

**FY 2007**

**Clean Water State Revolving Fund  
Intended Use Plan**  
*Revised September 2008*



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This document is available online at:  
[http://www.twdb.state.tx.us/assistance/financial/fin\\_infrastructure/cwsrffund.asp](http://www.twdb.state.tx.us/assistance/financial/fin_infrastructure/cwsrffund.asp)



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table of Contents**

Narrative

I. Introduction .....	1
A. List of Projects .....	1
B. Disadvantaged Projects .....	1
II. Long-Term and Short-Term Goal Statements .....	2
A. Long-Term Goals of the CWSRF .....	2
B. Short-Term Goals of the CWSRF .....	2
III. Development of the CWSRF Intended Use Plan .....	3
A. Solicitation of Project Information .....	3
B. Project Categories .....	3
C. Disadvantaged Communities Funding .....	4
IV. Criteria and Method of Distribution of Funds .....	5
A. Distribution of Funds to Categories .....	5
B. Distribution of Funds to Disadvantaged Communities .....	6
C. Tie Breaking Procedure .....	7
D. Notice of Availability of Funds .....	7
E. Funding Cycles .....	8
F. Limits on Funding .....	9
V. Information on Activities to be Supported .....	9
A. Section 212 Projects .....	9
B. Terms of Financial Assistance .....	9
VI. Assurances and Specific Proposals .....	10
A. 602(a) Environmental Reviews .....	10
B. 602(b)(2) – State Matching Funds .....	10
C. 602(b)(3) – Binding Commitments .....	10
D. 602(b)(4) – Expeditious and Timely Expenditures .....	10
E. 602(b)(5) – First Use for Enforceable Requirements .....	10
F. 602(b)(6) – Compliance with Title II Requirements .....	10
G. 602(b)(7) – State Laws and Procedures .....	10
H. 603(f) – Consistency with Planning .....	11
I. Compliance with Cross-Cutter Requirements .....	11
J. Schedule of Estimated Disbursements .....	11
VII. Administrative Cost of the CWSRF .....	11
Key to Tables .....	13
Table 1A – Alphabetic Listing of Eligible Projects .....	17
Table 1B – Alphabetic Listing of Ineligible Projects .....	20
Table 2 – Listing of Projects Ranked by Funding Category .....	23
Attachment A – Sources and Uses of Funds .....	29

The Board rules governing the CWSRF program (Texas Administrative Code, Title 31, Part 10, Chapter 375) may be accessed online at:

- [http://www.twdb.state.tx.us/publications/rules/ch375\\_0505.pdf](http://www.twdb.state.tx.us/publications/rules/ch375_0505.pdf)
- [http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC)



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**I. INTRODUCTION**

The FY 2007 Clean Water State Revolving Fund (CWSRF) Intended Use Plan (IUP) is prepared in accordance with the provisions of the Clean Water Act (Act), Section 606(c) and the Texas Administrative Code, Title 31, Part 10, Chapter 375 (Texas Water Development Board rules).

The Texas Water Development Board (Board) is continuing a long range plan to protect the future health of the CWSRF while providing financial assistance for wastewater collection and treatment infrastructure to Texas local governments. A water quality based priority rating process provides control over the amount of loans made each year while not requiring entities to expend funds and efforts preparing applications for which funds may not be available. This provides a means for the Board to meet federally mandated requirements while offering some borrowers additional interest subsidies.

**A. List of Projects**

The FY 2007 CWSRF IUP contains an alphabetic listing of 61 projects totaling \$773,995,000 from entities that responded to a statewide solicitation of eligible entities. All of the 61 projects submitted were deemed eligible and were ranked within six funding categories for construction projects. No rural hardship communities or nonpoint source pollution control/estuary management projects were received.

All entities with construction projects will be invited to apply for the federal equivalency funds of approximately \$48,029,414 (dependent on the State of Texas budget allocation in the FY 2007 federal budget) upon Board approval of the IUP. After all federal equivalency funds are committed, the Board will inform the remaining entities of the availability of non-federal equivalency funds.

**B. Disadvantaged Projects**

For FY 2007, the Board will provide up to \$20 million in CWSRF program funds for 0% or 1% interest rate loans to eligible communities that qualify as disadvantaged. The Board, at its December 16, 2003 meeting, approved rules establishing CWSRF disadvantaged communities funding. Specific provisions regarding disadvantaged communities funding can be found on Page 2 (Short Term Goals of the CWSRF), Page 3 (Disadvantaged Communities Funding), Page 6 (Distribution of Funds to Disadvantaged Communities), Page 7 (Notice of Availability of Funds), and Page 9 (Terms of Financial Assistance).

Nineteen projects were deemed eligible to apply for disadvantaged funds. Projects up to the \$20 million cap will be notified at the same time as the first round of letters informing entities of the availability of the federal equivalency funds.

<b>Disadvantaged Entity</b>	<b>Project Cost</b>	<b>Population Category</b>
DeKalb	\$930,000	A
Marfa	\$1,265,000	
Menard	\$1,135,000	
Nueces RA	\$6,545,000	
Roscoe	\$1,560,000	
Roxton	\$2,625,000	
Trinidad	\$780,000	
Wolfe City	\$510,000	
Bonham	\$2,095,000	B
Cleveland	\$5,270,000	
Commerce	\$2,005,000	

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

<b>Disadvantaged Entity</b>	<b>Project Cost</b>	<b>Population Category</b>
Groesbeck	\$2,000,000	B
La Grulla	\$21,510,000	
Littlefield	\$1,265,000	
Los Fresnos	\$4,975,000	
Zapata Co.	\$6,415,000	
Alamo	\$10,160,000	C
Mercedes	\$7,530,000	
Rio Grande City	\$25,455,000	

**II. LONG-TERM AND SHORT-TERM GOAL STATEMENTS [606 (C)(2)]**

**A. Long-Term Goals of the CWSRF**

1. Maintain a program to restore and maintain the chemical, physical, and biological integrity of the state's waters that is responsive to changes in the state's priorities and needs. Progress toward meeting this goal will be documented by providing information on strategic assessment of changing needs and ongoing or completed changes aimed at addressing those needs.
2. Maintain the fiscal integrity of the CWSRF and assure continuous enhancement of the fund for future generations. Progress toward meeting this goal will be documented by discussion of changes to lending rate policies, loan monitoring activities, and loan default information.
3. Maintain the CWSRF into perpetuity. Progress toward meeting this goal will be provided via reporting on the annual capacity modeling and changes in capacity.

