00	628,000.00	12/01/2013	12/01/2042
Robert Lee	67,000.00	55,000.00	12/01/2013	12/01/2042
Rogers	2,205,000.00	2,195,000.00	08/15/2019	08/15/2047
Roma	2,327,000.00	807,000.00	11/01/2000	11/01/2029
Roscoe	1,965,000.00	1,965,000.00	02/15/2021	02/15/2050
San Antonio Water System	26,370,000.00	19,090,000.00	05/15/2014	05/15/2033
San Antonio Water System	22,400,000.00	17,140,000.00	05/15/2015	05/15/2034
San Antonio Water System	75,920,000.00	67,200,000.00	05/15/2016	05/15/2045
San Antonio Water System	12,500,000.00	11,565,000.00	05/15/2017	05/15/2046
San Antonio Water System	10,500,000.00	10,210,000.00	05/15/2019	05/15/2048
San Juan	6,170,000.00	5,035,000.00	01/01/2015	01/01/2033
San Juan	1,400,000.00	1,075,000.00	01/01/2015	01/01/2033
San Saba	165,000.00	90,000.00	03/01/2015	03/01/2024
Santa Rosa	1,475,000.00	215,000.00	02/01/2007	02/01/2026
Seis Lagos UD	1,335,000.00	675,000.00	03/01/2008	03/01/2027
Seymour	2,115,000.00	2,060,000.00	03/01/2019	03/01/2048
Shallowater	1,100,000.00	1,100,000.00	02/15/2020	02/15/2049
Skyline Ranch Estates WSC	340,000.00	275,100.00	10/01/2014	09/01/2034
Smyer	135,000.00	110,000.00	02/15/2015	02/15/2034
Sonora	2,925,000.00	1,795,000.00	12/01/2010	12/01/2029
South Houston	2,010,000.00	1,255,000.00	03/01/2011	03/01/2030
Southmost Regional WA	3,795,000.00	2,450,000.00	09/01/2010	09/01/2029
Southmost Regional WA	9,295,000.00	6,505,000.00	09/01/2010	09/01/2039

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Recipient	Original	Outstanding	Due	Due
	Amount	Balance	From	To
Springs Hill WSC	1,100,000.00	845,000.00	11/01/2013	11/01/2032
Springs Hill WSC	3,130,000.00	1,882,000.00	11/01/2011	11/01/2030
Stamford	9,530,000.00	8,720,000.00	02/15/2017	02/15/2046
Stephens Regional SUD	1,740,000.00	1,490,000.00	08/15/2013	08/15/2042
Stephens Regional SUD	900,000.00	885,000.00	08/15/2019	08/15/2043
Surfside Beach	1,655,000.00	875,000.00	02/15/2009	02/15/2028
Sweetwater	1,935,000.00	1,460,000.00	08/15/2015	08/15/2033
Sweetwater	5,000,000.00	4,265,000.00	08/15/2017	08/15/2036
Terrell	1,700,000.00	1,700,000.00	02/15/2020	02/15/2049
Tioga	580,000.00	370,000.00	04/01/2002	04/01/2031
Tioga	1,050,000.00	1,030,000.00	03/15/2019	03/15/2042
Trinidad	250,000.00	195,000.00	01/01/2009	01/01/2037
Troy	2,100,000.00	2,045,000.00	02/01/2019	02/01/2048
Tyler County SUD	1,250,000.00	825,000.00	09/01/2011	09/01/2040
Tyler County SUD	775,000.00	723,000.00	09/01/2011	09/01/2040
Union WSC	1,665,000.00	1,496,200.00	02/01/2014	02/01/2044
Upper Jasper Co WA	3,355,000.00	3,355,000.00	09/01/2020	09/01/2044
Upper Leon River MWD	775,000.00	410,000.00	05/01/2015	05/01/2024
Upper Leon River MWD	7,452,000.00	7,192,000.00	05/01/2018	05/01/2047
Upper Leon River MWD	1,863,000.00	1,814,000.00	05/01/2018	05/01/2047
Valley MUD #2	1,495,000.00	1,495,000.00	02/15/2021	02/15/2048
Victoria Co WCID # 1	2,515,000.00	1,995,000.00	03/01/2010	03/01/2029
Wellborn SUD	3,500,000.00	2,110,000.00	07/15/2008	07/15/2027
Wellman	140,000.00	125,000.00	02/15/2017	02/15/2036
West Tawakoni	1,125,000.00	1,065,000.00	02/01/2018	02/01/2047
Whiteface	450,000.00	450,000.00	02/15/2020	02/15/2039
White River MWD	1,055,000.00	910,000.00	06/01/2014	06/01/2043
Whitewater Springs WSC	200,000.00	200,000.00	04/01/2019	04/01/2044
Willis	3,150,000.00	2,735,000.00	08/01/2014	08/01/2043
Wills Point	4,500,000.00	4,500,000.00	02/15/2020	02/15/2044
West Wise SUD	13,430,000.00	13,065,000.00	08/15/2019	08/15/2047
Willow Park	685,000.00	565,000.00	02/15/2016	02/15/2035
Willow Park	995,000.00	905,000.00	02/15/2018	02/15/2037
Winters	1,645,000.00	1,065,000.00	10/01/2009	10/01/2038
Winters	425,000.00	265,000.00	10/01/2015	10/01/2024
Winters	580,000.00	570,000.00	04/01/2019	04/01/2038
Wolfe City	1,015,000.00	775,000.00	09/15/2012	09/15/2041
Woodbranch Village	1,500,000.00	1,435,000.00	08/01/2019	08/01/2037
Woodsboro	520,000.00	325,000.00	03/01/2009	03/01/2028
Wortham	280,000.00	206,000.00	08/15/2014	08/15/2033
Zapata County	14,808,000.00	10,357,000.00	02/15/2011	02/15/2040
Zavala Co WCID #1	760,000.00	650,000.00	01/01/2014	01/01/2043
<b>Total - Drinking Water State Revolving Fund</b>	<b>\$ 1,636,139,499.96</b>	<b>\$ 1,252,913,787.61</b>		

# Attachment C: TCEQ – Small Systems Technical Assistance Annual Report



**STATE FISCAL YEAR 2019  
DRINKING WATER STATE REVOLVING FUND  
SMALL SYSTEM TECHNICAL ASSISTANCE  
(2%) TWO PERCENT SET-ASIDE ACTIVITIES  
ANNUAL REPORT**

**EPA # FS-99679522  
[TCEQ Grant# 990219]**

**Texas Commission on Environmental Quality  
P.O. Box 13087, Austin, Texas 78711-3087**

**Source of Funding: Federal Fiscal Year 2018 DWSRF Two Percent Set-aside**

**Submitted November 14, 2019**

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## **INTRODUCTION**

The Safe Drinking Water Act, as amended in 1996, established the Drinking Water State Revolving Fund (DWSRF) to make funds available to drinking water systems to finance infrastructure improvements. The objectives of the DWSRF Program include addressing public health priorities, achieving compliance with the Safe Drinking Water Act (SDWA), assisting systems to ensure affordable drinking water and maintaining the long-term viability of the Fund. The SDWA authorizes states to use a portion of the federal DWSRF Capitalization Grant to support various drinking water Programs (Set-Asides). Through the use of Set-Asides, emphasis is also placed on the development of State Programs, including Source Water Protection (SWP), and Capacity Development. The SDWA allows as much as 2% of a State's Federal Capitalization Grant to be used for Small Systems Technical Assistance.

The DWSRF Grant Program is administered at the federal level by the Environmental Protection Agency (EPA) and at the state level by the Texas Commission on Environmental Quality (TCEQ) and the Texas Water Development Board (TWDB). The TWDB is the state agency with the authority to administer the loan program and to apply for the DWSRF Capitalization Grant. The TCEQ has been designated and has served as the state primacy agency under the SDWA since 1978. The TCEQ, as the primacy agency, is eligible to receive Set-Aside funds provided by EPA from the DWSRF Capitalization Grant. The TCEQ and TWDB have a Memorandum of Understanding (MOU) and an inter-agency contract that clarify each agency's roles and responsibilities in implementing the grant.

The 2019 Drinking Water State Revolving Fund 2% Small Systems Technical Assistance Annual Report details the TCEQ's progress in meeting DWSRF grant Program goals, objectives, and funding expenditures for September 1, 2018 through August 31, 2019 using the 2% Set-Aside funds for SWP, Capacity Development and Public Water System Supervision Program (PWSSP) Administration in support of small Public Water Systems (PWS). The Annual Report includes details on federal and state Program Goals and Objectives, Performance Measures, Funding Mechanisms and Expenditures and Program Elements, Tasks and Deliverables.

## **SUMMARY**

The TCEQ, through the 2% Small Systems Technical Assistance Work Plan, identified activities to be performed between September 1, 2018 and August 31, 2019 that supported small PWS through the State's PWSSP. These activities addressed Program requirements of the PWSSP outlined by the SDWA. Specifically, SWP, Capacity Development Strategy, and PWSSP Administration requirements of the SDWA were addressed.

The TCEQ expended approximately \$1,144,802 during the grant Work Plan period for work performed during this period and reserves the right to use any remaining funds in future years. It should be noted that \$822,308 was requested for reimbursement from TWDB through the Capitalization Grant during the period of

September 1, 2018 through August 31, 2019 and the remainder, or approximately \$322,494, has been or is expected to be requested during the months of September 2019 through November 2019. No match is required; the 2% DWSRF set-aside does not require a match.

The total requested for reimbursement from TWDB between September 2018 and August 2019 was \$1,341,668. Of this amount, approximately \$519,360 was requested for reimbursement from TWDB between September 2018 and November 2018 under the SFY2018/FFY2017 DWSRF 2% Set-Aside Work Plan. Work was performed as described in the Work Plan unless otherwise noted in this report.

**EPA AND TCEQ GOALS AND OBJECTIVES**

Federal and State programmatic goals and objectives are shown in Table 1: EPA and TCEQ Goals and Objectives below.

**Table 1: EPA and TCEQ Goals and Objectives**

EPA GOALS AND OBJECTIVES	TCEQ GOALS AND OBJECTIVES
<p><b>EPA Goal 1:</b> Core Mission: Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety.</p> <p><b>EPA Objective 1.2:</b> Provide for Clean and Safe Water</p> <p>Ensure waters are clean through improved water infrastructure and, in partnership with states and tribes, sustainably manage Programs to support drinking water, aquatic ecosystems, and recreational, economic, and subsistence activities.</p>	<p><b>TCEQ Goal 02: Drinking Water</b></p> <p>To protect public health and the environment by assuring the delivery of safe drinking water to the citizens of Texas consistent with requirements in the Safe Drinking Water Act; by providing regulatory oversight of water conservation and reclamation districts; and by promoting regional water strategies.</p> <p><b>TCEQ Goal 02: Objective 01</b></p> <p>To supply 95 percent of Texans served by public drinking water systems with safe drinking water as required by the Safe Drinking Water Act, to provide regulatory oversight of water and sewer utilities and to promote regional water strategies.</p> <p><b>TCEQ Strategy 02-01-01: Safe Drinking Water</b></p> <p>Ensure the delivery of safe drinking water to all citizens through monitoring and oversight of drinking water sources</p>

EPA GOALS AND OBJECTIVES	TCEQ GOALS AND OBJECTIVES
	consistent with the requirements of the Safe Drinking Water Act.

**WORK PROGRAM ORGANIZATIONAL STRUCTURE**

Within the TCEQ, the Water Supply Division (WSD) is responsible for completing all activities under the 2% DWSRF Set-Aside Grant. The WSD is in charge of the administration of the Source Water Protection Program (Program Element 1 and associated Tasks), the Capacity Development Program (Program Element 2 and associated Tasks) and PWSSP Administration outlined by the SDWA (Program Element 3 and associated Tasks).

**EXPENDITURE BY PROGRAM ELEMENT**

Funding was allocated by Program Element. The Expenditure Summary Table (Table 2 below) provides expenditure information as of November 15, 2019 and may not include final total expenditures for each Program Element and its associated Tasks. The TCEQ expended approximately \$1,144,802 during the grant work plan period for work performed during this period and reserves the right to use any remaining funds in future years. It should be noted that \$822,308 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$322,494, has been or is expected to be requested during the months of September 2019 through November 2019. No match is required; the 2% DWSRF Set-Aside does not require a match. Work was performed as described in the Work Plan unless otherwise noted in this report.

The total requested for reimbursement from TWDB between September 2018 and August 2019 was \$1,341,668. Of this amount, approximately \$519,360 was requested for reimbursement from TWDB between September 2018 and November 2018 under the SFY2018/FFY2017 DWSRF 2% Set-Aside Work Plan.

**Table 2: Expenditure Summary Table**

<b>Program Element/Task</b>	<b>Division</b>	<b>Requested Reimbursements from TWDB between September 2018 and August 2019 for the SFY19/FFY18 2% DWSRF Set-Aside Work Plan</b>	<b>Total Expended During Grant Period</b>	<b>Percent of Total</b>
<b>Program Element 1:</b> Source Water Protection Programs	Water Supply	\$28,748	\$271,081	23.7%
<b>Program Element 2:</b> Capacity Development	Water Supply	\$533,721	\$533,721	46.6%
<b>Program Element 3:</b> PWSSP Administration	Water Supply	\$259,839	\$340,000	29.7%
<b>Total</b>		<b>\$822,308</b>	<b>\$1,144,802</b>	<b>100%</b>

**PROJECT SCHEDULE**

The TCEQ conducted the activities in the DWSRF 2% Set-Aside Work Plans over a 12-month period, which began September 1, 2018 and ended August 31, 2019 (SFY 2019).

**MEASURES OF SUCCESS**

The following tables [Table 3: TCEQ Outcome/Output Measures and Table 4: EPA Program Activity Measures (PAMS)] provide the results of the activities implemented under the DWSRF 2% Work Plan. These measures were previously identified in the DWSRF 2% Work Plan under each Program Element and Task combination:

**Table 3: TCEQ Outcome/Output Measures**

<b>TCEQ Output/Outcome Measure</b>	<b>Program Element/Task</b>	<b>Outcome/Output</b>
<b><u>02-01.01 Outcome Measure:</u></b> Percent of Texas population served by public drinking water systems	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> </ul>	99% of Texas population served by public drinking water systems that meet drinking water standards.