**B. Short-Term Goals of the CWSRF**

1. The Board will continue to develop and employ programs to facilitate funding and implementation of nonpoint source pollution control projects which are consistent with an approved nonpoint source management plan pursuant to the Act, Section 319. This will include assessing and modifying rules and procedures in FY 2007 to maximize the use of the program based on input from stakeholders and review of other state's programs. Progress toward meeting this goal will be documented by providing information on rule or process changes aimed at improving use of nonpoint source funding. At this time, the only rule change to be discussed and potentially implemented in FY 2007 is the 30-year loan term.
2. The Board will meet at least quarterly with staff of the Texas Commission on Environmental Quality (TCEQ) and the Texas State Soil and Water Conservation Board to increase awareness of the CWSRF as a funding alternative for identified management plan projects which address nonpoint source pollution and estuary management problems. The Board will also participate in conferences and trade association meetings, where possible, to provide information on funding opportunities for nonpoint source projects. Progress toward meeting this goal will be provided through reports on activities conducted and loans made.
3. The Board will strive to maximize use of the CWSRF to provide funding for projects that are designed to meet the needs of the state. This includes providing special assistance to disadvantaged communities to allow them to meet their specific wastewater treatment needs. Also, the Board will use the one-page Environmental Benefits Form for all CWSRF loan commitment closings to measure the effectiveness of project funding. The Environmental Benefits Form will be applied to projects on the FY 2007 CWSRF IUP and to all prior year commitments that close in FY 2007. These results will be reported in the FY 2007 CWSRF Annual Report. For FY 2007, the Board estimates that it will conduct 35 CWSRF pre-application meetings with potential borrowers, resulting in 20 binding

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

commitments representing \$300 million in loans. In addition, the Board anticipates that it will close 18 loans representing \$321,000,000.

4. The Board is in the initial phase of developing a comprehensive, agency-wide, automated loan and grant information management system, known as TxWISE (Texas Water Information System Expansion), that will be easily accessed by internal Board offices; generate accurate and timely data; offer information collection and comparative analysis of financial and accounting data and all program resources to effectively increase loan volume and program pace; improve reporting capabilities with our EPA partners and other agencies; allow for timely decision-making on financial, Treasury, and budgetary matters; and streamline the overall construction project financing process. The proposed system is also anticipated to be used by the Board's external customers to apply for and review the status of their financial assistance projects. The Board is working with the Environmental Protection Agency (EPA) Region 6 and Northbridge Environmental Management Consultants on this project and anticipates having the comprehensive system operating within two years.

**III. DEVELOPMENT OF THE CWSRF INTENDED USE PLAN**

**A. Solicitation of Project Information**

In accordance with Board rules (Section 375.17), project information was solicited from eligible entities across the state in a letter dated January 20, 2006 with a response deadline of March 22, 2006. The required information consists of:

- a description of the proposed facilities;
- the status of any required permit application, including projected effluent limitations;
- the estimated total project cost;
- an estimated schedule for planning, design, and construction of the proposed project;
- a statement as to whether the entity is under enforcement by the Environmental Protection Agency (EPA) or TCEQ; and
- such other information as may be requested by the Executive Administrator.

All projects submitted in a timely manner were rated and ranked within six funding categories.

**B. Project Categories**

In order for a project to receive a priority ranking in the IUP, the entity had to submit the required information form, signed by a representative of the entity, no later than March 22, 2006.

After Board staff rated the proposed projects, they were listed in the appropriate funding categories as follows:

<b>Funding Category</b>		<b>Number of Projects</b>	<b>Total Cost</b>
A	Entities with existing populations of 3,000 or fewer	26	\$58,830,000
B	Entities with existing populations of 3,001 to 10,000	14	\$70,645,000
C	Entities with existing populations of 10,001 to 25,000	8	\$121,860,000
D	Entities with existing populations of 25,001 to 100,000	5	\$95,045,000
E	Entities with existing populations of 100,001 to 500,000	1	\$11,010,000
F	Entities with existing populations of 500,001 or greater	7	\$416,605,000
G	Rural Hardship Communities	0	[not funded]
H	Nonpoint Source Pollution or Estuary Mgmt. Projects	0	\$0
<b>Total</b>		<b>61</b>	<b>\$773,995,000</b>

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**C. Disadvantaged Communities Funding**

CWSRF program funds of up to \$20 million per year will be made available for loans to disadvantaged communities.

1. **Eligibility** - Board staff determines eligibility for the disadvantaged community loan program. Only those entities with a population no greater than 25,000 are eligible (funding categories A, B, and C).

To be eligible to receive a 0% or 1% loan, the entity must be either:

- a. A political subdivision that:
  - (1) is a disadvantaged community; or
  - (2) will serve an area that:
    - (i) is located outside the boundaries of the political subdivision; and
    - (ii) meets the definition of a disadvantaged community; or
- b. An owner of a community water system that is ordered by TCEQ to provide service to a disadvantaged community, provided that the financial assistance is for the sole purpose of providing service to a disadvantaged community;

and meet the definition of a disadvantaged community now, or will as a result of a proposed project.

2. **Definition**

A disadvantaged community is defined as a service area of a public water system that has an adjusted median household income which is no more than 75% of the median state household income for the most recent year for which statistics are available; and

- a. if the service area is not charged for sewer services, has a household cost factor for water rates that is greater than or equal to 1%; or
- b. if the service area is charged for water and sewer services, has a combined household cost factor for water and sewer rates that is greater than or equal to 2%.

There are two methods to determine the adjusted median household income.

- a. Use the following formula:

$$\frac{(2000 \text{ Annual Median Household Income}) \times (\text{current Texas Consumer Price Index})}{(2000 \text{ Texas Consumer Price Index})}$$

OR

- b. Use data from a survey approved by the Executive Administrator of a statistically acceptable sampling of customers in the service area completed within the last 12 months. The survey information will be provided to the entity by the Executive Administrator during the solicitation process.

$$\text{Household Cost Factor} = \frac{(\text{Average Yearly Water Bill})}{(\text{Adjusted Median Household Income})}$$

$$\text{Combined Household Cost Factor} = \frac{(\text{Avg. Yearly Water Bill}) + (\text{Avg. Yearly Sewer Bill})}{(\text{Adjusted Median Household Income})}$$

$$\text{Average Yearly Water Bill} = (\text{Avg. \# of persons/household}) \times (2,325 \text{ gallons/person/month}) \times [(\text{proposed monthly water rate}) \times (12)]$$



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

$$\text{Proposed Monthly Water Rate} = \frac{(\text{Cost of proposed project}) - (\text{Funds received from other sources})}{\text{Number of persons/household}}$$

$$\text{Average Yearly Sewer Bill} = \frac{(\text{Avg. \# of persons/household}) \times (1,279 \text{ gallons/person/month}) \times ((\text{proposed monthly sewer rate}) \times (12))}{\text{Number of persons/household}}$$

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

**IV. CRITERIA AND METHOD OF DISTRIBUTION OF FUNDS**

The discussion below of the distribution of funds and funding cycles for projects reflects the requirements of Board rules. Reference is made to a funding line. The term funding line refers to the point on the ranked lists where funds available for loans would be expended. Note that an actual funding line does not appear on the ranked tables. The funding line will be adjusted downward if an entity above the line decides not to apply or fails to submit a timely application.

Congress has continued to appropriate funds for CWSRF capitalization grants each year since the original period of authorization ended in 1994. As a condition of receiving CWSRF capitalization grants, the Board must impose certain federal requirements on projects that receive any portion of the funds "directly made available by" capitalization grants. As described below, all entities above the funding line will be invited to apply for the funds offered under Chapter 375, Subchapter B of the Board's rules. Applications will be funded on a first-come, first-served basis until the funds offered under this Subchapter have been utilized. Under Board rules at the time of this writing, these loans will receive a 195 basis point subsidy. The remaining entities above the funding line will be invited to submit applications for the remainder of available funds and will receive a 95 basis point subsidy.

**A. Distribution of Funds to Categories**

Funds required by all eligible projects in each category are totaled. Except for category G, Rural Hardship, each category's percentage of the total funds required for all categories is calculated. If applicable, funding categories with costs <7% of the total cost (see category E below) are listed separately because Board rules provide that no category will be assigned <7% of the total funds available unless the total needs of the category are <7%.

Funding Category		Number of Projects	Funds Required	Percentage of Funds Required	Assigned Funds (Funds Required <7%)
A	3,000 or fewer	26	\$58,830,000	7.60%	\$0
B	3,001 to 10,000	14	\$70,645,000	9.13%	\$0
C	10,001 to 25,000	8	\$121,860,000	15.74%	\$0
D	25,001 to 100,000	5	\$95,045,000	12.28%	\$0
E	100,001 to 500,000	1	\$11,010,000	1.42%	\$11,010,000
F	500,001 or greater	7	\$416,605,000	53.83%	\$0
H	Nonpoint Source/Estuary	0	\$0	0.00%	\$0
<b>Total</b>		<b>61</b>	<b>\$773,995,000</b>	<b>100.00%</b>	<b>\$11,010,000</b>

A subset of funding categories with a cost ≥7% of the total cost is listed and subtotaled. The ratio of each of these categories to the subtotal is calculated. The assigned funds (\$11,010,000) are subtracted from the total funds available (\$450,345,679).

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

Funding Category		Number of Projects	Funds Required $\geq 7\%$	Percentage of Funds Required	<b>\$439,335,679</b>
A	3,000 or fewer	26	\$58,830,000	7.71%	
B	3,001 to 10,000	14	\$70,645,000	9.26%	
C	10,001 to 25,000	8	\$121,860,000	15.97%	
D	25,001 to 100,000	5	\$95,045,000	12.46%	
F	500,001 or greater	7	\$416,605,000	54.60%	
<b>Subtotal</b>		<b>60</b>	<b>\$762,985,000</b>	<b>100.00%</b>	

The assigned funds are entered for each funding category with costs  $< 7\%$  of the total costs. To produce the allocations for the remaining funding categories, the percentages determined by the category costs  $\geq 7\%$  are multiplied by the sum of the total funds available (\$450,345,679) less the assigned funds (\$11,010,000).

Funding Category		Number of Projects	FY 2007 Funds Allocated
A	3,000 or fewer	26	\$33,872,781
B	3,001 to 10,000	14	\$40,682,484
C	10,001 to 25,000	8	\$70,161,908
D	25,001 to 100,000	5	\$54,741,225
E	100,001 to 500,000	1	\$11,010,000
F	500,001 or greater	7	\$239,877,281
G	Rural Hardship	0	\$0
H	Nonpoint Source/Estuary	0	\$0
<b>Total</b>		<b>61</b>	<b>\$450,345,679</b>

The funds assigned to category G, Rural Hardship, are equal to the amount of federal grants available for the fiscal year (currently \$0) plus an equal amount of CWSRF loan funds. After available funds are allocated among the categories, a funding line will be drawn within each category, not to exceed the funds available to each category. Projects above the funding line shall be eligible for assistance.

After a funding line is drawn in each category, if funds are available pursuant to Subchapter B of Chapter 375 of the Board rules (relating to Provisions Pertaining to Use of Capitalization Grant Funds), the Executive Administrator shall notify in writing all entities above the funding line of the availability of such funds for the fiscal year and shall invite the submittal of applications. Such funds shall be distributed in accordance with the provisions of Subchapter B.

**B. Distribution of Funds to Disadvantaged Communities**

Board rules establish the method for making loans to potentially eligible projects in disadvantaged communities identified on the FY 2007 CWSRF IUP. The Executive Administrator is directed to identify potential projects starting with Category A. If the amount of available funds (up to \$20 million) exceeds the total project costs for all projects in Category A, the Executive Administrator will identify projects in Category B, in priority order, that could be funded without exceeding the total funds available. If the amount of available funds exceeds total project costs for projects in Categories A and B, the Executive Administrator will identify projects in Category C, in priority order, that could be funded without exceeding the amount of funds for loans. A funding line will be drawn at the point where available funds equal total project costs. Category G also exists for projects proposed by rural hardship communities. It was created in response to a federal appropriation to the states for the purpose of providing hardship grants to meet the wastewater needs of small, poor, rural communities with populations of less than 3,000. The EPA administered the grants, in conjunction with the CWSRF program. Texas received \$2,942,600 in FY 1997 and provided assistance to five poor rural communities. As of this date, the Board has not received any additional funds for the rural hardship community category; therefore, staff does not plan to solicit

**Texas Water Development Board**  
**FY 2007 Clean Water State Revolving Fund Intended Use Plan**

interest in this category at this time.

The Executive Administrator will notify entities of the availability of funding and invite them to apply for a loan. The Executive Administrator may also request the submission of any additional information necessary to determine if the entity meets the criteria for being disadvantaged. Disadvantaged community entities will be invited to apply for loans at the same time as federal Tier III entities. Entities will have three months from the date of the invitation to apply for a loan and three months from the date the application was received to obtain a commitment. If there are not enough applications to obligate the available funds, the Executive Administrator will re-rank the priority list by returning any incomplete applications and moving all projects with no or incomplete applications to the bottom of the priority list, in priority order, within the applicable category. This applies only to disadvantaged community funding. The funding line will be adjusted to ensure that available funding will equal total projects costs.