TCEQ Output/Outcome Measure	Program Element/Task	Outcome/Output
which meet drinking water standards.	<ul style="list-style-type: none"> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Small System FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> <li>• <b>Program Element 3:</b> Task 3.1 PWSSP Administration – PWSSP Activities</li> </ul>	
<p><b><u>02-01-01.01</u></b>  <b><u>Output Measure:</u></b>          Number of public drinking water systems that meet primary drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Small System FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> <li>• <b>Program Element 3:</b> Task 3.1 PWSSP Administration – PWSSP Activities</li> </ul>	<p>6,874 public drinking water systems that meet primary drinking water standards.</p>

**Table 4: EPA Program Activity Measures (PAMS)**

<b>EPA Program Activity Measures (PAMS)</b>	<b>Program Element/Task</b>	<b>Outcome/Output</b>
<p><b><u>SDW-211:</u></b>            Percent of the population served by community water systems that receive drinking water that meets all applicable health-based drinking water standards through approaches including effective treatment and Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Small System FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> <li>• <b>Program Element 3:</b> Task 3.1 PWSSP Administration – PWSSP Activities</li> </ul>	<p>98.8% of the population in Texas was served drinking water that meets the Safe Drinking Water Act (SDWA) regulations.</p>
<p><b><u>SDW-SP1.N11:</u></b>            Percent of community water systems that meet all applicable health-based standards through approaches that include effective treatment and Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Small System FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> </ul>	<p>97.4% of community water systems in Texas provide drinking water that meets all applicable health-based standards through effective treatment and Source Water Protection.</p>



EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
	<ul style="list-style-type: none"> <li>• <b>Program Element 3:</b> Task 3.1 PWSSP Administration – PWSSP Activities</li> </ul>	
<p><b><u>SDW-SP2:</u></b></p> <p>Percent of "person months" (i.e. all persons served by community water systems times 12 months) during which community water systems provide drinking water that meets all applicable health-based drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Small System FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> <li>• <b>Program Element 3:</b> Task 3.1 PWSSP Administration – PWSSP Activities</li> </ul>	<p>97.7% of "person months" during which community water systems provide drinking water that meets health-based standards.</p>
<p><b><u>SDW-SP4a:</u></b></p> <p>Percent of community water systems where risk to public health is minimized through Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> </ul>	<p>39.1% of community water systems where risk to public health is minimized through Source Water Protection</p>
<p><b><u>SDW-SP4b:</u></b></p> <p>Percent of the population served by community water systems where risk to public health is minimized through Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> </ul>	<p>63.7% of population served by community water systems where risk to public health is minimized</p>

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
		through Source Water Protection

**PROGRAM ELEMENTS, TASKS, DELIVERABLES AND OUTPUTS**

The following describes the Work Plan Deliverables and Outputs provided for the Program Elements and Tasks identified in the 2% DWSRF Work Plan for SFY 2019.

**Program Element 1: Source Water Protection (SWP) Programs**

This Program Element and associated Task implemented SWP (which includes both surface and wellhead protection) Programs within the State in order to provide ongoing assistance to small PWS through evaluation of sources with respect to vulnerability to contamination. An estimated total of \$271,081 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019. Of the total estimated amount expended, \$28,748 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder or approximately \$242,333 has been or is expected to be requested during the months of September 2019 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

**Task 1.1 Source Water Protection Programs – Source Water Protection Activities**

This Task provided for SWP (which includes both surface and wellhead protection) activities within the state in order to provide ongoing assistance to small PWS through evaluation of sources with respect to vulnerability to contamination. TCEQ staff and contractors were used to support this Task.

The key deliverables were completed SWP reports provided to small PWS to assist in the implementation of Programs designed to provide SWP within the State.

Work Plan Deliverable	Output Provided
1. Completed evaluation of sources (both surface and wellhead) to determine vulnerability to contamination for small PWS;	TCEQ completed 20 SWP Assessments under this grant. TCEQ Staff provided support toward other assessments.  A total of 20 PWS were evaluated in four (4) counties under this grant.

Work Plan Deliverable	Output Provided
2. Implemented SWP Programs in various areas of the State for small PWS;	TCEQ completed 35 SWP Plans, 20 were conducted under this grant. TCEQ Staff provided support toward other assessments.
3. Best management practices developed to implement SWP for small PWS;	TCEQ implemented best management practices for 20 PWS under this grant. TCEQ Staff provided support toward other assessments.
4. Meetings and site visits in order to facilitate the creation of SWP Programs with small PWS;	SWP participants attended 60 meetings and TCEQ staff conducted site visits in conjunction with development of the SWP Plans.  Each of the 20 SWP plans completed required water systems to attend an introduction meeting, education outreach event, site inventory and close out meeting. TCEQ Staff provided support toward other assessments.
5. Evaluation of potential contamination inventories for small PWS;	TCEQ inventoried 54 SWP Areas under this grant.
6. Identification of populations protected by a SWP Program and served by vulnerable water sources for small PWS; and	Under this grant, TCEQ identified a population of 22,207 protected by a SWP Program and served by vulnerable water sources in 20 small PWS. TCEQ Staff provided support toward other assessments.
7. Other activities in support of the SWP Program within the State of Texas.	TCEQ staff and contractors worked with Texas Rural Water Association (TRWA) to complete SWP technical assistance, including assisting water systems with best management practices (BMP) and updating SWP plans. TCEQ staff gave presentations on SWP and BMP at the 2019 Annual Texas Public Drinking Water (PDW) Conference in Austin, Texas, Texas Water Utilities Association Annual Short School in Corpus Christi, Texas, Texas Water Utilities Association Regional School in Abilene, Texas, Texas Water Utilities Association Bosque River District in Stephenville, Texas, Texas Water Conference in Houston, Texas, and Forest and Drinking Water Symposium in Bastrop, Texas.

## **Program Element 2: Capacity Development**

This Program Element provided assistance to small PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Program Element enhanced the financial, managerial, and technical (FMT) abilities of small PWS through the identification of small PWS that need assistance in developing, enhancing, and maintaining their FMT abilities to meet state and federal requirements, as well as provided assistance to PWS during significant weather events, natural disasters, and other emergency events. Additionally, the activities under this Program Element assisted small PWS to maintain or enhance their abilities to meet State requirements through developing, issuing and managing of assistance, including assistance from technical assistance contractors, in order to improve their FMT capability. The activities under this Program Element were performed by TCEQ staff and contractors.

An estimated total of \$533,721 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019. Of the total estimated amount expended \$533,721 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder or approximately \$0 has been or is expected to be requested during the months of September 2018 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

### **Task 2.1: Capacity Development – Capacity Development Activities**

This Task implemented the Capacity Development Strategy under the PWS Program in Texas. The activities under this Task provided assistance to reduce the risk of both long-term and short-term health effects. This was accomplished through the implementation of: portions of the engineering exceptions program, engineering plan review, capital funding source identification, receivership assistance, Intended Use Plan ranking and review and other specialized assistance to small PWS.

The key deliverable was the implementation of programs designed to meet the goal of 95% of the Texas population with drinking water that meets drinking water standards and increased the sustainability of small PWS.

Work Plan Deliverable	Output Provided
<p>1. Developed presentations, training materials and other technical documents to support the technical capability and compliance of small PWS in Texas;</p>	<p>TCEQ provided presentations and workshop and training materials at the 2019 Annual Texas PDW Conference and the TCEQ Environmental Trade Fair. Staff developed and made presentations to assist PWS at workshops, conferences, the Drinking Water Advisory Work Group and TWICC meetings with topics including regionalization and how to get assistance with operations and funding. The Texas Optimization Program (TOP) updated an operator training class that covers disinfection byproduct formation and control. Staff also prepared technical assistance documents and surveys for training operators and assistance providers on topics including cross-connection and backflow prevention.</p>
<p>2. Provide training and technical assistance, though the TOP and other activities as needed, to support the technical capacity of small PWS</p>	<p>TOP provided training and technical assistance, as needed, to support the technical capability of small PWS in Texas. Examples include technical assistance visits and other technical support to City of Bridge City, Beechwood Subdivision, Millersview-Doole WSC, South Texas Water Authority, City of Granite Shoals, City of Midland, Eastland County WSD, West Cedar Creek MUD, City of Alice, Sid Richardson Boy Scout Ranch, CRWA Hays Caldwell WTP, City of Beeville, Houston County WCID 1, City of Austin, West Cedar Creek MUD, City of Brenham, HHSC State Supported Living Center, City of Beeville, Hidden Acres Water System, Lake Livingston Oakridge North, Paxton WSC and City of Byers.</p> <p>TOP provided training to TCEQ staff during the 2019 PWS Investigator Training Conference and delivery of training modules and customized presentations to TCEQ WSD staff, Regional Office staff, and other TCEQ technical assistance providers. Topics included disinfection byproduct formation and control, process management for chloramines, monitoring and reporting requirements for bag and cartridge filters, completing surface water monthly operational reports, RTCR Level 2 Assessments, establishing appropriate chemical feed rates, and establishing a cross-connection control Program.</p> <p>TOP provided training to PWS operators during the 2019 Annual Texas PDW Conference and meetings of various Texas Water Utility Association Districts</p>

Work Plan Deliverable	Output Provided
	<p>throughout the state and directly to individual PWS. Presentation, workshop, and class topics included approval of non-DPD (N, N Diethyl-1,4 Phenylenediamine Sulfate) online chlorine analyzers, establishing a cross-connection control Program, establishing appropriate chemical feed rates, jar testing, math for operators, filter and backwash assessments, and chloramine management.</p> <p>TOP trained other TCEQ technical assistance providers to deliver training and provided training to PWS at the 2019 Annual Texas PDW Conference.</p>
<p>3. Review, analysis, tracking and response to exception requests, engineering plans and other items submitted by small PWS;</p>	<p>During the grant period, exceptions for small PWS were reviewed by TCEQ staff and contractors. TCEQ staff also assisted small PWS through engineering plan reviews for small PWS improvements.</p>
<p>4. Purchase of supplies and equipment as necessary to support the Capacity Development Program in Texas;</p>	<p>Supplies and equipment deemed necessary to support the Capacity Development Program were purchased.</p>
<p>5. Coordination of and participation in state and/or national organizations including, but not limited to Texas Water Infrastructure Coordination Committee (TWICC), the Association of Safe Drinking Water Administrators (ASDWA), and other organizations in support of the Capacity Development Strategy;</p>	<p>TCEQ coordinated activities with the TWICC, ASDWA, EPA, US Department of Agriculture (USDA), Communities Unlimited, Texas Rural Water Association (TRWA), TWDB and other agencies.</p> <p>During this fiscal year, TCEQ participated in regularly scheduled TWICC meetings every other month and helped coordinate with entities looking for funding to enable them to attend the meetings. Each member agency takes turn hosting the meetings and TCEQ hosted the May 2019 meeting and provided updates on Drinking Water Watch (DWW) and other topics. TCEQ coordinated the annual TWICC workshop at the 2019 Annual Texas PDW Conference. TWICC continued to work with the Federal Emergency Management Agency (FEMA), the Texas Department of Emergency Management (TDEM) and the General Land Office (GLO) to discuss disaster and recovery funding and coordination. TCEQ staff made a presentation in February for</p>

Work Plan Deliverable	Output Provided
	<p>the Texas Association of Regional Councils on TWICC and regionalization. TCEQ staff were part of the planning committee and panelists at EPA’s Office of Research and Development / Region 6 Small Drinking Water Systems Meeting May 21 – 22, 2019 in Addison, Texas.</p> <p>TCEQ and the Environmental Finance Center Network coordinated a workshop June 11, 2019 in Tyler, Texas called <i>Water System Finance and Effective Communication with Boards</i>. TWICC members also attended this workshop.</p>
<p>6. Travel, training, attendance at conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of state Program administration staff in support of the Capacity Development Strategy; and</p>	<p>TCEQ staff traveled to participate in events both within Texas and nationally in order to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities in support of the Capacity Development Strategy. Staff participated in both ASDWA and EPA workgroups and committees focusing on capacity development topics including small systems, regionalization and consolidation, the DWSRF and partnerships.</p>
<p>7. Provision of other assistance and support services to small PWS in support of the PWSSP and approved Capacity Development Strategy for the State of Texas.</p>	<p>TCEQ staff and contractors participated in the 2019 Annual Texas PDW Conference. This conference had a robust workshop section where water systems received specialized training. The conference also provided a technical assistance room for small PWS staff to receive one-on-one technical assistance. TCEQ staff coordinated with EPA grant recipients Communities Unlimited, Environmental Finance Network and TRWA to help develop their work plans for assisting small systems with water quality violations. Also, TCEQ staff participated in a wide variety of capacity development activities including:</p> <ul style="list-style-type: none"> <li>• Staff assessment and assistance to PWS experiencing operational problems.</li> <li>• Providing training to technical assistance providers and water systems directly.</li> <li>• Tracking and assisting nonviable “at-risk” PWS in restructuring.</li> <li>• Providing free on-site assistance through the FMT contract.</li> </ul>

## Task 2.2: Capacity Development– Small System FMT Assistance

This Task provided assistance to small PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Task enhanced the FMT abilities of small PWS through the use of TCEQ staff and a FMT contractor, who provided assistance in developing, enhancing, and maintaining FMT abilities, and assisting small PWS to meet state and federal requirements.

The key deliverable was the implementation of Programs designed to provide assistance visits in order to enhance the FMT abilities of small PWS to meet state and federal requirements.

Work Plan Deliverable	Output Provided
1. FMT training and assistance to small PWS including but not limited to FMT assessments, consolidation assessments, consolidation facilitation assistance, and other special assistance and assessment projects as needed;	Under this grant, TCEQ, through its FMT assistance contractor, completed 213 FMT Capacity Assessments, Consolidation Assessments, On-site FMT Assistance, Drinking Water Operator Training, and other special assistance and assessment projects for small PWS under this grant.
2. Assessment and reporting on DWSRF applicants; and	Under this grant, TCEQ’s FMT Contractor conducted ten (10) FMT capacity assessments for small PWS DWSRF applicants. The FMT Contractor provided DWSRF application assistance to one (1) small PWS.
3. Provision of other assistance, training and services to small PWS in support of FMT capabilities and the approved Capacity Development Strategy for the State of Texas.	Under this grant, TCEQ’s FMT Contractor completed four (4) Consolidation Assessments for small Investor Owned Utilities for the purpose of ensuring service to the communities.

## Task 2.3 Capacity Development – Water Security

This Task provided assistance to small PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Task provided assistance to small PWS during significant weather events, natural disasters, and other emergency events. Activities were conducted to enhance



abilities of small PWS to respond to emergencies through the use of TCEQ staff and a contractor that provided assistance.

The key deliverable was the provision of water security assistance and training to small PWS in the state impacted by or who have the potential to be impacted by natural disasters including drought.