A second round of invitations will be made and these entities will also have three months to apply for a loan and three months from the date the application was received to obtain a commitment. If there are not enough applications to obligate the available funds, the Executive Administrator will re-rank the priority list by returning any incomplete applications and moving all projects with no or incomplete applications to the bottom of the priority list, in priority order, within the applicable category. A funding line will be adjusted to ensure that available funding will equal total project costs.

**C. Tie Breaking Procedure**

In the event of ties in the ratings, priority will be given to projects in which the sewage treatment plant is at the greatest percentage of its permitted capacity. For any remaining ties, priority will be given to the entity with the lowest annual per capita income.

**D. Notice of Availability of Funds**

The Executive Administrator has determined that it is necessary to seek projects to be funded under the requirements of Chapter 375, Subchapter B of the Board's rules. Notice is hereby given of the availability of \$48,029,414 at a lower interest rate in accordance with the provisions of the Subchapter. Because Subchapter B imposes additional requirements, the Board generally provides lower interest rates for projects funded under Subchapter B. The Board will limit funding under Subchapter B only to the dollar amount of projects reasonably necessary to meet federal requirements. In addition, notice is hereby given of the availability of up to \$20 million at a 0% or 1% interest rate in accordance with the provision of Subchapter A which covers disadvantaged communities funding.

After approval of the IUP by the Board, the Executive Administrator will also provide notice by direct mail to political subdivisions with projects listed above the funding line in the annual IUP. The notice shall invite applications for the lower interest rate funds and shall specify the date upon which such applications will be accepted and the approximate dollar amount of projects that the Board intends to fund through this chapter.

The Board will not provide funding under Subchapter B for refunding projects for which a loan has already been closed.

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**CWSRF IUP Invitation Time Line**

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
<b>Federal Funding</b> <sup>1</sup>												
<b>State Funding</b> <sup>2</sup>												
<b>Disadvantaged Funding</b> <sup>3</sup>												

<sup>1</sup> All federal equivalency funding is typically committed by February.

<sup>2</sup> State funding is offered after all federal funding is committed on a first-come, first-served basis.

<sup>3</sup> Disadvantaged funding is offered to eligible entities (populations ≤25,000) on a priority basis until all funds are committed or through August 31, whichever comes first.

**E. Funding Cycles**

Applications from entities receiving an invitation under Subchapter B will be presented for Board action on a first-come, first-served basis unless a fund shortage exists. A fund shortage is considered to exist when on the first business day of the month of the Board meeting, the cumulative amount of funds previously committed pursuant to subsection (a) of Section 375.213 (relating to Distribution of Funds), plus the amount of funds required to fund all applications which are complete and ready for scheduling for Board action exceeds the amount of funds identified as available for such funding in the notice under subsection (a). Applications are considered to be complete and ready for Board action if they meet the requirements of Section 375.32 (relating to Required General Information), Section 375.33 (relating to Required Legal Information), and Section 375.34 (relating to Required Fiscal Information), and either both Section 375.35 (relating to Required Environmental Review and Determination) and Section 375.36 (relating to Engineering Feasibility Data), or Section 375.39 (relating to Pre-Design Funding Option).

Applications which are ready for scheduling for Board action at the time a fund shortage occurs will be presented for Board action under this chapter in the order of their priority ranking in accordance with Section 375.16 (relating to Rating Process).

Funds will be made available to applicants under Subchapter B provisions until the dollar amount of projects reasonably necessary to meet federal requirements has been utilized. If funds are available under Subchapter B for only part of an application, the remainder of the project may be funded under the CWSRF interest rate associated with loans under Subchapter A. Applications for projects for which no funds are available under Subchapter B will be considered under Subchapter A, unless the applicant indicates it does not want to proceed under such chapter.

After the Executive Administrator determines that the funds made available pursuant to Subchapter B are sufficiently utilized to satisfy the federal requirements, the Executive Administrator shall notify in writing all remaining entities above the funding line of the availability of funds for the fiscal year and shall invite the submittal of applications. Entities will be allowed four months from the date of the notice of availability of funds or until August 31 of the fiscal year, whichever is sooner, to submit applications for assistance, and will be allowed two additional months to receive a loan commitment.

If, at any time during the above-described period, an entity above the funding line submits written notification that it does not intend to submit an application, or if additional funds become available for assistance, the funding line within each category may be moved downward in priority order to accommodate additional projects which would utilize the funds that would otherwise not be committed. The Executive Administrator will notify such additional entities in writing and will invite the submittal of applications. Entities receiving such notice will be allowed four months from the date of the notice or until August 31 of the fiscal year, whichever is sooner, to submit applications for assistance and will be allowed two additional months to receive a commitment.

If all available funds are not committed after the six-month period of availability of funds, the Executive Administrator will return any incomplete applications and move all projects for which no applications or

**Texas Water Development Board**  
**FY 2007 Clean Water State Revolving Fund Intended Use Plan**

incomplete applications were submitted to the bottom of the ranked list within each category, where they will be placed in priority ranking order. The funding line will be redrawn within each category to utilize the funds remaining within the category.

If funds are available from categories A through H after the Executive Administrator is able to make a determination that all entities in each category have had the opportunity to be funded, the remaining funds will be made available to the other categories. The remaining funds will be pooled with any funds left over from the other categories and made available to Category A. If no entities in Category A are able to utilize the funds, then the funds will be made available to Category B. If no entities in Category B are able to utilize the funds, then the funds will be made available to Category C. If no entities in Category C are able to utilize the funds then the funds will be made available to Category D. If no entities in Category D are able to utilize the funds, then the funds will be made available to Category E. If no entities in Category E are able to utilize the funds, then the funds will be made available to Category F.

Each IUP is a stand-alone document and lists projects for a given fiscal year. Thus, those projects placed at the bottom of the IUP list could potentially cycle back to the top of the list. Projects that submit inadequate or no application may re-submit for the following year's IUP.

**F. Limits on Funding**

Loan assistance will not exceed the cost estimate in the IUP without Board approval. In the event that the cost of a project exceeds the funds available, the applicant may seek additional funds from other appropriate Board programs. (See Section 375.15(1) of the Board rules.)

If there is a shortage of funds, no single applicant may receive more than 30 percent of the total funds available for the fiscal year.

**V. INFORMATION ON ACTIVITIES TO BE SUPPORTED [606(c)(3)]**

**A. Section 212 Projects**

Table 1A is an alphabetic listing of all projects proposed for FY 2007. It includes a column showing the funding category of each project. Table 2 lists the projects in priority order for each category, along with EPA cost categories and TCEQ discharge requirements.

**B. Terms of Financial Assistance**

The Board will determine the terms of financial assistance on a project-by-project basis. The Board will establish the applicable interest rates for the CWSRF. All CWSRF variable lending rates will equal the Board's borrowing rate, plus 25 basis points to offset the origination fee. The fixed interest rates for loans under Chapter 375, Subchapter A are set at rates 70 basis points below the fixed rate index rates for borrowers plus an additional reduction of 25 basis points, for a total interest rate reduction of 95 basis points. (See Section 375.52.) The fixed interest rates for loans under Chapter 375, Subchapter B are set at rates 170 basis points below the fixed rate index rates for borrowers plus an additional reduction of 25 basis points, for a total interest rate reduction of 195 basis points. (See Section 375.222.) The fixed lending rate for borrowers is the market rate for the Delphis Hanover Corporation's Range of Yield Curve Scales minus 70 basis points. The Board will consider but will not be limited to the criteria set forth below:

1. The interest rate or rates required to retire state bonds.
2. The interest rate necessary to maintain the buying power of the CWSRF.
3. Separate lending rate scales may be established for special and unusual projects which may require special financing.

The Disadvantaged Community Program offers 1% interest rate loans for projects serving areas in which the adjusted median household income for the service areas is between 75% and 70% of the state

**Texas Water Development Board**  
**FY 2007 Clean Water State Revolving Fund Intended Use Plan**

adjusted median household income. Loans with a 0% interest rate are offered to service areas with an adjusted median household income that is less than or equal to 70% of the state adjusted median household income.

An estimated \$450,345,679 will be available to fund projects during FY 2007. Funding will be provided through:

- \$161,965,726 in loan repayments and interest earnings;
- \$8,004,902 in match bonds;
- \$0 additional CWSRF bond issue(s);
- \$40,024,512 in Automated Clearing House draws; and
- the sale of additional revenue bonds, if additional funds are required.

**VI. ASSURANCES AND SPECIFIC PROPOSALS**

*Citations refer to sections of Title VI of the Clean Water Act of 1987*

**A. 602(a) - Environmental Reviews**

The Board will conduct environmental reviews as specified in Board rules. None of the projects listed in the FY 2007 CWSRF IUP is expected to require an Environmental Impact Statement.

**B. 602(b)(2) - State Matching Funds**

The Board agrees to deposit into the CWSRF from state monies an amount equal to 20% of the amount of each project disbursement on or before the date on which the state receives each federal disbursement of funds for each project.

**C. 602(b)(3) - Binding Commitments**

The Board will enter into binding commitments for 120% of each quarterly payment within one year of receipt of that payment.

**D. 602(b)(4) - Expeditious and Timely Expenditures**

The Board will expend all funds in the CWSRF in a timely and expeditious manner.

**E. 602(b)(5) - First Use for Enforceable Requirements**

The Board has previously met this requirement.

**F. 602(b)(6) - Compliance with Title II Requirements**

The Board will meet the specific statutory requirements for publicly owned wastewater treatment projects constructed in whole or in part with funds directly made available by federal capitalization grants for Title II equivalency and federal cross-cutters.

**G. 602(b)(7) - State Laws and Procedures**

The Board agrees to expend each quarterly grant payment in accordance with state laws and procedures.



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**H. 603(f) – Consistency with Planning**

The Board agrees that it will not provide assistance to any project unless that project is consistent with plans developed under Sections 205(j), 208, 303(e), 319, or 320 of the Act.

**I. Compliance with Cross-Cutter Requirements**

It is a capitalization grant requirement that projects assisted with funds directly made available by capitalization grants comply with cross-cutting authorities. This requirement has been met for all capitalization grants through FY 2005. Projects funded under Chapter 375, Subchapter B will meet cross-cutter requirements for the FY 2007 CWSRF capitalization grant.

**J. Schedule of Estimated Disbursements**

The Board estimates that \$27,840,000 will be drawn in federal funds to be matched with \$5,800,000 in state funds during FY 2007. The Board selects projects to submit Outlay Reports with supporting documentation equivalent to the total amount of federal grant funds and required state match.

<b>Period</b>	<b>Federal</b>	<b>State</b>	<b>Total</b>
7/1/2007 - 9/30/2007	\$3,480,000	\$725,000	\$4,205,000
10/1/2007 - 12/31/2007	\$3,480,000	\$725,000	\$4,205,000
1/1/2008 - 3/31/2008	\$3,480,000	\$725,000	\$4,205,000
4/1/2008 - 6/30/2008	\$3,480,000	\$725,000	\$4,205,000
7/1/2008 - 9/30/2008	\$3,480,000	\$725,000	\$4,205,000
10/1/2008 - 12/31/2008	\$3,480,000	\$725,000	\$4,205,000
1/1/2009 - 3/31/2009	\$3,480,000	\$725,000	\$4,205,000
4/1/2009 - 6/30/2009	\$3,480,000	\$725,000	\$4,205,000
	<b>\$27,840,000</b>	<b>\$5,800,000</b>	<b>\$33,640,000</b>

**VII. ADMINISTRATIVE COST OF THE CWSRF**

The Act permits amounts from the CWSRF to be used for program administration, provided that such amounts do not exceed 4% of all capitalization grant awards. The total amount of funds available for administration from all grants through FY 2006 is \$52,408,320. Since the beginning of the program, CWSRF funds totaling \$23,504,344 have been expended for administrative costs, leaving a balance of \$28,903,976 available under the 4% cap.

Since November 1995, Board rules have provided for the assessment of loan origination fees as a means of replacing federal grant funds to pay the administrative costs of operating the CWSRF loan program. A provision in the FY 2005 federal appropriation bill is as follows:

“That notwithstanding section 603(d)(7) of the federal Water Pollution Control Act, as amended, the limitation on the amounts that may be used by a state to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2005 and prior years where such amounts represent costs of administering the fund, to the extent that such amounts are or were deemed to be reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration.”

The Board continues to assess an administrative cost recovery fee on each loan. Amounts collected are deposited to the Administrative Cost Recovery Fund, which is separate from the CWSRF. These amounts provide for the reasonable costs of administering the CWSRF. Fees totaling \$1,731,495 held outside the cap are available as well as the remaining \$28,903,976 under the 4% cap. These amounts will support the administrative needs of the CWSRF for the near term.