Work Plan Deliverable	Output Provided
<p>1. Review, evaluation and technical assistance related to Emergency Preparedness Plans;</p>	<p>During the 2019 Annual Texas PDW Conference, TCEQ staff provided a presentation on Emergency Preparedness Plans (EPP) which are applicable only to "affected utilities" located in Harris and Fort Bend Counties. An EPP requires an affected utility to submit a plan on how the utility plans to provide water and pressure during an extended power outage. The template for this plan, the Fact, Answers, and Questions (FAQs) webpage, and the Appendices for the EPP were all updated in SFY2019 to provide updated information to PWS. Another task that was completed to assist water systems a Homeland Security FAQs webpage was developed and posted on the TCEQ's public web site under Homeland Security for PWS: Disaster and Recovery.</p> <p>TCEQ does not review Emergency Response Plans; however, in SFY2019, the TCEQ's WSD sent out 7000 emergency contact forms to water systems so they can have their contact information updated in SDWIS.</p> <p>In 2019, TCEQ reviewed 73 Emergency Preparedness Plans.</p>
<p>2. Support for natural disaster (i.e. drought) initiatives and technical assistance to impacted systems;</p>	<p>The TCEQ's WSD provides support and assistance to the Texas Natural Disaster Operational Workgroup (NDOW) by sending staff to participate in hurricane and tornado table top exercises. In 2019, the Abilene Region held a tornado table top exercise and the Corpus Christi Region held a hurricane table top exercise. Part of the table top exercise is to learn how to conduct drinking water assessments using the EPA's Response Manager (RM) software. Throughout the year RM trainings were also held in Austin, Houston, Tyler, Beaumont, and San Antonio; these trainings prepare TCEQ staff to support PWS impacted by disasters.</p>

Work Plan Deliverable	Output Provided
	<ul style="list-style-type: none"> <li>• In January 2019, the operator for 410 WSC reported an incident of tampering with a water meter by a local customer. The operator was provided with the contact information for the state’s Critical Infrastructure Protection Lead Planner with the Texas Department of Public Safety.</li> <li>• In April 2019, three facilities required assistance because they were impacted by storms. A tornado touched down in April 2019, which impacted the City of San Augustine’s (City) 703 connections and their customer, San Augustine Rural WSC (WSC) with 607 connections. The City reached out to TXWARN for a generator, TXWARN provided a generator, and the City was able to make repairs, and provide water to its customers, including San Augustine WSC.</li> </ul> <p>The City of Palestine was impacted by the same storm in April 2019 and suffered electrical damage to their facility. They reached out to TXWARN to request an electrical Engineer to assist repairing their water system. Their electrical panels were repaired, and the water system returned to normal operating conditions.</p> <ul style="list-style-type: none"> <li>• The week of August 16, 2019, two (2) water systems out of 23 government entities suffered a cybersecurity, ransomware attack. As a result, the Texas State Operations Center was activated, and TCEQ called all entities with the potential to have their water system’s Supervisory Control and Data Acquisition (SCADA) system affected by this incident. IT assistance was sent out to the water systems to help them recover and respond to this incident.</li> <li>• There was a post event analysis report following the City of Austin’s issuance of a Boil Water Notice in response to excessive flooding challenging their ability to maintain acceptable turbidity levels. The City conducted a presentation at the 2019 Texas Water</li> </ul>

Work Plan Deliverable	Output Provided
	<p>Conference and at the 2019 Texas Emergency Management Conference.</p>
<p>3. Travel and training both within Texas and nationally to attend training, conferences and other events designed to enhance knowledge, skills and abilities and maintain competency of Program administration staff in support of the Water Security Program;</p>	<p>Training attended in FY2019 to increase knowledge base and maintain competency of the Water Security Program included:</p> <ul style="list-style-type: none"> <li>• EPA Increasing Support for Water Resilience</li> <li>• AWWA Water Infrastructure ACT (AWIA) 2018 Risk Assessment /Cyber Security Webinar</li> <li>• EPA Designing an Integrated Water Quality Surveillance and Response System</li> <li>• EPA Building Community-Based Water Resilience Webinar</li> <li>• EPA Utility Examples to Mitigate Earthquake Impacts</li> <li>• ASDWA AWIA Requirements that Impact the PWSSP</li> <li>• ASDWA Assessing the Risk of Spills into Drinking Water Sources</li> <li>• Water ISAC Complying with Risk Assessment and ERP Requirements under AWIA</li> <li>• Water ISAC Process Control and SCADA System Risks Assessment Process</li> <li>• EPA Introduction to Cybersecurity: Workshop and Response Exercises</li> <li>• EPA Flood Resilience: Training for Water and Wastewater Utilities</li> <li>• TCEQ Emergency Response Plan Workshop Waco, TX</li> <li>• TEEX Disaster Management for Electric Power Systems</li> <li>• TEEX Critical Asset Risk Management</li> <li>• TEEX Advanced Critical Infrastructure Protection</li> <li>• TEEX Disaster Management for Public Services</li> <li>• TEEX Hot Zone 2018 Conference</li> <li>• 12<sup>th</sup> Annual Emergency Management Association of Texas</li> </ul>

Work Plan Deliverable	Output Provided
	<ul style="list-style-type: none"> <li>• 2019 Texas Emergency Management Conference</li> <li>• 2019 Coastal Bend Hurricane Conference</li> <li>• 2019 South Texas All Hazards Conference</li> </ul> <p>The TCEQ’s Drinking Water Homeland Security Coordinator continues to participate in ASDWA’s Security notes, NDOW’s quarterly meetings, and maintains a membership with Water ISAC to stay abreast of security issues affecting water utilities in Texas and across the country.</p>
<p>4. Provision of other assistance and support services to PWS in support of the Water Security Program and the approved Capacity Development Strategy for Texas.</p>	<p>The TCEQ’s Security Education contractor provided workshops to PWS across the state on developing an Emergency Response Plan (ERP) as required by the American Water Infrastructure Act of 2018. ERP workshops took place in Waco, Kingsville, El Paso, and Conroe. An additional ERP workshop and presentation were provided during the 2019 Annual Texas PDW Conference in Austin (approximately 1,115 attendees), as well as a presentation at the 2019 Texas Water Conference in Houston (approximately 5,000 attendees). At the 2019 PDW Conference the Assistant Chief of the Texas Division of Emergency Management (TDEM) provided a presentation on Disaster Finance, Recovery, and Mitigation for PWS, and also provided resources that water systems can reach to for funding and improving their system’s resilience.</p> <p>TCEQ continues to be available for assistance and support services to small PWS as needed through phone calls, the TCEQ’s Capacity Development Team, the TCEQ’s Critical Infrastructure Division, the TXWARN website and the TDEM’s Public Works Response Team (PWRT).</p> <p>The PWRT supports local jurisdictions in their response to a catastrophic event by providing critical public works services as needed to facilitate recovery. TCEQ’s Capacity Development Team coordinates with members of TWICC including TDEM, FEMA, Texas Department of Agriculture (TDA), USDA and GLO to assist systems affected by disasters to obtain funding.</p>

Work Plan Deliverable	Output Provided
	<p>Staff participated in a stakeholder meeting June 20, 2019 held by TDA to discuss changing disaster response rules and processes.</p> <p>Another support service provided to small PWS is the Quarterly DWAWG meetings that are held for all PWS to attend in person or via webinar. These meetings inform PWS of Program activities, response activities, and security activities. The meeting is interactive and allows for web attendees to ask questions during the meeting. The website for these meetings has presentations, the information covered during each meeting, and advertises any upcoming drinking water related trainings provided by TCEQ, EPA, and other providers.</p>

### Program Element 3: PWSSP Administration

This Program Element implemented the PWSSP in Texas as described in the SDWA. The activities performed under this Program Element support the compliance, monitoring and enforcement of small PWS. An estimated total of \$340,000 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019. Of the total estimated amount expended \$259,839 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder or approximately \$80,161 has been or is expected to be requested during the months of September 2019 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

#### Task 3.1: PWSSP Administration – PWSSP Activities

The activities under this task supported the Primacy Program of the State of Texas and included but was not limited to: inventory data entry and processing, compliance activities; technical and regulatory assistance; Safe Drinking Water Information System (SDWIS) data support; evaluating and analyzing data (chemical and otherwise); quality assurance and control activities; and other activities in support of the PWSSP in Texas. These activities were carried out by TCEQ staff and/or contractors.

The key deliverable was the implementation of Programs designed to meet the goal of 95% of the Texas population with drinking water that meets drinking water standards.

Work Plan Deliverable	Output Provided
<p>1. Compliance, technical and regulatory assistance for small PWS;</p>	<p>TCEQ provided technical assistance to small PWS to facilitate compliance with the Revised Total Coliform Rule (RTCR), Lead and Copper Rule, Stage 2 Disinfection Byproducts Rule, regulations for inorganic, organic, and radionuclide chemical contaminants, the Surface Water Treatment Rule, Ground Water Rule and the Public Notification Rule. Additionally, compliance and technical/regulatory assistance is provided to small PWS throughout Texas on: disinfectant residual levels, surface water treatment, microbial contaminants, inorganic contaminants, radionuclides, monitoring plans, and the Consumer Confidence Report. TCEQ implemented a compliance outreach initiative to assist non-compliant systems prior to triggering enforcement response policy</p>

	criteria.
2. Review of compliance documentation, monitoring information and other compliance Program related information;	TCEQ reviews treatment technique, microbial and chemical compliance data to determine compliance with primary drinking water standards. On a daily basis, TCEQ ensures PWSs are monitored on appropriate schedules based on system information and sample results.
3. SDWIS inventory and data maintenance;	Inventory data in SDWIS was updated from multiple data sources and reported to EPA on the following dates: Quarter 1 on March 27, 2019 Quarter 2 on June 21, 2019 Quarter 3 on September 30, 2019 Quarter 4 is expected to be reported by December 31, 2019.
4. Data and responses to the EPA, small PWS, consulting engineers, the TCEQ and other state agencies, as necessary;	TCEQ staff and contractors provided information on requests to TCEQ, EPA, PWS, consulting engineers through the day-to-day assistance. TCEQ staff have sought new and innovative ways to share data across Programs and with the public, including small PWS, by continuing to modify DWW and implementing SharePoint software for internal project management and coordination. TCEQ has worked with EPA to identify data discrepancies between state and federal databases and has actively sought to reduce these discrepancies.
5. Provision of other assistance and support services to small PWS in support of the Small System PWSS Program for the State of Texas.	TCEQ and contractors hosted and participated in the 2019 Annual Texas PDW Conference. This conference had numerous presentations on compliance and themes and/or concepts important to the successful operation of PWS, a robust workshop section where PWS received specialized training. Also, the conference provided a technical assistance room for PWS staff to receive one-on-one technical assistance. TCEQ referred PWS, including small PWS, to its FMT and Small Business Assistance functions to provide on-site, in-depth support services and assistance. Additionally, TCEQ's WSD participated in the annual Environmental Trade Fair which provided technical training sessions to PWS of all sizes.

# Attachment D: TCEQ – State Program Management Annual Report



**STATE FISCAL YEAR 2019  
DRINKING WATER STATE REVOLVING FUND  
STATE PROGRAM MANAGEMENT  
(10%) TEN PERCENT SET-ASIDE ACTIVITIES  
ANNUAL REPORT**

**EPA # FS-99679522  
[TCEQ Grant# 991019]**

**Texas Commission on Environmental Quality  
P.O. Box 13087, Austin, Texas 78711-3087**

**Source of Funding: Federal Fiscal Year 2018 DWSRF Ten Percent Set-Aside**

**Submitted November 14, 2019**

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## **INTRODUCTION**

The Safe Drinking Water Act, as amended in 1996, established the Drinking Water State Revolving Fund (DWSRF) to make funds available to drinking water systems to finance infrastructure improvements. The objectives of the DWSRF Program include addressing public health priorities, achieving compliance with the Safe Drinking Water Act (SDWA), assisting systems to ensure affordable drinking water and maintaining the long-term viability of the Fund. The SDWA authorizes states to use a portion of the federal DWSRF Capitalization Grant to support various drinking water programs (Set-Asides). Through the use of Set-Asides, emphasis is also placed on the development of state programs, including Source Water Protection (SWP), and Capacity Development. The SDWA allows as much as 10% of a State's federal Capitalization Grant to be used for State Program Management.

The DWSRF Grant Program is administered at the federal level by the Environmental Protection Agency (EPA) and at the state level by the Texas Commission on Environmental Quality (TCEQ) and the Texas Water Development Board (TWDB). The TWDB is the state agency with the authority to administer the loan program and to apply for the DWSRF Capitalization Grant. The TCEQ has been designated and has served as the state primacy agency under the SDWA since 1978. The TCEQ, as the primacy agency, is eligible to receive Set-Aside funds provided by EPA from the DWSRF Capitalization Grant. The TCEQ and TWDB have a Memorandum of Understanding (MOU) and an inter-agency contract that clarify each agency's roles and responsibilities in implementing the grant.

The 2019 Drinking Water State Revolving Fund 10% State Program Management Annual Report details the TCEQ's progress in meeting DWSRF Grant Program goals, objectives, and funding expenditures for September 1, 2018 through August 31, 2019 using the 10% Set-Aside funds for Public Water System Supervision Program (PWSSP) Administration and Capacity Development. The Annual Report includes details on federal and state Program Goals and Objectives, Performance Measures, Funding Mechanisms, Expenditures, Program Elements, Tasks and Deliverables.

## **SUMMARY**

The TCEQ, through the 10% State Program Management Work Plan, identified activities to be performed between September 1, 2018 and August 31, 2019 that supported Public Water Systems (PWS) through the PWSSP. These activities addressed Program requirements of the PWSSP outlined by the SDWA. Specifically, the PWSSP Administration, and Capacity Development Strategy requirements of the SDWA were addressed.

The TCEQ expended approximately \$7,044,259 during the grant Work Plan period for work performed during this period and reserves the right to use any remaining funds in future years. It should be noted that \$6,211,517 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$832,742, has been or is expected to be requested during the months of

September 2019 through November 2019. Due to the Water Infrastructure for Improvements to the Nation (WIIN) Act, no match is required; the 10% DWSRF set-aside does not require a match.

The total requested for reimbursement from TWDB between September 2018 and August 2019 was \$6,842,965. Of this amount, approximately \$631,448 was requested for reimbursement from TWDB between September 2018 and November 2018 under the SFY2018/FFY2017 DWSRF 10% Set-Aside Work Plan. Work was performed as described in the Work Plan unless otherwise noted in this report.

**EPA AND TCEQ GOALS AND OBJECTIVES**

Federal and State programmatic goals and objectives are shown in Table 1: EPA and TCEQ Goals and Objectives below.