**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Key to Tables**

<b>Total Points</b>	Score used to rank projects
<b>Funding Category</b>	<ul style="list-style-type: none"> <li>A Entities with existing populations of 3,000 or fewer</li> <li>B Entities with existing populations of 3,001 to 10,000</li> <li>C Entities with existing populations of 10,001 to 25,000</li> <li>D Entities with existing populations of 25,001 to 100,000</li> <li>E Entities with existing populations of 100,001 to 500,000</li> <li>F Entities with existing populations of 500,001 or greater</li> <li>G Rural Hardship Communities</li> <li>H Nonpoint Source Pollution or Estuary Management Projects</li> </ul>
<b>EPA Cost Categories</b>	<ul style="list-style-type: none"> <li>I Secondary Treatment and Best Practicable Wastewater Technology</li> <li>II Advanced Treatment</li> <li>IIIA Infiltration/Inflow Correction</li> <li>IIIB Major Sewer Rehabilitation</li> <li>IVA New Collectors and Appurtenances</li> <li>IVB New Interceptors and Appurtenances</li> <li>V Correction of Combined Sewers</li> </ul>
<b>TCEQ Discharge Requirements</b>	<ul style="list-style-type: none"> <li>CBOD Carbonaceous Biochemical Oxygen Demand</li> <li>TSS Total Suspended Solids</li> <li>NH3 Nitrogen</li> <li>DO Dissolved Oxygen</li> </ul>



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table 1A  
Alphabetic Listing of Eligible Projects**

**Table 1B  
Alphabetic Listing of Ineligible Projects**



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table 1A -- Alphabetic Listing of Eligible Projects**

<b>Project ID #</b>	<b>NPDES #</b>	<b>Entity</b>	<b>Disadvantaged</b>	<b>Project Cost</b>	<b>Total Points</b>	<b>Funding Category</b>	<b>Description</b>
72138	TX0057622	Alamo	x	\$10,160,000	3.0	C	Collection System Rehabilitation/Overflow Control
72109	TX0024309	Angelina Co. FWSD 1		\$1,805,000	5.1	A	Unserved Area
72145	TX0090522	Anthony		\$2,670,000	1.0	A	Wastewater Treatment Plant Expansion
72130	TX0102385	Arcola		\$905,000	8.1	B	Wastewater Treatment Plant Expansion
72147	TX0053368	Bells		\$1,785,000	2.0	A	Wastewater Treatment Plant Expansion
72158	TX0021814	Bonham	x	\$2,095,000	0.0	B	Collection System Rehabilitation/Overflow Control
72149	TX0023272	Celina		\$4,480,000	3.0	B	Wastewater Treatment Plant Expansion
72110	TX0053481	Cleveland	x	\$5,270,000	0.0	B	Collection System Rehabilitation/Overflow Control
72140	TX0020591	Commerce	x	\$2,005,000	1.0	B	Collection System Rehabilitation/Overflow Control
72111	No # Assigned	Cottonwood Shores		\$2,350,000	3.0	A	New Wastewater Treatment Plant
72157	TX0069671	DeKalb	x	\$930,000	2.5	A	Collection System Rehabilitation/Overflow Control
72107	TX0101303	East Tawakoni		\$5,975,000	6.6	A	Unserved Area
72112	TX0024112	Edinburg		\$4,020,000	4.5	D	Wastewater Treatment Plant Expansion
72113	TX0026328	Emory		\$3,420,000	4.6	A	Unserved Area
72104	TX0047295	Fort Worth		\$33,560,000	1.0	F	Collection System Rehabilitation/Overflow Control
72141	TX0055611	Greenville		\$10,000,000	2.5	C	Wastewater Treatment Plant Expansion
72137	TX0054445	Groesbeck	x	\$2,000,000	1.5	B	Wastewater Treatment Plant Expansion
72161	TX0117960	Groves		\$5,000,000	0.0	C	Collection System Rehabilitation/Overflow Control
72115	TX0057053	Harris Co. MUD 50		\$1,380,000	1.0	A	Facilities Rehabilitation
72144	TX0095842	Harris Co. WCID 89		\$3,640,000	1.0	B	Wastewater Treatment Plant Expansion
72154	TX0096172	Houston, 69th St. WWTP		\$9,525,000	7.0	F	Facilities Rehabilitation
72153	N/A	Houston, Lift Station Rehab		\$6,615,000	1.0	F	Facilities Rehabilitation
72151	N/A	Houston, Sewer Rehab		\$65,545,000	7.0	F	Collection System Rehabilitation/Overflow Control

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table 1A -- Alphabetic Listing of Eligible Projects continued**

<b>Project ID #</b>	<b>NPDES #</b>	<b>Entity</b>	<b>Disadvantaged</b>	<b>Project Cost</b>	<b>Total Points</b>	<b>Funding Category</b>	<b>Description</b>
72155	TX0062201	Houston, Sims Bayou North WWTP		\$5,830,000	4.0	F	Facilities Rehabilitation
72156	TX0105059	Houston, Sims Bayou South WWTP		\$6,725,000	4.0	F	Facilities Rehabilitation
72152	TX0024848	Iredell		\$145,000	1.0	A	Facilities Rehabilitation
72103	No # Assigned	Kermit		\$3,695,000	1.0	B	Wastewater Treatment Plant Expansion
72100	No # Assigned	La Grulla	x	\$21,510,000	4.1	B	Unserved Area
72124	TX0074284	Liberty		\$7,390,000	1.0	B	Collection System Rehabilitation/Overflow Control
72105	TX0126195	Liberty Hill		\$6,785,000	2.1	A	Unserved Area
72136	No # Assigned	Littlefield	x	\$1,265,000	0.0	B	Collection System Rehabilitation/Overflow Control
72160	TX0091243	Los Fresnos	x	\$4,975,000	0.0	B	Wastewater Treatment Plant Expansion
72142	No # Assigned	Marfa	x	\$1,265,000	1.0	A	Wastewater Treatment Ponds
72135	TX0025712	Menard	x	\$1,135,000	2.5	A	Wastewater Treatment Plant Expansion
72126	TX0021547	Mercedes	x	\$7,530,000	5.5	C	Wastewater Treatment Plant Expansion
72146	TX0022055	Montgomery Co. MUD 15		\$1,290,000	1.0	A	Facilities Rehabilitation
72116	TX0062162	Mount Calm		\$315,000	1.0	A	Facilities Rehabilitation
72117	TX0055123	Nacogdoches		\$15,065,000	1.0	D	Collection System Rehabilitation/Overflow Control
72143	No # Assigned	Nueces RA	x	\$6,545,000	7.1	A	Unserved Area
72129	TX0023795	Orange Co. WCID 1		\$27,225,000	2.5	C	Trunk Sewer, Diversion
72118	TX0025453	Palestine		\$30,945,000	1.0	C	Collection System Rehabilitation/Overflow Control
72119	TX0082309	Reno		\$1,215,000	0.0	A	Sludge Treatment Capacity Expansion
72120	TX0068764	Rio Grande City	x	\$25,455,000	5.1	C	Unserved Area
72121	No # Assigned	Roscoe	x	\$1,560,000	3.0	A	Trunk Sewer, Diversion
72102	TX0053538	Roxton	x	\$2,625,000	0.0	A	Collection System Rehabilitation/Overflow Control
72148	TX0047601	San Benito		\$6,210,000	2.5	D	Wastewater Treatment Plant Expansion