**Table 1: EPA and TCEQ Goals and Objectives**

<b>EPA GOALS AND OBJECTIVES</b>	<b>TCEQ GOALS AND OBJECTIVES</b>
<p><b>EPA Goal 1:</b> Core Mission: Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety.</p> <p><b>EPA Objective 1.2:</b> Provide for Clean and Safe Water</p> <p>Ensure waters are clean through improved water infrastructure and, in partnership with states and tribes, sustainably manage programs to support drinking water, aquatic ecosystems, and recreational, economic, and subsistence activities.</p>	<p><b>TCEQ Goal 02: Drinking Water</b></p> <p>To protect public health and the environment by assuring the delivery of safe drinking water to the citizens of Texas consistent with requirements in the Safe Drinking Water Act; by providing regulatory oversight of water conservation and reclamation districts; and by promoting regional water strategies.</p> <p><b>TCEQ Goal 02: Objective 01</b></p> <p>To supply 95 percent of Texans served by public drinking water systems with safe drinking water as required by the Safe Drinking Water Act, to provide regulatory oversight of water and sewer utilities and to promote regional water strategies.</p> <p><b>TCEQ Strategy 02-01-01: Safe Drinking Water</b></p> <p>Ensure the delivery of safe drinking water to all citizens through monitoring and oversight of drinking water sources consistent with the requirements of the Safe Drinking Water Act.</p>

<p><b>EPA Goal 5: Protecting Human Health and the Environment by Enforcing Laws and Assuring Compliance</b></p> <p>Protect human health and the environment through vigorous and targeted civil and criminal enforcement. Use Next Generation Compliance strategies and tools to improve compliance with environmental laws.</p> <p><b>EPA Objective 5.1: Enforce Environmental Laws to Achieve Compliance</b></p> <p>Pursue vigorous civil and criminal enforcement that targets the most serious water, air, and chemical hazards in communities to achieve compliance. Assure strong, consistent, and effective enforcement of federal environmental laws nationwide. Use Next Generation Compliance strategies and tools to improve compliance and reduce pollution.</p>	<p><b>TCEQ Goal 03: Enforcement and Compliance Assistance</b></p> <p>To protect public health and the environment by administering enforcement and environmental assistance programs that promote compliance with environmental laws and regulations, voluntary efforts to prevent pollution, and offer incentives for demonstrated good environmental performance while providing strict, sure, and just enforcement when environmental laws are violated.</p> <p><b>TCEQ Goal 03: Objective 01:</b></p> <p>Through fiscal 2019, maintain at least 95 percent of all regulated facilities in compliance with state environmental laws and regulations, to respond appropriately to citizen inquiries and complaints and to achieve pollution prevention, resource conservation, and enhanced compliance.</p> <p><b>TCEQ Strategy 03-01-01: Field Inspections and Complaint Response</b></p> <p>Promote compliance with environmental laws and regulations by conducting field inspections and responding to citizen complaints.</p> <p><b>TCEQ Strategy 03-01-02: Enforcement and Compliance Support</b></p> <p>Maximize voluntary compliance with environmental laws and regulations by providing educational outreach and assistance to businesses and units of local governments; and assure compliance with environmental laws and regulations by taking swift, sure and just enforcement actions to address violations.</p>
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## **WORK PROGRAM ORGANIZATIONAL STRUCTURE**

Within the TCEQ, the Water Supply Division (WSD) is the lead and is responsible for the overall administrative activities under the 10% DWSRF Set-Aside Grant. The WSD and Office of Compliance and Enforcement (OCE) participate in the administration of the PWSSP as outlined by the SDWA (Program Element 1 and associated Tasks). The WSD and Water Availability Division (WAD) participate in the implementation of the Capacity Development Strategy requirement of the SDWA (Program Element 2 and associated Tasks).

## **EXPENDITURE BY PROGRAM ELEMENT**

Funding was allocated by Program Element. The Expenditure Summary Table (Table 2 below) provides expenditure information as of November 15, 2019 and may not include final total expenditures for each Program Element and its associated Tasks. The TCEQ expended approximately \$7,044,259 during the grant Work Plan period for work performed during this period and reserves the right to use any remaining funds in future years. It should be noted that \$6,211,517 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$832,742, has been or is expected to be requested during the months of September 2019 through November 2019. Work was performed as described in the Work Plan unless otherwise noted in this report. Due to the Water Infrastructure for Improvements to the Nation (WIIN) Act, no match is required; the 10% DWSRF set-aside does not require a match.

The total requested for reimbursement from TWDB between September 2018 and August 2019 was \$6,842,965. Of this amount, approximately \$631,448 was requested for reimbursement from TWDB between September 2018 and November 2018 under the SFY2018/FFY2017 DWSRF 10% Set-Aside Work Plan.

**Table 2: Expenditure Summary Table**

<b>Program Element/Task</b>	<b>Division</b>	<b>Requested Reimbursements from TWDB between September 2018 and August 2019 for the SFY19/FFY18 10% DWSRF Set-Aside Work Plan</b>	<b>Total Expended During Grant Period</b>	<b>Percent of Total</b>
<b>Program Element 1:</b> PWSSP Administration	Water Supply Division and Office of Compliance and Enforcement – Regional Areas	\$3,284,759	\$3,571,638	50.7%
<b>Program Element 2:</b> Capacity Development	Water Supply Division and Water Availability Division	\$2,926,758	\$3,472,621	49.3%
<b>Total</b>		<b>\$6,211,517</b>	<b>\$7,044,259</b>	<b>100%</b>

**PROJECT SCHEDULE**

The TCEQ conducted the activities in the DWSRF 10% Set-Aside Work Plans over a 12-month period, which began September 1, 2018 and ended August 31, 2019 (SFY 2019).

**MEASURES OF SUCCESS**

The following tables [Table 3: TCEQ Outcome/Output Measures and Table 4: EPA Program Activity Measures (PAMS)] provide the results of the activities implemented under the DWSRF 10% Work Plan. These measures were previously identified in the DWSRF 10% Work Plan under each Program Element and Task combination:



**Table 3: TCEQ Outcome/Output Measures**

TCEQ Output/Outcome Measure	Program Element/Task	Outcome/Output
<p><b><u>02-01.01 Outcome Measure</u></b></p> <p>Percent of Texas population served by public water systems that meet drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 PWSSP Administration – PWSSP Administration Activities</li> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> <li>• <b>Program Element 1:</b> Task 1.3 PWSSP Administration – Drinking Water Laboratory Certification and Accreditation</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – District Support</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Drought Plan Review</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.4 Capacity Development – Water Security</li> <li>• <b>Program Element 2:</b> Task 2.5 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.6 Capacity Development – Source Water Protection Activities</li> </ul>	<p>99% of Texas population served by public drinking water systems that meet drinking water standards.</p>

TCEQ Output/Outcome Measure	Program Element/Task	Outcome/Output
<p><b><u>02-01-01.01 Output Measure:</u></b></p> <p>Number of public drinking water systems that meet primary drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 PWSSP Administration – PWSSP Administration Activities</li> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> <li>• <b>Program Element 1:</b> Task 1.3 PWSSP Administration – Drinking Water Laboratory Certification and Accreditation</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – District Support</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Drought Plan Review</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.4 Capacity Development – Water Security</li> <li>• <b>Program Element 2:</b> Task 2.5 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.6 Capacity Development – Source Water Protection Activities</li> </ul>	<p>6874 public drinking water systems that meet primary drinking water standards.</p>

TCEQ Output/Outcome Measure	Program Element/Task	Outcome/Output
<p><b><u>02-01-01.03 Output Measure:</u></b>            Number of district applications processed.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 2:</b>                Task 2.1 Capacity Development – District Support</li> </ul>	<p>563 district applications processed</p>
<p><b><u>03.01.02 Outcome Measure:</u></b>            Percent of investigated water sites and facilities in compliance.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b>                Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> </ul>	<p>97% of inspected or investigated water sites and facilities were in compliance.</p> <p><i>Please note that this measure is reported to the Texas Legislative Budget Board as inclusive of all water sites and facilities and is not specific to drinking water.</i></p>
<p><b><u>03-01-02.01 Output Measure:</u></b>            Number of environmental laboratories accredited.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b>                Task 1.3 PWSSP Administration – Drinking Water Laboratory Certification and Accreditation</li> </ul>	<p>259 environmental laboratories were accredited.</p> <p><i>Please note that this measure is reported to the Texas Legislative Budget Board as inclusive of laboratories accredited is not specific to drinking water. There were 146 drinking water laboratories accredited at the end of State Fiscal Year 2019.</i></p>

TCEQ Output/Outcome Measure	Program Element/Task	Outcome/Output
<p><b><u>03-01-01.03 Output Measure:</u></b></p> <p>Number of investigations of water sites and facilities.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> </ul>	<p>13,092 investigations of water site and facilities that were conducted.</p> <p><i>Please note that this measure is reported to the Texas Legislative Budget Board as inclusive of all water sites and facilities and is not specific to drinking water.</i></p>
<p><b><u>03-01.04 Outcome Measure:</u></b></p> <p>Percent of identified noncompliant sites and facilities for which timely and appropriate enforcement action is taken.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.4 PWSSP Administration – Drinking Water Enforcement</li> </ul>	<p>85% of identified noncompliant sites and facilities had appropriate enforcement action taken.</p> <p><i>Please note that this measure is reported to the Texas Legislative Budget Board as inclusive of all media types and is not specific to drinking water.</i></p>

**Table 4: EPA Program Activity Measures (PAMS)**

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
<p><b><u>SDW-211:</u></b>            Percent of the population served by community water systems that receive drinking water that meets all applicable health-based drinking water standards through approaches including effective treatment and Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 PWSSP Administration – PWSSP Administration Activities</li> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> <li>• <b>Program Element 1:</b> Task 1.3 PWSSP Administration – Drinking Water Laboratory Certification and Accreditation</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – District Support</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Drought Plan Review</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.4 Capacity Development – Water Security</li> <li>• <b>Program Element 2:</b> Task 2.5 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.6 Capacity Development – Source Water Protection Activities</li> </ul>	<p>98.8% of the population in Texas was served drinking water that meets the Safe Drinking Water Act (SDWA) regulations.</p>

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
<p><b><u>SDW-SP1.N11:</u></b></p> <p>Percent of community water systems that meet all applicable health-based standards through approaches that include effective treatment and Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 PWSSP Administration – PWSSP Administration Activities</li> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> <li>• <b>Program Element 1:</b> Task 1.3 PWSSP Administration – Drinking Water Laboratory Certification and Accreditation</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – District Support</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Drought Plan Review</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.4 Capacity Development – Water Security</li> <li>• <b>Program Element 2:</b> Task 2.5 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.6 Capacity Development – Source Water Protection Activities</li> </ul>	<p>97.4% of community water systems in Texas provide drinking water that meets all applicable health-based standards through effective treatment and Source Water Protection.</p>

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
<p><b>SDW-SP2:</b></p> <p>Percent of "person months" (i.e. all persons served by community water systems times 12 months) during which community water systems provide drinking water that meets all applicable health-based drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 PWSSP Administration – PWSSP Administration Activities</li> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> <li>• <b>Program Element 1:</b> Task 1.3 PWSSP Administration – Drinking Water Laboratory Certification and Accreditation</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – District Support</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – Drought Plan Review</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.4 Capacity Development – Water Security</li> <li>• <b>Program Element 2:</b> Task 2.5 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.6 Capacity Development – Source Water Protection Activities</li> </ul>	<p>97.7% of "person months" during which community water systems provide drinking water that meets health-based standards.</p>

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
<p><b><u>SDW-01a:</u></b></p> <p>Percent of community water systems (CWSs) that have undergone a sanitary survey within the past three years (five years for outstanding performers or those ground water systems approved by the primacy agency to provide 4-log treatment of viruses).</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.2 PWSSP Administration – Drinking Water Inspection and Investigation</li> </ul>	<p>91% of all community water systems in State fiscal year 2019, had a TCEQ conducted sanitary survey in the last three years (State fiscal years 2017, 2018, and 2019).</p> <p><i>Note: In prior years, the percentage was less than expected because the sanitary surveys where the primary source of water was groundwater were not included due to pending Ground Water Rule implementation. The new number reflects the inclusion of community water systems that have groundwater as the primary source.</i></p>

**PROGRAM ELEMENTS, TASKS, DELIVERABLES and OUTPUTS**

The following describes the Work Plan deliverables and outputs provided for the Program Elements and Tasks identified in the 10% DWSRF Work Plan for SFY 2019.

**Program Element 1: PWSSP Administration**

This Program Element and its associated Tasks implemented the PWSSP in Texas as described in the SDWA. The activities performed under this Program Element support the compliance, monitoring and enforcement of PWS. An estimated total of \$3,571,637 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019. Of the total estimated amount expended \$3,284,759 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31,



2019 and the remainder or approximately \$286,879 has been or is expected to be requested during the months of September 2019 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

**Task 1.1 PWSSP Administration Activities**

The activities under this Task supported the Primacy Program of the State of Texas and included, but were not limited to: inventory data entry and processing, compliance activities; technical and regulatory assistance; Safe Drinking Water Information System (SDWIS) data support; evaluating and analyzing data (chemical and otherwise); quality assurance and control (QA/QC) activities; and other activities in support of the PWSSP in Texas. These activities were carried out by TCEQ staff and/or contractors.

The key deliverable was the implementation of programs designed to meet the goal of 95% of Texas’ population with drinking water that meets drinking water (DW) standards.

Work Plan Deliverable	Output Provided
<p>1. Compliance, technical and regulatory assistance for PWS;</p>	<p>TCEQ provided technical assistance to PWS to facilitate compliance with the Revised Total Coliform Rule (RTCR), Lead and Copper Rule, Stage 2 Disinfection Byproducts Rule, regulations for inorganic, organic, and radionuclide chemical contaminants, the Surface Water Treatment Rule, Ground Water Rule and the Public Notification Rule. Additionally, compliance and technical/regulatory assistance is provided to PWS throughout Texas on: disinfectant residual levels, surface water treatment, microbial contaminants, inorganic contaminants, radionuclides, monitoring plans, and the Consumer Confidence Report. TCEQ provided assistance and training to systems and laboratories in on-going support of the Electronic Environmental (E2) Reporting System software and its maintenance. TCEQ also implemented a compliance outreach initiative to assist non-compliant systems prior to triggering enforcement response policy criteria.</p> <p>During SFY 2019, TCEQ WSD:</p> <ul style="list-style-type: none"> <li>• Completed 6,277 Inventory requests</li> <li>• Issued letters for Notice of Violation (NOV) to 2,819 PWS with a sum total of 11,758 violations</li> <li>• Issued 3,214 Public Notification (PN) Rule</li> </ul>

	<p>violations to 1,089 PWS</p> <ul style="list-style-type: none"> <li>• Referred 231 PWS with a Notice of Enforcement (NOE) on a sum total of 2,677 violations</li> </ul>
2. Review of compliance data, monitoring information and other compliance Program related information;	TCEQ reviews treatment technique, microbial and chemical compliance data to determine compliance with primary drinking water standards. On a daily basis, TCEQ ensures PWSs are monitored on appropriate schedules based on system information and sample results.
3. SDWIS inventory and data maintenance;	<p>Inventory data in SDWIS was updated from multiple data sources and reported to EPA on the following dates:</p> <p>Quarter 1 on March 27, 2019          Quarter 2 on June 21, 2019          Quarter 3 on September 30, 2019          Quarter 4 is expected to be reported by December 31, 2019.</p>
4. Data and responses to the EPA, PWS, consulting engineers, the TCEQ and other state agencies, as necessary;	TCEQ staff and contractors provided information on requests to TCEQ, EPA, PWS, and consulting engineers through the day-to-day assistance. TCEQ staff have sought new and innovative ways to share data across programs and with the public, including small PWS, by continuing to modify Drinking Water Watch (DWW) and implementing SharePoint software for internal project management and coordination. TCEQ has worked with EPA to identify data discrepancies between state and federal databases and has actively sought to reduce these discrepancies.
5. Purchase of supplies, equipment and other items necessary to support the PWSSP in Texas;	Supplies and equipment deemed necessary to support the PWSSP in Texas were purchased.
6. Travel and training both within Texas and nationally to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program	<p>TCEQ staff traveled to participate in events both within Texas and nationally in order to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the PWSSP. Examples include:</p> <ul style="list-style-type: none"> <li>• ASDWA 2019 Annual Conference in Washington, D.C.</li> </ul>

<p>administration staff in support of the PWSSP;</p>	<ul style="list-style-type: none"> <li>• 2019 Annual Texas Public Drinking Water (PDW) Conference in Austin, TX</li> <li>• ASDWA 2019 Data Management User’s Conference in Atlanta, GA</li> </ul>
<p>7. Coordination of and participation in state and/or national organizations including, but not limited to the Association of Safe Drinking Water Administrators (ASDWA), and other organizations in support of the PWSSP; and</p>	<p>TCEQ participated in state and/or national organizations including but not limited to Texas Water Infrastructure Coordination Committee (TWICC), the Association of Safe Drinking Water Administrators, The Texas Chapter of the American Water Works Association (AWWA), and other organizations in support of the PWSSP. TCEQ participated in the ASDWA Data Management Users Conference (DMUC) in support of SDWIS, data concerns, and compliance determinations involved in the oversight of PWS.</p>
<p>8. Provision of other assistance and support services to PWS in support of the PWSSP for the State of Texas.</p>	<p>TCEQ and contractors hosted and participated in the 2019 Annual Texas PDW Conference. This conference had numerous presentations on compliance and themes and/or concepts important to the successful operation of PWS, a robust workshop section where PWS received specialized training. Also, the conference provided a technical assistance room for PWS staff to receive one-on-one technical assistance. TCEQ referred PWS to its Financial, Managerial, and Technical (FMT) and Small Business Assistance functions to provide on-site, in-depth support services and assistance. Additionally, TCEQ’s WSD participated in the annual Environmental Trade Fair which provided technical training sessions to PWS of all sizes.</p>

## Task 1.2 Drinking Water Inspection and Investigation

The activities under this Task supported the PWSSP in Texas by the conducting of comprehensive compliance investigations (EPA termed sanitary surveys), complaint response and other inspection and investigative activities at PWS.

The key deliverables are comprehensive compliance investigations (EPA termed sanitary surveys) at PWS and timely response to complaints as appropriate.

Work Plan Deliverable	Output Provided
1. Completed comprehensive compliance investigations (EPA termed sanitary surveys) at PWS;	708 comprehensive compliance investigations (sanitary surveys) were funded by DWSRF
2. Completed complaint investigations on PWS;	638 PWS Investigation Complaints were funded by DWSRF
3. Purchase of supplies, equipment and other items necessary to support the PWSSP in Texas;	Supplies, equipment and other necessary items were purchased to support the PWSSP in Texas
4. Travel and training both within Texas and nationally to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the PWSSP; and	TCEQ staff attended the Texas Water Utilities Association School Basic Water classes and several classes offered by TEEX and Texas Rural Water Association (TRWA). Additionally, staff attended the 2019 Annual Texas PDW Conference in Austin, Texas and PWS Biennial Investigator Training in San Antonio, TX.
5. Coordination, assistance and support to EPA, PWS, the TCEQ and other State agencies as it relates to inspections and investigations of PWS.	TCEQ staff traveled to several conferences and provided training at those conferences. TCEQ staff also provided outreach, training, complaint reviews, and technical assistance to support the regulated community, PWS customers, and TCEQ staff on a regular basis.
6. Provision of other assistance and support services to PWS in support of the PWSSP for the State of Texas	TCEQ staff took calls from PWS and provided guidance documents as needed. Staff assisted with training and monitoring PWS personnel during testing activity. TCEQ staff administered tests for PWS operator licensing requirements.

### Task 1.3 Drinking Water Laboratory Certification and Accreditation

The activities under this Task supported the PWSSP by providing laboratory inspections and audits associated with the National Environmental Laboratory Accreditation Program (NELAP) accreditation of drinking water laboratories.

The key deliverable is the inspection of PWS laboratories statewide as required and controlled by Title 30 Texas Administrative Code Chapter 25.

Work Plan Deliverable	Output Provided
1. Conduct and complete laboratory inspections of PWS laboratories;	TCEQ completed 66 PWS (drinking water) laboratory inspections.
2. Conduct and complete laboratory audits of PWS laboratories;	TCEQ conducted 66 PWS (drinking water) laboratory audits and completed 32 PWS (drinking water) laboratory audits.
3. Provide assistance and support to other areas at the TCEQ related to the accreditation, certification, inspection and auditing of PWS laboratories;	Assistance and support were provided on topics related to the accreditation, inspection and auditing of PWS laboratories upon request. For example: answered questions regarding accreditation status and location of PWS laboratories, answered questions regarding details of analytical methods used at PWS laboratories, and provided technical interpretation of results from PWS laboratories.
4. Provide data and other information associated with the PWSSP upon request and the accreditation, certification, inspection and auditing of PWS laboratories;	Data and other information associated with the PWSSP and the accreditation, inspection and auditing of PWS laboratories was provided upon request. For example: provided location of accredited PWS laboratories, provided information on collecting drinking water samples and selection of potential test methods, and referred callers to proper TCEQ Region for specific answers and assistance.
5. Purchase of supplies, equipment and other necessary items to support the PWSSP in Texas;	Supplies, equipment and other necessary items were purchased to support the PWSSP in Texas;

<p>6. Travel and training both within Texas and nationally to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the PWSSP; and</p>	<p>Staff attended the following training: TNI Forums on Laboratory Accreditation in Albuquerque, New Mexico and New Orleans, Louisiana, EPA Drinking Water Certification Officer training in Cincinnati, Ohio.</p>
<p>7. Provision of other assistance and support services to PWS in support of the PWSSP for the state of Texas.</p>	<p>Stakeholders were assisted with technical and/or administrative questions, which included but were not limited to, the following topics: laboratory accreditation, reference method interpretations, standards for accreditation (i.e., 2009 The NELAC Institute (TNI) Standard) concerns, laboratory assessments and subsequent corrective action responses, initial and amended applications for laboratory accreditation, proficiency testing issues, and technical manager designations.</p>

**Task 1.4 Drinking Water Enforcement**

The activities under this Task supported the Primacy Program of the State of Texas through the development of enforcement cases to address significant noncompliance and significant deficiencies at PWS.

The key deliverable is the addressing of significant noncompliance and significant deficiencies by developing enforcement cases for PWS.

<b>Work Plan Deliverable</b>	<b>Output Provided</b>
<p>1. Enforcement cases developed that address significant noncompliance and significant deficiencies at PWS in accordance with Texas statutes, rules and TCEQ’s policies and procedures;</p>	<p>To address the Task of calculating penalties and determining technical corrective requirements, the Enforcement Division under the DWSRF developed and mailed out or directly referred to the Litigation Division 58 PWS enforcement cases. To address the Task of negotiating agreed enforcement order cases to settlement or pursue other appropriate legal remedies, such as referral to the Litigation Division or the Office of Attorney General, the Enforcement Division under the DWSRF has negotiated or prepared referral packages for 50 PWS enforcement cases.</p>

<p>2. Coordination, assistance and support to EPA, PWS, the TCEQ and other State agencies as it relates to Enforcement Cases for PWS;</p>	<p>The TCEQ Enforcement Division conducted and/or prepared for the following in conjunction with the EPA: the annual PWSSP review, the state end-of-year questionnaire, the National Compliance Initiative background discussion with EPA Headquarters, enforcement order update presentations at the TWICC meetings, and the RTCR implementation.</p>
<p>3. Purchase of supplies, equipment and other items necessary to support the PWSSP in Texas;</p>	<p>Supplies, equipment and other necessary items were purchased to support the PWSSP in Texas.</p>
<p>4. Travel and training both within Texas and nationally to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the PWSSP; and</p>	<p>TCEQ Enforcement Division staff traveled to various conference and training events in order to share and enhance their skills and abilities. Examples include the 2019 PWS Investigator Biennial Training, the 2019 Annual Texas PDW Conference, Texas A&amp;M Engineering Extension Service Water System courses, and participation in the TWICC meetings.</p>
<p>5. Provision of other assistance and support services to PWS in support of the PWSSP for the state of Texas.</p>	<p>Participated in PWS meetings with WSD. Assisted the Texas Drinking Water Advisory Work Group (DWAAG) with answering PWS questions. Answered PWS questions on an individual basis as needed. Coordinators reached out to PWS to assist with Compliance Issues.</p>

**Program Element 2: Capacity Development**

This Program Element provided assistance to PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Program Element enhanced the financial, managerial, and technical (FMT) abilities of PWS through the identification of PWS that need assistance in developing, enhancing and maintaining their FMT abilities to meet state and federal requirements. This was accomplished through the implementation of: National Primary Drinking Water Regulations; the Texas Optimization Program (TOP); portions of the engineering exceptions program, engineering plan review, capital funding source identification, receivership assistance, review and approval of water district applications, review and approval of drought contingency plans, water security assistance and other specialized assistance to PWS and were performed by TCEQ staff and/or contractors.

An estimated total of \$3,472,621 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019 for this Program Element. Of the total estimated amount expended \$2,926,758 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$545,863 has been or is expected to be requested during the months of September 2019 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

### **Task 2.1 Capacity Development - District Support**

The activities under this Task assisted certain PWS on a statewide basis through the review of water district applications including the issuance of bonds as part of the Capacity Development Strategy of Texas (SDWA 1420). Administrative support and data-entry in support of the review of these water district applications was provided.

The key deliverable is the review of water district applications, including administrative and data entry support, other activities, and the implementation of programs that support water districts financial and managerial capability.

<b>Work Plan Deliverable</b>	<b>Output Provided</b>
1. Provide data entry, administrative support and other activities in support of the review of water district applications;	The TCEQ's Water Supply Division – Districts Section, processed 567 water district applications during SFY 2019. Of these, TCEQ contractors provided data entry and administrative support for the review of 105 water district applications under this grant.
2. Review applications, and engineering reports and plans and specifications in conjunction with the processing of water district applications; and	Under this grant, a total of 34 minor applications were reviewed by TCEQ contractors. During SFY 2019, 39 minor water district applications were completed. (This included several minor applications started in the previous fiscal year, but not completed.)
3. Coordination, assistance and support to EPA, PWS, the TCEQ and other State agencies as it relates to groundwater district reviews for PWS.	Coordination, assistance and support was provided on request and through the normal day to day activities conducted under this Task.
4. Purchase of supplies, equipment and other items necessary to support the Capacity Development Strategy;	Supplies, equipment and other necessary items were purchased to support the PWSSP in Texas.



<p>5. Travel and training both within Texas and nationally to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the Capacity Development Strategy; and</p>	<p>TCEQ staff participated in training opportunities to maintain professional engineering certifications as well as the 16<sup>th</sup> Annual Central Texas Infrastructure, Design and Construction Symposium, and the 2019 Association of Water Board Directors Conference. Staff also participated in various professional development training opportunities.</p>
<p>6. Provision of other assistance and support services to PWS in support of the approved Capacity Development Strategy for the State of Texas</p>	<p>Other assistance was provided by taking phone inquiries and helping customers with the application process and adhering to requirements.</p>

### Task 2.2 Capacity Development - Drought Plan Review

The activities under this Task assisted PWS on a statewide basis in the development of water conservation and/or drought contingency programs to maintain or enhance abilities of PWS to meet state requirements as part of the Capacity Development Strategy of Texas (SDWA 1420).

The key deliverable is the implementation of programs designed to provide assistance to PWS in the development of water conservation and/or drought contingency programs to maintain or enhance abilities of PWS to meet state requirements.

Work Plan Deliverable	Output Provided
<p>1. Participating in water conservation and/or drought contingency programs to maintain or enhance abilities of PWS to meet state requirements;</p>	<p>As a member of the Water Conservation Advisory Council (WCAC), Staff participated in six (6) Council meetings during the Fiscal Year, as well as four (4) meetings for WCAC workgroups.</p> <p>As a member of the Drought Preparedness Council, Staff attended four (4) meetings during SFY19 and presented the results of the Drought Activities Update Report at each meeting.</p>

<p>2. Review and evaluation of water conservation and/or drought contingency plans of retail PWS to meet state requirements; and</p>	<p>Staff completed approximately 15 conservation reviews for water rights applications that were associated with retail PWS entities. Staff reviewed approximately 470 updated water conservation plans, updated drought contingency plans, and water conservation implementation reports associated with retail PWS entities. These reviews ensured the plans met the Texas Water Code and Texas Administrative Code requirements.</p>
<p>3. Provision of other assistance and services to PWS in support of the approved Capacity Development Strategy for the State of Texas.</p>	<p>In SFY19, Staff prepared documents to assist entities, including retail PWS, for the upcoming 2020 Submittal of updated Water Conservation Plans, updated Drought Contingency Plans, and water conservation implementation reports. Staff made presentations at the TCEQ Environmental Trade Fair and the 2019 Annual Texas PDW Conference providing information and assistance to entities, including retail PWS, regarding the 2020 Submittal of updated Water Conservation Plans, updated Drought Contingency Plans, and water conservation implementation reports.</p>

**Task 2.3: Capacity Development – Capacity Development Activities**

This Task implemented the Capacity Development Strategy under the PWSSP in Texas. The activities under this Task reduced the risk of both long-term and short-term health effects. This was accomplished through the implementation of: the Texas Optimization Program (TOP), portions of the engineering exceptions program, engineering plan review, capital funding source identification, receivership assistance, coordination, and Intended Use Plan ranking and review and other specialized assistance to PWS.

The key deliverable was the implementation of programs designed to meet the goal of 95% of Texas’ population with drinking water (DW) that meets DW standards.

Work Plan Deliverable	Output Provided
<p>1. Development of presentations, training materials and other technical documents to support the technical capability and compliance of PWS in Texas;</p>	<p>TCEQ provided presentations and workshop and training materials at the 2019 Annual Texas PDW Conference and the TCEQ Environmental Trade Fair. Staff developed and made presentations to assist PWS at workshops, conferences, the DWA WG, and TWICC meetings with topics like regionalization and how to get assistance with operations and funding. The TOP updated an operator training class that covers disinfection byproduct formation and control. Staff also prepared technical assistance documents and</p>

	<p>surveys for training operators and assistance providers on topics including cross-connection and backflow prevention.</p>
<p>2. Provide training and technical assistance, through the TOP and other activities as needed, to support the technical capability of PWS in Texas;</p>	<p>TOP provided training and technical assistance, as needed, to support the technical capability of PWS in Texas. Examples include technical assistance visits and other technical support to City of Bridge City, Beechwood Subdivision, Millersview-Doole WSC, South Texas Water Authority, City of Granite Shoals, City of Midland, Eastland County WSD, West Cedar Creek MUD, City of Alice, Sid Richardson Boy Scout Ranch, CRWA Hays Caldwell WTP, City of Beeville, Houston County WCID 1, City of Austin, West Cedar Creek MUD, City of Brenham, HHSC State Supported Living Center, City of Beeville, Hidden Acres Water System, Lake Livingston Oakridge North, Paxton WSC and City of Byers.</p> <p>TOP provided training to TCEQ staff during the 2019 PWS Investigator Training Conference and delivery of training modules and customized presentations to TCEQ WSD staff, Regional Office staff, and other TCEQ technical assistance providers. Topics included disinfection byproduct formation and control, process management for chloramines, monitoring and reporting requirements for bag and cartridge filters, completing surface water monthly operational reports, RTCR Level 2 Assessments, establishing appropriate chemical feed rates, and establishing a cross-connection control program.</p> <p>TOP provided training to PWS operators during the 2019 Annual Texas PDW Conference and meetings of various Texas Water Utility Association Districts throughout the state and directly to individual PWS. Presentation, workshop, and class topics included approval of non-DPD (N, N Diethyl-1,4 Phenylenediamine Sulfate) online chlorine analyzers, establishing a cross-connection control program, establishing appropriate chemical feed rates, jar testing, math for operators, filter and backwash assessments, and chloramine management.</p> <p>TOP trained other TCEQ technical assistance providers to deliver training and provided training to PWS at the 2019 Annual Texas PDW Conference.</p>