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table 1A -- Alphabetic Listing of Eligible Projects continued**

<b>Project ID #</b>	<b>NPDES #</b>	<b>Entity</b>	<b>Disadvantaged</b>	<b>Project Cost</b>	<b>Total Points</b>	<b>Funding Category</b>	<b>Description</b>
72101	TX0023191	Sonora		\$9,270,000	0.0	A	Collection System Rehabilitation/Overflow Control
72128	TX0114839	South Newton WSC		\$5,000,000	3.0	B	Trunk Sewer, Developing Area
72150	TX0020559	Star Harbor		\$345,000	2.0	A	Collection System Rehabilitation/Overflow Control
72125	TX0058572	Taylor Landing		\$710,000	1.0	A	Collection System Rehabilitation/Overflow Control
72159	TX0055221	Tioga		\$1,055,000	0.0	A	Collection System Rehabilitation/Overflow Control
72106	TX0026794	Trenton		\$2,310,000	4.0	A	Collection System Rehabilitation/Overflow Control
72122	TX0054585	Trinidad	x	\$780,000	0.0	A	Collection System Rehabilitation/Overflow Control
72132	TX0022802	Trinity RA, Central RWWS		\$288,805,000	2.0	F	Collection System Rehabilitation/Overflow Control
72133	TX0104957	Trinity RA, Denton Creek RWWS		\$46,995,000	4.0	D	Wastewater Treatment Plant Expansion
72127	TX0025011	Trinity RA, Mountain Creek RWWTP		\$5,545,000	1.0	C	Collection System Rehabilitation/Overflow Control
72131	TX0104345	Trinity RA, Red Oak RWWS		\$22,755,000	3.0	D	Wastewater Treatment Plant Expansion
72134	TX0022811	Trinity RA, Ten Mile Creek RWWS		\$11,010,000	1.0	E	Collection System Rehabilitation/Overflow Control
72108	No # Assigned	Winters		\$655,000	3.0	A	Sludge Treatment Capacity Expansion
72139	TX0023558	Wolfe City	x	\$510,000	1.0	A	Facilities Rehabilitation
72123	TX0070211	Zapata Co.	x	\$6,415,000	1.1	B	Unserved Area

**Grand Total** **\$773,995,000**

Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan

**Table 1B -- Alphabetic Listing of Ineligible Projects**

Project ID #	NPDES #	Entity	Disadvantaged	Project Cost	Rating	Population Category	Description
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No projects were determined to be ineligible.



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table 2  
Listing of Projects Ranked by Funding Category**



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Table 2 -- Listing of Projects Ranked by Funding Category**

Rank	Project ID #	NPDES #	Entity	Disadvantaged	Project Cost	Total Points	Funding Category	EPA Cost Categories						TCEQ Discharge Requirements				
								I	II	IIIA	IIIB	IVA	IVB	CBOD	TSS	NH3	DO	
1	72143	No # Assigned	Nueces RA	x	\$6,545,000	7.1	A					x						
2	72107	TX0101303	East Tawakoni		\$5,975,000	6.6	A		x	x		x		10	15			4
3	72109	TX0024309	Angelina Co. FWSD 1		\$1,805,000	5.1	A					x		10	15	3		5
4	72113	TX0026328	Emory		\$3,420,000	4.6	A			x		x		30	90	6		6
5	72106	TX0026794	Trenton		\$2,310,000	4.0	A			x				20	20			2
6	72108	No # Assigned	Winters		\$655,000	3.0	A	x										
7	72121	No # Assigned	Roscoe	x	\$1,560,000	3.0	A	x					x					
8	72111	No # Assigned	Cottonwood Shores		\$2,350,000	3.0	A	x										
9	72157	TX0069671	DeKalb	x	\$930,000	2.5	A		x		x			10	15	3		4
10	72135	TX0025712	Menard	x	\$1,135,000	2.5	A	x						30	90	0		4
11	72105	TX0126195	Liberty Hill		\$6,785,000	2.1	A					x						
12	72147	TX0053368	Bells		\$1,785,000	2.0	A	x		x	x	x		20	20			2
13	72150	TX0020559	Star Harbor		\$345,000	2.0	A			x				10	15	3		4
14	72145	TX0090522	Anthony		\$2,670,000	1.0	A	x			x			20	20			2
15	72152	TX0024848	Iredell		\$145,000	1.0	A	x			x			20	20			2
16	72116	TX0062162	Mount Calm		\$315,000	1.0	A	x						30	90			4
17	72139	TX0023558	Wolfe City	x	\$510,000	1.0	A	x						30	90			4
18	72142	No # Assigned	Marfa	x	\$1,265,000	1.0	A	x		x								
19	72125	TX0058572	Taylor Landing		\$710,000	1.0	A	x										
20	72115	TX0057053	Harris Co. MUD 50		\$1,380,000	1.0	A	x						10	15			4
21	72146	TX0022055	Montgomery Co. MUD 15		\$1,290,000	1.0	A	x		x	x			10	15	3		6
22	72119	TX0082309	Reno		\$1,215,000	0.0	A	x						10	15	3		4

Texas Water Development Board  
 FY 2007 Clean Water State Revolving Fund Intended Use Plan

**Table 2 -- Listing of Projects Ranked by Funding Category continued**

Rank	Project ID #	NPDES #	Entity	Disadvantaged	Project Cost	Total Points	Funding Category	EPA Cost Categories						TCEQ Discharge Requirements			
								I	II	IIIA	IIIB	IVA	IVB	CBOD	TSS	NH3	DO
23	72122	TX0054585	Trinidad	x	\$780,000	0.0	A		x		x			30	90		4
24	72159	TX0055221	Tioga		\$1,055,000	0.0	A	x		x		x		10	15		4
25	72101	TX0023191	Sonora		\$9,270,000	0.0	A			x	x			10	15	3	4
26	72102	TX0053538	Roxton	x	\$2,625,000	0.0	A				x			20	20		4