<p>3. Review, analysis, tracking and response to exception requests, engineering plans and other items submitted by PWS;</p>	<p>During the grant period, exceptions for PWS were reviewed by TCEQ staff and contractors. TCEQ staff also assisted PWS through engineering plan reviews for PWS improvements.</p>
<p>4. Purchase of supplies and equipment (including the purchase of one vehicle) as necessary to support the PWSSP and including the Capacity Development Program in Texas;</p>	<p>Supplies and equipment deemed necessary to support the Capacity Development Program were purchased.</p>
<p>5. Coordination of and participation in state and/or national organizations including, but not limited to Texas Water Infrastructure Coordination Committee (TWICC), South Central Membrane Association and other organizations in support of the Capacity Development Strategy;</p>	<p>TCEQ coordinated activities with the TWICC, ASDWA, EPA, US Department of Agriculture (USDA), Communities Unlimited, Texas Rural Water Association (TRWA), TWDB and other agencies.</p> <p>During this fiscal year, TCEQ participated in regularly scheduled TWICC meetings every other month and helped coordinate with entities looking for funding to enable them to attend the meetings. Each member agency takes turn hosting the meetings and TCEQ hosted the May 2019 meeting and provided updates on Drinking Water Watch (DWW) and other topics. TCEQ coordinated the annual TWICC workshop at the 2019 Annual Texas PDW Conference. TWICC continued to work with the Federal Emergency Management Agency (FEMA), the Texas Department of Emergency Management (TDEM) and the General Land Office (GLO) to discuss disaster and recovery funding/coordination. TCEQ staff made a presentation in February for the Texas Association of Regional Councils on TWICC and regionalization. TCEQ staff were part of the planning committee and panelists at EPA's Office of Research and Development/Region 6 Small Drinking Water Systems Meeting May 21 - 22, 2019 in Addison, Texas. TCEQ and the Environmental Finance Center Network coordinated a workshop June 11, 2019 in Tyler, Texas called <i>Water System Finance and Effective Communication with Boards</i>. TWICC members also attended this workshop.</p>
<p>6. Travel, training, attendance at conferences and other</p>	<p>TCEQ Staff traveled to participate in events both within Texas and nationally in order to attend</p>

<p>events designed to share and enhance knowledge, skills and abilities and maintain competency of state Program administration staff in support of the Capacity Development Strategy; and</p>	<p>training, conferences and other events designed to share and enhance knowledge, skills and abilities in support of the Capacity Development Strategy. Staff participated in both ASDWA and EPA workgroups and committees focusing on capacity development topics including small systems, regionalization and consolidation, the DWSRF and partnerships.</p>
<p>7. Provision of other assistance and support services to PWS in support of the approved Capacity Development Strategy for the State of Texas.</p>	<p>TCEQ staff and Contractors participated in the 2019 Annual Texas PDW Conference. This conference had a robust workshop section where water systems received specialized training. The conference also provided a technical assistance room for PWS staff to receive one-on-one technical assistance. TCEQ staff coordinated with EPA grant recipients Communities Unlimited, Environmental Finance Network and TRWA to help develop their work plans for assisting small systems with water quality violations. Also, TCEQ staff participated in a wide variety of capacity development activities including:</p> <ul style="list-style-type: none"> <li>• Staff assessment and assistance to PWS experiencing operational problems.</li> <li>• Providing training to technical assistance providers and water systems directly.</li> <li>• Tracking and assisting nonviable “at-risk” PWS in restructuring.</li> <li>• Providing free on-site assistance through the FMT contract.</li> </ul>

**Task 2.4 Capacity Development – Water Security**

This Task provided assistance to PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Task provided assistance to PWS during significant weather events, natural disasters, and/or other emergency events. Activities conducted enhanced abilities of PWS to respond to emergencies through the use of TCEQ staff and a contractor that provided assistance.

The key deliverable is the provision of water security assistance, support and training to PWS in the state impacted by or who have the potential to be impacted by natural disasters.

Work Plan Deliverable	Output Provided
<p>1. Review, evaluation and technical assistance related to Emergency Preparedness Plans;</p>	<p>During the 2019 Annual Texas PDW Conference, TCEQ staff provided a presentation on Emergency Preparedness Plans (EPP) which are applicable only to “affected utilities” located in Harris and Fort Bend Counties. An EPP requires an affected utility to submit a plan on how the utility plans to provide water and pressure during an extended power outage. The template for this plan, the Fact, Answers, and Questions (FAQs) webpage, and the Appendices for the EPP were all updated in SFY2019 to provide updated information to PWS. Another task that was completed to assist water systems a Homeland Security FAQs webpage was developed and posted on the TCEQ’s public web site under Homeland Security for PWS: Disaster and Recovery.</p> <p>TCEQ does not review Emergency Response Plans; however, in SFY2019, the TCEQ’s WSD sent out 7000 emergency contact forms to water systems so they can have their contact information updated in SDWIS.</p> <p>In 2019, TCEQ reviewed 73 Emergency Preparedness Plans.</p>
<p>2. Support for natural disaster (i.e. drought) initiatives and technical assistance to impacted systems;</p>	<p>The TCEQ’s WSD provides support and assistance to the Natural Disaster Operational Workgroup (NDOW) by sending staff to participate in hurricane and tornado table top exercises. In 2019, the Abilene Region held a tornado table top exercise and the Corpus Christi Region held a hurricane table top exercise. Part of the table top exercise is to learn how to conduct drinking water assessments using the EPA’s Response Manager (RM) software. Furthermore, throughout the year RM trainings were also held in Austin, Houston, Tyler, Beaumont, and San Antonio; these trainings prepare TCEQ staff to support PWS impacted by disasters.</p> <ul style="list-style-type: none"> <li>• In January 2019, the operator for 410 WSC reported an incident of tampering with a water meter by a local customer. The operator was provided with the contact information for the state’s Critical Infrastructure Protection Lead</li> </ul>

	<p>Planner with the Texas Department of Public Safety.</p> <ul style="list-style-type: none"><li>• In April 2019, three facilities required assistance because they were impacted by storms. A tornado touched down in April 2019, which impacted the City of San Augustine's (City) 703 connections and their customer, San Augustine Rural WSC (WSC) with 607 connections. The City reached out to TXWARN for a generator, TXWARN provided a generator, and the City was able to make repairs, and provide water to its customers, including San Augustine WSC.</li></ul> <p>The City of Palestine was impacted by the same storm in April 2019 and suffered electrical damage to their facility. They reached out to TXWARN to request an electrical Engineer to assist repairing their water system. Their electrical panels were repaired, and the water system returned to normal operating conditions.</p> <ul style="list-style-type: none"><li>• The week of August 16, 2019, two (2) water systems out of 23 government entities suffered a cybersecurity, ransomware attack. As a result, the Texas State Operations Center was activated, and TCEQ called all entities with the potential to have their water system's Supervisory Control And Data Acquisition (SCADA) system affected by this incident. IT assistance was sent out to the water systems to help them recover and respond to this incident.</li><li>• The TCEQ provided support to the City of Austin, when it was required to issue a boil water notice in October 2018, in response to flood waters impacting the quality of source water. During this event, TCEQ remained onsite with the City of Austin staff to provide both technical and operational assistance at the city's Emergency Operations Center. There was a post event analysis report following the City of Austin's issuance of a Boil Water Notice in response to excessive flooding challenging their ability to maintain acceptable turbidity levels. The City conducted a presentation at the 2019 Texas Water Conference and at the</li></ul>
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	<p>2019 Texas Emergency Management Conference.</p>
<p>3. Travel and training both within Texas and nationally to attend training, conferences and other events designed to enhance knowledge, skills and abilities and maintain competency of Program administration staff; and</p>	<p>Training attended in FY2019 to increase knowledge base and maintain competency of the Water Security Program included:</p> <ul style="list-style-type: none"> <li>• EPA Increasing Support for Water Resilience</li> <li>• AWWA Water Infrastructure Act (AWIA) 2018 Risk Assessment/Cybersecurity Webinar</li> <li>• EPA Designing an Integrated Water Quality Surveillance and Response System</li> <li>• EPA Building Community-Based Water Resilience Webinar</li> <li>• EPA Utility Examples to Mitigate Earthquake Impacts</li> <li>• ASDWA AWIA Requirements that Impact the PWSSP</li> <li>• ASDWA Assessing the Risk of Spills into Drinking Water Sources</li> <li>• Water ISAC Complying with Risk Assessment and ERP Requirements under AWIA</li> <li>• Water ISAC Process Control and SCADA System Risks Assessment Process</li> <li>• EPA Introduction to Cybersecurity: Workshop and Response Exercises</li> <li>• EPA Flood Resilience: Training for Water and Wastewater Utilities</li> <li>• TCEQ Emergency Response Plan Workshop Waco, Tx</li> <li>• TEEEX Disaster Management for Electric Power Systems</li> <li>• TEEEX Critical Asset Risk Management</li> <li>• TEEEX Advanced Critical Infrastructure Protection</li> <li>• TEEEX Disaster Management for Public Services</li> <li>• TEEEX Hot Zone 2018 Conference</li> <li>• 12<sup>th</sup> Annual Emergency Management Association of Texas</li> </ul>



	<ul style="list-style-type: none"> <li>• 2019 Texas Emergency Management Conference</li> <li>• 2019 Coastal Bend Hurricane Conference</li> <li>• 2019 South Texas All Hazards Conference</li> </ul> <p>The TCEQ’s Drinking Water Homeland Security Coordinator continues to participate in ASDWA’s Security notes, NDOW’s quarterly meetings, and maintain a membership with Water ISAC to stay abreast of security issues affecting water utilities in Texas and across the country.</p>
<p>4. Provision of other assistance and support services to PWS in the support of the Water Security Program and the approved Capacity Development Strategy for the State of Texas.</p>	<p>The TCEQ’s Security Education contractor provided workshops to PWS across the state on developing an Emergency Response Plan (ERP) as required by the American Water Infrastructure Act of 2018. ERP workshops took place in Waco, Kingsville, El Paso, and Conroe.</p> <p>An additional ERP workshop and presentation were provided during the 2019 Annual Texas PDW Conference in Austin (approximately 1,115 attendees), as well as a presentation at the 2019 Texas Water Conference in Houston (approximately 5,000 attendees).</p> <p>At the 2019 PDW Conference the Assistant Chief of the Texas Division of Emergency Management (TDEM) provided presentation on Disaster Finance, Recovery, and Mitigation for PWS, and also provided resources that water systems can reach to for funding and improving their system’s resilience.</p> <p>TCEQ continues to be available for assistance and support services to PWS as needed through phone calls, the TCEQ’s Capacity Development Team, the TCEQ’s Critical Infrastructure Division, the TXWARN website and the TDEM’s Public Works Response Team (PWRT).</p> <p>The PWRT supports local jurisdictions in their response to a catastrophic event by providing critical public works services as needed to facilitate recovery. TCEQ’s Capacity Development Team coordinates with members of TWICC including TDEM, FEMA, Texas Department of Agriculture (TDA), USDA and GLO to assist systems affected by disasters to obtain funding. Staff participated in a stakeholder meeting June 20, 2019 held by TDA to discuss changing disaster response rules and</p>

	<p>processes.</p> <p>Another support service provided to PWS is the Quarterly DWA WG meetings that are held for all PWS to attend in person or via webinar. These meetings inform PWS of Program activities, response activities, and security activities. The meeting is interactive and allows for web attendees to ask questions during the meeting. The website for these meetings has presentations, the information covered during each meeting, and advertises any upcoming drinking water related trainings provided by TCEQ, EPA, and other providers.</p>
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**Task 2.5: Capacity Development - FMT Assistance**

This Task provided assistance to PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Task, enhanced the FMT abilities of PWS by providing assistance in developing, enhancing, and maintaining FMT abilities, and assisting PWS to meet state and federal requirements through the use of TCEQ staff or contractors.

The key deliverable is the implementation of programs designed to provide assistance visits in order to enhance the FMT abilities of PWS to meet state and federal requirements.

Work Plan Deliverable	Output Provided
<p>1. FMT training and assistance to PWS including but not limited to FMT assessments, consolidation assessments, consolidation facilitation assistance, and other special assistance and assessment projects as needed;</p>	<p>Under this grant, TCEQ, through its FMT Assistance contractor, completed 519 FMT Capacity Assessments, Consolidation Assessments, on-site FMT Assistance, Drinking Water Operator Training, and other special assistance and assessment projects for PWS under this grant.</p> <p>TCEQ’s FMT Contractor also completed 30 FMT Assistance assignments for the purpose of training and assisting PWS on specific FMT weaknesses identified during FMT Capacity Assessments.</p>
<p>2. Assessment and reporting on DWSRF applicants; and</p>	<p>Under this grant, TCEQ’s FMT Contractor conducted 20 FMT Capacity Assessments for DWSRF applicants. The FMT Contractor provided DWSRF application assistance to two (2) PWS.</p>

<p>3. Provision of other assistance, training and services to PWS in support of FMT capabilities and the approved Capacity Development Strategy for the State of Texas.</p>	<p>Under this grant, TCEQ’s FMT Contractor completed 29 Consolidation Assessments for the purpose of ensuring service to those communities.</p> <p>TCEQ’s FMT Assistance contractor completed 28 TCEQ-administered special assignments that ranged from presenting at the 2019 Annual Texas PDW Conference, to setting up community meetings for at-risk systems.</p>
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**Task 2.6: Capacity Development – Source Water Protection (SWP)**

This Task provided SWP (which includes both surface and wellhead protection) activities within the state and provided ongoing direct local assistance through evaluation of sources with respect to vulnerability to contamination. TCEQ staff were used to support this task.

The key deliverables were completed SWP reports provided to PWS to assist in the implementation of programs designed to provide source water protection within the state.

<b>Work Plan Deliverable</b>	<b>Output Provided</b>
<p>1. Completed evaluation of sources (both surface and wellhead) to determine vulnerability to contamination for PWS;</p>	<p>TCEQ completed four (4) SWP assessments under this grant. TCEQ Staff provided support toward other assessments.</p> <p>A total of four (4) PWS were evaluated in one (1) county under this grant.</p>
<p>2. Implemented SWP programs in various areas of the State for PWS</p>	<p>TCEQ completed 35 SWP Plans, four (4) were completed under this grant. TCEQ Staff provided support toward other assessments.</p>
<p>3. Best management practices developed to implement SWP for PWS;</p>	<p>TCEQ implemented best management practices for four (4) PWS under this grant. TCEQ Staff provided support toward other assessments.</p>

<p>4. Meetings and site visits in order to facilitate the creation of SWP programs with PWS;</p>	<p>SWP participants attended 12 meetings and TCEQ staff conducted site visits in conjunction with development of the SWP Plans.</p> <p>Each of the four (4) SWP Plans completed required water systems to attend an introduction meeting, education outreach event, site inventory and close out meeting. TCEQ Staff provided support toward other assessments.</p>
<p>5. Evaluation of potential contamination inventories for PWS;</p>	<p>TCEQ inventoried 16 SWP Areas under this grant.</p>
<p>6. Identification of populations protected by a SWP Program and served by vulnerable water sources for PWS; and</p>	<p>Under this grant, TCEQ identified a population of 2,913 protected by a SWP Program and served by vulnerable water sources in four (4) PWS. TCEQ Staff provided support toward other assessments.</p>
<p>7. Other activities in support of the SWP Program within the State of Texas.</p>	<p>TCEQ staff and contractors worked with Texas Rural Water Association (TRWA) to complete SWP technical assistance, including assisting water systems with best management practices (BMP) and updating SWP Plans. TCEQ staff gave presentations on SWP and BMP at the 2019 Annual Texas PDW Conference in Austin, Texas, Texas Water Utilities Association Annual Short School in Corpus Christi, Texas, Texas Water Utilities Association Regional School in Abilene, Texas, Texas Water Utilities Association Bosque River District in Stephenville, Texas, Texas Water Conference in Houston, Texas, and Forest and Drinking Water Symposium in Bastrop, Texas.</p>

# Attachment E: TCEQ – Local Assistance Annual Report

**STATE FISCAL YEAR 2019  
DRINKING WATER STATE REVOLVING FUND  
LOCAL ASSISTANCE  
(15%) FIFTEEN PERCENT SET-ASIDE ACTIVITIES  
ANNUAL REPORT**

**EPA # FS-99679522  
[TCEQ Grant# 991519]**

**Texas Commission on Environmental Quality  
P.O. Box 13087, Austin, Texas 78711-3087**

**Source of Funding: Federal Fiscal Year 2018 DWSRF Fifteen Percent Set-  
Aside**

**Submitted November 14, 2019**

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## **INTRODUCTION**

The Safe Drinking Water Act, as amended in 1996, established the Drinking Water State Revolving Fund (DWSRF) to make funds available to drinking water systems to finance infrastructure improvements. The objectives of the DWSRF Program include addressing public health priorities, achieving compliance with the Safe Drinking Water Act (SDWA), assisting systems to ensure affordable drinking water and maintaining the long-term viability of the Fund. The SDWA authorizes states to use a portion of the federal DWSRF Capitalization Grant to support various drinking water programs (Set-Asides). Through the use of Set-Asides, emphasis is also placed on the development of state programs, including Source Water Protection (SWP), and Capacity Development. The SDWA allows as much as 15% of a State's federal Capitalization Grant to be used for Local Assistance.

The DWSRF Grant Program is administered at the federal level by the Environmental Protection Agency (EPA) and at the state level by the Texas Commission on Environmental Quality (TCEQ) and the Texas Water Development Board (TWDB). The TWDB is the state agency with the authority to administer the loan program and to apply for the DWSRF Capitalization Grant. The TCEQ has been designated and has served as the state primacy agency under the SDWA since 1978. The TCEQ, as the primacy agency, is eligible to receive Set-Aside funds provided by EPA from the DWSRF Capitalization Grant. The TCEQ and TWDB have a Memorandum of Understanding (MOU) and an inter-agency contract that clarify each agency's roles and responsibilities in implementing the grant.

The 2019 Drinking Water State Revolving Fund 15% Local Assistance Annual Report details the TCEQ's progress in meeting DWSRF Grant Program goals, objectives, and funding expenditures for September 1, 2018 through August 31, 2019 using the 15% Set-Aside funds for SWP and Capacity Development. The Annual Report includes details on federal and state Program Goals and Objectives, Performance Measures, Funding Mechanisms and Expenditures and Program Elements, Tasks and Deliverables.

## **SUMMARY**

The TCEQ, through the 15% Local Assistance Work Plan identified activities to be performed between September 1, 2018 and August 31, 2019 that supported Public Water Systems (PWS) through the State's Public Water System Supervision Program (PWSSP). These activities addressed Program requirements of the PWSSP outlined by the SDWA. Specifically, local technical assistance through SWP Programs and assistance to water systems on a local basis in developing and implementing the Capacity Development Strategy requirement of the SDWA were addressed.

The TCEQ expended approximately \$1,800,000 during the grant Work Plan period for work performed during this period. It should be noted that \$1,666,942 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or



approximately \$133,058 has been or is expected to be requested during the months of September 2019 through November 2019. No match is required; the 15% DWSRF Set-Aside does not require a match.

The total requested for reimbursement from TWDB between September 2018 and August 2019 was \$1,894,712. Of this amount, approximately \$227,771 was requested for reimbursement from TWDB between September 2018 and November 2018 under the SFY2018/FFY2017 DWSRF 15% Set-Aside Work Plan. Work was performed as described in the Work Plan unless otherwise noted in this report.

**EPA AND TCEQ GOALS AND OBJECTIVES**

Federal and State programmatic goals and objectives are shown in Table 1: EPA and TCEQ Goals and Objectives below.

**Table 1: EPA and TCEQ Goals and Objectives**

<b>EPA GOALS AND OBJECTIVES</b>	<b>TCEQ GOALS AND OBJECTIVES</b>
<p><b>EPA Goal 1:</b> Core Mission: Deliver real results to provide Americans with clean air, land, and water, and ensure chemical safety.</p> <p><b>EPA Objective 1.2:</b> Provide for Clean and Safe Water</p> <p>Ensure waters are clean through improved water infrastructure and, in partnership with states and tribes, sustainably manage programs to support drinking water, aquatic ecosystems, and recreational, economic, and subsistence activities.</p>	<p><b>TCEQ Goal 02: Drinking Water</b></p> <p>To protect public health and the environment by assuring the delivery of safe drinking water to the citizens of Texas consistent with requirements in the Safe Drinking Water Act; by providing regulatory oversight of water conservation and reclamation districts; and by promoting regional water strategies.</p> <p><b>TCEQ Goal 02: Objective 01</b></p> <p>To supply 95 percent of Texans served by public drinking water systems with safe drinking water as required by the Safe Drinking Water Act, to provide regulatory oversight of water and sewer utilities and to promote regional water strategies.</p> <p><b>TCEQ Strategy 02-01-01: Safe Drinking Water</b></p> <p>Ensure the delivery of safe drinking water to all citizens through monitoring and oversight of drinking water sources consistent with the requirements of the Safe Drinking Water Act.</p>

## **WORK PROGRAM ORGANIZATIONAL STRUCTURE**

Within the TCEQ, the Water Supply Division (WSD) is responsible for the overall administrative activities under the 15% DWSRF Set-Aside Grant. The WSD is in charge of administration of the Source Water Protection Program (Program Element 1 and associated Tasks), and the Capacity Development Program (Program Element 2 and associated Tasks).

## **EXPENDITURE BY PROGRAM ELEMENT**

Funding was allocated by Program Element. The Expenditure Summary Table (Table 2 below) provides expenditure information as of November 15, 2019 and may not include final total expenditures for each Program Element and its associated Tasks. The TCEQ expended approximately \$1,800,000 during the grant Work Plan period for work performed during this period. It should be noted that \$1,666,942 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$133,058 has been or is expected to be requested during the months of September 2018 through November 2019. No match is required; the 15% DWSRF Set-Aside does not require a match. Work was performed as described in the Work Plan unless otherwise noted in this report.

The total requested for reimbursement from TWDB between September 2018 and August 2019 was \$1,894,712. Of this amount, approximately \$227,771 was requested for reimbursement from TWDB between September 2018 and November 2018 under the SFY2018/FFY2017 DWSRF 15% Set-Aside Work Plan.

**Table 2: Expenditure Summary Table**

<b>Program Element/Task</b>	<b>Division</b>	<b>Requested Reimbursements from TWDB between September 2018 and August 2019 for the SFY19/FFY18 15% DWSRF Set-Aside Work Plan</b>	<b>Total Expended During Grant Period</b>	<b>Percent of Total</b>
<b>Program Element 1:</b> Source Water Protection Programs	Water Supply Division	\$85,544	\$85,544	5%

<b>Program Element 2:</b> Capacity Development	Water Supply Division	\$1,581,398	\$1,714,456	95%
<b>Total</b>		<b>\$1,666,942</b>	<b>\$1,800,000</b>	100%

### **PROJECT SCHEDULE**

The TCEQ conducted the activities in the DWSRF 15% Set-Aside Work Plans over a 12-month period, which began September 1, 2018 and ended August 31, 2019 (SFY 2019).

### **MEASURES OF SUCCESS**

The following tables [Table 3: TCEQ Outcome/Output Measures and Table 4: EPA Program Activity Measures (PAMS)] provide the results of the activities implemented under the DWSRF 15% Work Plan. These measures were previously identified in the DWSRF 15% Work Plan under each Program Element and Task combination:

**Table 3: TCEQ Outcome/Output Measures**

<b>TCEQ Outcome/Output Measure</b>	<b>Program Element/Task</b>	<b>Outcome/Output</b>
<p><b><u>02-01.01 Outcome Measure</u></b></p> <p>Percent of Texas population served by public drinking water systems that meet drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> </ul>	<p>99% of Texas population served by public drinking water systems that meet drinking water standards.</p>
<p><b><u>02-01-01.01 Output Measure:</u></b></p> <p>Number of public drinking water systems that meet primary drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b></li> </ul>	<p>6,874 public drinking water systems that meet primary drinking water standards.</p>

TCEQ Outcome/Output Measure	Program Element/Task	Outcome/Output
	Task 2.2 Capacity Development – FMT Assistance <ul style="list-style-type: none"> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> </ul>	

**Table 4: EPA Program Activity Measures (PAMS)**

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
<p><b><u>SDW-211:</u></b> Percent of the population served by community water systems that receive drinking water that meets all applicable health-based drinking water standards through approaches including effective treatment and Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> </ul>	<p>98.8 % of the population in Texas was served drinking water that meets the Safe Drinking Water Act (SDWA) regulations.</p>
<p><b><u>SDW-SP1.N11:</u></b> Percent of community water systems that meet all applicable health-based standards through approaches that include effective treatment and Source Water Protection.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b></li> </ul>	<p>97.4 % of community water systems in Texas provide drinking water that meets all applicable health-based standards through effective treatment and Source Water Protection.</p>

EPA Program Activity Measures (PAMS)	Program Element/Task	Outcome/Output
	Task 2.3 Capacity Development – Water Security	
<p><b><u>SDW-SP2:</u></b></p> <p>Percent of "person months" (i.e. all persons served by community water systems times 12 months) during which community water systems provide drinking water that meets all applicable health-based drinking water standards.</p>	<ul style="list-style-type: none"> <li>• <b>Program Element 1:</b> Task 1.1 Source Water Protection Programs – Source Water Protection Activities</li> <li>• <b>Program Element 2:</b> Task 2.1 Capacity Development – Capacity Development Activities</li> <li>• <b>Program Element 2:</b> Task 2.2 Capacity Development – FMT Assistance</li> <li>• <b>Program Element 2:</b> Task 2.3 Capacity Development – Water Security</li> </ul>	<p>97.7 % of "person months" during which community water systems provide drinking water that meets health-based standards.</p>

**PROGRAM ELEMENTS, TASKS, DELIVERABLES AND OUTPUTS**

The following describes the Work Plan Deliverables and Outputs provided for the Program Elements and Tasks identified in the 15% DWSRF Work Plan for SFY 2019.

**Program Element 1: Source Water Protection (SWP) Programs**

This Program Element and associated Task implemented SWP (which includes both surface and wellhead protection) Programs within the State in order to provide ongoing direct local assistance through assessment of sources with respect to vulnerability to contamination. An estimated total of \$85,544 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019. Of the total estimated amount expended, \$85,544 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$0 has been or is expected to be requested during the months of September 2019 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

## Task 1.1 Source Water Protection Activities

This Task provided for SWP activities (which included both surface and wellhead protection) within the state in order to provide ongoing direct local assistance through evaluation of sources with respect to vulnerability to contamination. TCEQ staff were used to support this Task.

The key deliverables were completed SWP reports provided to PWS to assist in the implementation of Programs designed to provide SWP within the State.

Work Plan Deliverable	Output Provided
1. Completed evaluation of sources (both surface and wellhead) to determine vulnerability to contamination for PWS;	TCEQ completed two (2) SWP assessments under this grant. TCEQ Staff provided support toward other assessments.  A total of 12 PWS were evaluated in three (3) counties under this grant.
2. Implemented SWP Programs in various areas of the State for PWS;	TCEQ completed 35 SWP Plans, two (2) were conducted under this grant. TCEQ Staff provided support toward other assessments.
3. Best management practices developed to implement SWP for PWS;	TCEQ implemented best management practices for two (2) PWS under this grant. TCEQ Staff provided support toward other assessments.
4. Meetings and site visits in order to facilitate the creation of SWP Programs with PWS;	SWP participants attended six (6) meetings and TCEQ staff conducted site visits in conjunction with development of the SWP Plans.  Each of the two (2) SWP Plans completed required water systems to attend an introduction meeting, education outreach event, site inventory and close out meeting. TCEQ Staff provided support toward other assessments.
5. Evaluation of potential contamination inventories for PWS;	TCEQ inventoried seven (7) SWP Areas under this grant.
6. Identification of populations protected by a SWP Program and served by vulnerable water sources for PWS; and	Under this grant, TCEQ identified a population of 6,894 protected by a SWP Program and served by vulnerable water sources in two (2) PWS. TCEQ Staff provided support toward other assessments.
7. Other activities in support of the SWP Program within the State of Texas.	TCEQ staff and contractors worked with Texas Rural Water Association (TRWA) to complete SWP technical assistance, including assisting water systems with best management practices (BMP) and updating SWP Plans. TCEQ staff gave presentations on SWP and BMP at the 2019

Work Plan Deliverable	Output Provided
	Annual Texas Public Drinking Water (PDW) Conference in Austin, Texas, Texas Water Utilities Association Annual Short School in Corpus Christi, Texas, Texas Water Utilities Association Regional School in Abilene, Texas, Texas Water Utilities Association Bosque River District in Stephenville, Texas, Texas Water Conference in Houston, Texas, and Forest and Drinking Water Symposium in Bastrop, Texas.

**Program Element 2: Capacity Development**

This Program Element provided assistance to PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Program Element enhanced the financial, managerial, and technical (FMT) abilities of PWS through the identification of PWS that needed assistance in developing, enhancing, and maintaining their FMT abilities to meet state and federal requirements. Additionally, the activities under this Program Element assisted PWS to maintain or enhance their abilities to meet State requirements through developing, issuing and managing of assistance, including assistance from technical assistance contractors, in order to improve their FMT capability. The activities under this Program Element were performed by TCEQ staff and/or contractors.

An estimated total of \$1,714,456 was expended for activities conducted during the Work Plan period of September 1, 2018 through August 31, 2019. Of the total estimated amount expended \$1,581,398 was requested for reimbursement from TWDB through the Capitalization Grant during the period of September 1, 2018 through August 31, 2019 and the remainder, or approximately \$133,058 has been or is expected to be requested during the months of September 2019 through November 2019. All work was performed during the designated Work Plan period of September 1, 2018 through August 31, 2019.

**Task 2.1: Capacity Development – Capacity Development Activities**

This Task implemented the Capacity Development Strategy under the PWSSP in Texas. The activities under this Task provided local assistance to reduce the risk of both long-term and short-term health effects. This was accomplished through the implementation of: the Texas Optimization Program (TOP); portions of the engineering exceptions program, engineering plan review, capital funding source identification, receivership assistance, Intended Use Plan ranking and review and other specialized assistance to PWS through the use of TCEQ staff or contractors.

The key deliverable is the implementation of Programs designed to meet the goal of 95% of the Texas population with drinking water (DW) that meets DW standards by providing local assistance.

Work Plan Deliverable	Output Provided
<p>1. Development of presentations, training materials and other technical documents to support the technical capability and compliance of PWS in Texas;</p>	<p>TCEQ provided presentations and workshop and training materials at the 2019 Annual Texas PDW Conference and the TCEQ Environmental Trade Fair. Staff developed and made presentations to assist PWS at workshops, conferences, the Drinking Water Advisory Work Group and TWICC meetings with topics including regionalization and how to get assistance with operations and funding. The TOP updated an operator training class that covers disinfection byproduct formation and control. Staff also prepared technical assistance documents and surveys for training operators and assistance providers on topics including cross-connection and backflow prevention.</p>
<p>2. Provide training and technical assistance, through the TOP and other activities as needed, to support the technical capability of PWS;</p>	<p>TOP provided training and technical assistance, as needed, to support the technical capability of PWS in Texas. Examples include technical assistance visits and other technical support to City of Bridge City, Beechwood Subdivision, Millersview-Doole WSC, South Texas Water Authority, City of Granite Shoals, City of Midland, Eastland County WSD, West Cedar Creek MUD, City of Alice, Sid Richardson Boy Scout Ranch, CRWA Hays Caldwell WTP, City of Beeville, Houston County WCID 1, City of Austin, West Cedar Creek MUD, City of Brenham, HHSC State Supported Living Center, City of Beeville, Hidden Acres Water System, Lake Livingston Oakridge North, Paxton WSC and City of Byers.</p> <p>TOP provided training to TCEQ staff during the 2019 PWS Investigator Training Conference and delivery of training modules and customized presentations to TCEQ WSD staff, Regional Office staff, and other TCEQ technical assistance providers. Topics included disinfection byproduct formation and control, process management for chloramines, monitoring and reporting requirements for bag and cartridge filters, completing surface water monthly operational reports, RTCR Level 2 Assessments, establishing appropriate chemical feed rates, and establishing a cross-connection control Program.</p> <p>TOP provided training to PWS operators during the 2019 Annual Texas PDW Conference and meetings</p>



Work Plan Deliverable	Output Provided
	<p>of various Texas Water Utility Association Districts throughout the state and directly to individual PWS. Presentation, workshop, and class topics included approval of non-DPD (N,N Diethyl-1,4 Phenylenediamine Sulfate) online chlorine analyzers, establishing a cross-connection control Program, establishing appropriate chemical feed rates, jar testing, math for operators, filter and backwash assessments, and chloramine management.</p> <p>TOP trained other TCEQ technical assistance providers to deliver training and provided training to PWS at the 2019 Annual Texas PDW Conference.</p>
<p>3. Review, analysis, tracking and response to exception requests, engineering plans and other items submitted by PWS;</p>	<p>During the grant period, exceptions for PWS were reviewed by TCEQ staff and contractors. TCEQ staff also assisted PWS through engineering plan reviews for PWS improvements.</p>
<p>4. Purchase of supplies and equipment necessary to support the Capacity Development Program in Texas;</p>	<p>Supplies and equipment deemed necessary to support the Capacity Development Program were purchased.</p>
<p>5. Coordination of and participation in state and/or national organizations including but not limited to Texas Water Infrastructure Coordination Committee (TWICC), the Association of Safe Drinking Water Administrators (ASDWA), Area Wide Optimization Program, and other organizations in support of the Capacity Development Strategy;</p>	<p>TCEQ coordinated activities with the TWICC, ASDWA, EPA, US Department of Agriculture (USDA), Communities Unlimited, Texas Rural Water Association (TRWA), TWDB and other agencies.</p> <p>During this fiscal year, TCEQ participated in regularly scheduled TWICC meetings every other month and helped coordinate with entities looking for funding to enable them to attend the meetings. Each member agency takes turn hosting the meetings and TCEQ hosted the May 2019 meeting and provided updates on Drinking Water Watch (DWW) and other topics. TCEQ coordinated the annual TWICC workshop at the 2019 Annual Texas PDW Conference. TWICC continued to work with the Federal Emergency Management Agency (FEMA), the Texas Department of Emergency Management (TDEM) and the General Land Office (GLO) to discuss disaster and recovery funding / coordination.</p>

Work Plan Deliverable	Output Provided
	<p>TCEQ staff made a presentation in February for the Texas Association of Regional Councils on TWICC and regionalization. TCEQ staff were part of the planning committee and panelists at EPA's Office of Research and Development / Region 6 Small Drinking Water Systems Meeting May 21 – 22, 2019 in Addison, Texas.</p> <p>TCEQ and the Environmental Finance Center Network coordinated a workshop June 11, 2019 in Tyler Texas called <i>Water System Finance and Effective Communication with Boards</i>. TWICC members also attended this workshop.</p>
<p>6. Travel, training, attendance at conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the Capacity Development Strategy; and</p>	<p>TCEQ staff traveled to participate in events both within Texas and nationally in order to attend training, conferences and other events designed to share and enhance knowledge, skills and abilities and maintain competency of State Program administration staff in support of the Capacity Development Strategy. Staff participated in both ASDWA and EPA workgroups and committees focusing on capacity development topics including small systems, regionalization and consolidation, the DWSRF and partnerships.</p>
<p>7. Provision of other assistance and support services to PWS in support of the approved Capacity Development Strategy for the State of Texas.</p>	<p>TCEQ staff and contractors participated in the 2019 Annual Texas PDW Conference. This conference had a robust workshop section where water systems received specialized training. The conference also provided a technical assistance room for small PWS staff to receive one-on-one technical assistance. TCEQ staff coordinated with EPA grant recipients Communities Unlimited, Environmental Finance Network and TRWA to help develop their work plans for assisting small systems with water quality violations. Also, TCEQ staff participated in a wide variety of capacity development activities including:</p> <ul style="list-style-type: none"> <li>• Staff assessment and assistance to PWS experiencing operational problems.</li> <li>• Providing training to technical assistance providers and water systems directly.</li> <li>• Tracking and assisting nonviable "at-risk" PWS in restructuring.</li> <li>• Providing free on-site assistance through the FMT contract.</li> </ul>

## Task 2.2: Capacity Development - FMT Assistance

This Task provided assistance to PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Task, conducted at the local level, enhanced the FMT abilities of PWS by providing assistance in developing, enhancing, and maintaining FMT abilities, and assisting PWS to meet state and federal requirements through the use of TCEQ staff or contractors.

The key deliverable was the implementation of Programs designed to provide assistance visits in order to enhance the FMT abilities of PWS to meet state and federal requirements.

Work Plan Deliverable	Output Provided
1. FMT training and assistance to PWS including but not limited to FMT assessments, consolidation assessments, consolidation facilitation assistance, and other special assistance and assessment projects as needed;	Under this grant, TCEQ, through its FMT Assistance contractor, completed 860 FMT Capacity Assessments, Consolidation Assessments, on-site FMT Assistance, Drinking Water Operator Training, and other special assistance and assessment projects for PWS.  TCEQ's FMT Contractor completed 76 FMT Assistance assignments for the purpose of training and assisting PWS on specific FMT weaknesses identified during FMT Capacity Assessments.
2. Assessment and reporting on DWSRF applicants; and	Under this grant, TCEQ's FMT Contractor conducted 60 FMT Capacity Assessments for DWSRF applicants. The FMT Contractor provided DWSRF application assistance to four (4) PWS.
3. Provision of other assistance, training and services to PWS in support of FMT capabilities and the approved Capacity Development Strategy for the State of Texas.	Under this grant, TCEQ's FMT Assistance contractor completed 33 TCEQ-administered special assignments that ranged from presenting at the 2019 Annual Texas PDW Conference, to setting up community meetings for at-risk systems.

## Task 2.3 Capacity Development – Water Security

This Task provided assistance to PWS by developing and implementing the Capacity Development Strategy requirement of the SDWA. The activities under this Task provided local assistance to PWS during significant weather events, natural disasters, and other emergency events. Activities were conducted to enhance abilities of PWS to respond to emergencies through the use of TCEQ staff and a contractor that provided assistance.

The key deliverable was the provision of water security assistance and training to PWS in the state impacted by or who have the potential to be impacted by natural disasters.

Work Plan Deliverable	Output Provided
<p>1. Support for natural disaster (i.e. drought) initiatives and technical assistance to impacted systems;</p>	<p>The TCEQ’s WSD provides support and assistance to the Natural Disaster Operational Workgroup (NDOW) by sending staff to participate in hurricane and tornado table top exercises. In 2019, the Abilene Region held a tornado table top exercise and the Corpus Christi Region held a hurricane table top exercise. Part of the table top exercise is to learn how to conduct drinking water assessments using the EPA’s Response Manager (RM) software. Furthermore, throughout the year RM trainings were also held in Austin, Houston, Tyler, Beaumont, and San Antonio; these trainings prepare TCEQ staff to support PWS impacted by disasters.</p> <ul style="list-style-type: none"> <li>• In January 2019, the operator for 410 WSC reported an incident of tampering with a water meter by a local customer. The operator was provided with the contact information for the state’s Critical Infrastructure Protection Lead Planner with the Texas Department of Public Safety.</li> <li>• In April 2019, three facilities required local assistance because they were impacted by storms. A tornado touched down in April 2019, which impacted the City of San Augustine’s (City) 703 connections and their customer, San Augustine Rural WSC (WSC) with 607 connections. The City reached out to TXWARN for a generator, TXWARN provided a generator, and the City was able to make repairs, and provide water to its customers, including San Augustine WSC.</li> </ul> <p>The City of Palestine was impacted by the same storm in April 2019 and suffered electrical damage to their facility. They reached out to TXWARN to request an electrical Engineer to assist repairing their water system. Their electrical panels were repaired, and the</p>

Work Plan Deliverable	Output Provided
	<p>water system returned to normal operating conditions.</p> <ul style="list-style-type: none"> <li>• The week of August 16, 2019, two (2) water systems out of 23 government entities suffered a cybersecurity, ransomware attack. As a result, the Texas State Operations Center was activated, and TCEQ called all entities with the potential to have their water system’s Supervisory Control And Data Acquisition (SCADA) system affected by this incident. IT assistance was sent out to the water systems to help them recover and respond to this incident.</li> <li>• The TCEQ also provided local support to the City of Austin, when it was required to issue a boil water notice in October 2018, in response to flood waters impacting the quality of source water. During this event, TCEQ remained onsite with the City of Austin staff to provide both technical and operational assistance at the city’s Emergency Operations Center. There was a post event analysis report following the City of Austin’s issuance of a Boil Water Notice in response to excessive flooding challenging their ability to maintain acceptable turbidity levels. The City conducted a presentation at the 2019 Texas Water Conference and at the 2019 Texas Emergency Management Conference.</li> <li>• In 2019, TCEQ reviewed 73 Emergency Preparedness Plans.</li> </ul>
<p>2. Travel and training within Texas and/or nationally to attend training, conferences and other events designed to enhance knowledge, skills and abilities and maintain competency of Program administration staff in support of the Water Security Program;</p>	<p>Training attended in FY2019 to increase knowledge base and maintain competency of the Water Security Program included:</p> <ul style="list-style-type: none"> <li>• EPA Increasing Support for Water Resilience</li> <li>• AWWA Water Infrastructure Act (AWIA) 2018 Risk Assessment/Cyber Security Webinar</li> <li>• EPA Designing an Integrated Water Quality Surveillance and Response System</li> <li>• EPA Building Community-Based Water Resilience Webinar</li> </ul>

Work Plan Deliverable	Output Provided
	<ul style="list-style-type: none"> <li>• EPA Utility Examples to Mitigate Earthquake Impacts</li> <li>• ASDWA AWIA Requirements that Impact the PWSSP</li> <li>• ASDWA Assessing the Risks of Spills into Drinking Water Sources</li> <li>• Water ISAC Complying with Risk Assessment and ERP Requirements under AWIA</li> <li>• Water ISAC Process Control and SCADA System Risks Assessment Process</li> <li>• EPA Introduction to Cybersecurity: Workshop and Response Exercises</li> <li>• EPA Flood Resilience: Training for Water and Wastewater Utilities</li> <li>• TCEQ Emergency Response Plan Workshop Waco, TX</li> <li>• TEEX Disaster Management for Electric Power Systems</li> <li>• TEEX Critical Asset Risk Management</li> <li>• TEEX Advanced Critical Infrastructure Protection</li> <li>• TEEX Disaster Management for Public Services</li> <li>• TEEX Hot Zone 2018 Conference</li> <li>• 12<sup>th</sup> Annual Emergency Management Association of Texas</li> <li>• 2019 Texas Emergency Management Conference</li> <li>• 2019 Coastal Bend Hurricane Conference</li> <li>• 2019 South Texas All Hazards Conference</li> </ul> <p>The TCEQ’s Drinking Water Homeland Security Coordinator continues to participate in ASDWA’s Security notes, NDOW’s quarterly meetings, and maintain a membership with Water ISAC to stay abreast of security issues affecting water utilities in Texas and across the country.</p>

<p>3. Provision of other assistance and support services to PWS in support of the Water Security Program and the approved Capacity Development Strategy for the State of Texas.</p>	<p>The TCEQ’s Security Education contractor provided workshops to PWS across the state on developing an Emergency Response Plan (ERP) as required by the American Water Infrastructure Act of 2018. ERP workshops took place in Waco, Kingsville, El Paso, and Conroe. An additional ERP workshop and presentation were provided during the 2019 Annual Texas PDW Conference in Austin (approximately 1,115 attendees), as well as a presentation at the 2019 Texas Water Conference in Houston (approximately 5,000 attendees).</p> <p>At the 2019 PDW Conference the Assistant Chief of the Texas Division of Emergency Management (TDEM) provided presentation on Disaster Finance, Recovery, and Mitigation for PWS, and also provided resources that water systems can reach to for funding and improving their system’s resilience.</p> <p>TCEQ continues to be available for local assistance and support services to PWS as needed through phone calls, the TCEQ’s Capacity Development Team, the TCEQ’s Critical Infrastructure Division, the TXWARN website and the TDEM’s Public Works Response Team (PWRT).</p> <p>The PWRT supports local jurisdictions in their response to a catastrophic event by providing critical public works services as needed to facilitate recovery. TCEQ’s Capacity Development Team coordinates with members of TWICC including TDEM, FEMA, Texas Department of Agriculture (TDA), USDA and GLO to assist systems affected by disasters to obtain funding. Staff participated in a stakeholder meeting June 20, 2019 held by TDA to discuss changing disaster response rules and processes.</p> <p>Another support service provided to PWS is the Quarterly DWA WG meetings that are held for all PWS to attend in person or via webinar. These meetings inform PWS of Program activities, response activities, and security activities. The meeting is interactive and allows for web attendees to ask questions during the meeting. The website for these meetings has presentations, the information covered during each meeting, and advertises any upcoming</p>
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	drinking water related trainings provided by TCEQ, EPA, and other providers.
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