**Subtotal, Funding Category A                    \$58,830,000**

1	72130	TX0102385	Arcola		\$905,000	8.1	B		x	x				10	15	3	4
2	72100	No # Assigned	La Grulla	x	\$21,510,000	4.1	B	x				x					
3	72149	TX0023272	Celina		\$4,480,000	3.0	B	x			x	x		10	15	3	4
4	72128	TX0114839	South Newton WSC		\$5,000,000	3.0	B					x		20	45	4	5
5	72137	TX0054445	Groesbeck	x	\$2,000,000	1.5	B		x		x			10	15	3	4
6	72123	TX0070211	Zapata Co.	x	\$6,415,000	1.1	B		x				x	10	15	2	6
7	72103	No # Assigned	Kermit		\$3,695,000	1.0	B	x									
8	72140	TX0020591	Commerce	x	\$2,005,000	1.0	B				x			10	15	2	6
9	72124	TX0074284	Liberty		\$7,390,000	1.0	B	x			x	x		10	15	2	6
10	72144	TX0095842	Harris Co. WCID 89		\$3,640,000	1.0	B	x						5	12	2	5
11	72160	TX0091243	Los Fresnos	x	\$4,975,000	0.0	B		x		x			10	15	3	4
12	72158	TX0021814	Bonham	x	\$2,095,000	0.0	B				x			10	15	3	6
13	72110	TX0053481	Cleveland	x	\$5,270,000	0.0	B	x						10	15	3	4
14	72136	No # Assigned	Littlefield	x	\$1,265,000	0.0	B				x	x					

**Subtotal, Funding Category B                    \$71,245,000**

Texas Water Development Board  
 FY 2007 Clean Water State Revolving Fund Intended Use Plan

Table 2 -- Listing of Projects Ranked by Funding Category continued

Rank	Project ID #	NPDES #	Entity	Disadvantaged	Project Cost	Total Points	Funding Category	EPA Cost Categories						TCEQ Discharge Requirements			
								I	II	IIIA	IIIB	IVA	IVB	CBOD	TSS	NH3	DO
1	72126	TX0021547	Mercedes	x	\$7,530,000	5.5	C		x					10	15	3	4
2	72120	TX0068764	Rio Grande City	x	\$25,455,000	5.1	C	x			x	x		20	20		2
3	72138	TX0057622	Alamo	x	\$10,160,000	3.0	C				x			30	90		4
4	72141	TX0055611	Greenville		\$10,000,000	2.5	C	x						20	20	2	4
5	72129	TX0023795	Orange Co. WCID 1		\$27,225,000	2.5	C	x		x			x	10	15	3	4
6	72118	TX0025453	Palestine		\$30,945,000	1.0	C		x		x			10	15	3	5
7	72127	TX0025011	Trinity RA, Mountain Creek RWWTP		\$5,545,000	1.0	C						x	10	15	3	4
8	72161	TX0117960	Groves		\$5,000,000	0.0	C			x				10	15	3	4

**Subtotal, Funding Category C                    \$121,860,000**

1	72112	TX0024112	Edinburg		\$4,020,000	4.5	D		x		x			10	15	3	4
2	72133	TX0104957	Trinity RA, Denton Creek RWWS		\$46,995,000	4.0	D	x			x		x	7	15	2	6
3	72131	TX0104345	Trinity RA, Red Oak RWWS		\$22,755,000	3.0	D	x					x	10	15	2	6
4	72148	TX0047601	San Benito		\$6,210,000	2.5	D		x		x			30	30		4
5	72117	TX0055123	Nacogdoches		\$15,065,000	1.0	D		x	x				10	15	2	6

**Subtotal, Funding Category D                    \$95,045,000**

1	72134	TX0022811	Trinity RA, Ten Mile Creek RWWS		\$11,010,000	1.0	E		x		x			10	15	3	6
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**Subtotal, Funding Category E                    \$11,010,000**



**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Attachment A  
Sources and Uses of Funds**





**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Attachment A**

**Statement of Sources and Uses of Capital  
for Loans for FY 2007**

**Sources**

Unencumbered Fund Balances (Estimated) for EOY FY 2006	\$402,316,265
Encumbered Fund Balances (Estimated) for EOY FY 2006	153,727,379
Federal Capitalization Grant Draw Downs (Estimated Automated Clearing House Draws) in FY 2007	40,024,512
State Match To Be Drawn in to Fund in FY 2007	8,004,902
Colonias Plumbing Loan Program (CPLP) Transfer <sup>1</sup>	12,645,829
Loan Repayments Principal (Scheduled in FY 2007)	79,935,000
Loan Repayments Interest (Scheduled in FY 2007)	82,030,726
Cash Management Earnings (Estimated for FY 2007) at Estimated Rate of 4.54%	27,061,494
<b>Total Sources</b>	<b><u>\$805,746,107</u></b>

**Uses**

Loans	\$450,345,679
Senior Lien (Leverage Bonds) Debt Service	94,120,713
Variable Rate (Leverage Bonds) Debt Service	7,576,000
Match Bond Debt Service	19,945,255
<b>Total Uses</b>	<b><u>\$571,987,647</u></b>

**Estimated Ending Balance at 08/31/2007** **\$233,758,460**

**Portion of EOY Balance Which Is Restricted (Encumbered)**

Restricted Reserve Funds (NOT TO BE USED)	\$122,358,928
Balances in Interest & Sinking Funds (Estimated)	8,313,426
Temporarily Restricted Collections (NOT TO BE USED)	21,640,135
Reserve for Internal Revenue Service Rebate (Arbitrage Earnings)	1,414,889
<b>Total Portion of EOY Balance Which Is Restricted (Encumbered)</b>	<b><u>\$153,727,379</u></b>

**Unencumbered Fund Balance to Carry to FY 2008<sup>2</sup>** **\$80,031,081**

<b>Estimated Commitments at 08/31/2006</b>	<b>\$458,690,000</b>
<b>Estimated Automated Clearing House Balance at 08/31/2006<sup>3</sup></b>	<b>\$158,702,480</b>
<b>Projected Capitalization Grant for FY 2006</b>	<b>\$40,024,512</b>

<sup>1</sup> Capitalization Grant Amendment (CS -48000208-01) - Colonias Plumbing Loan Program (CPLP) Transfer.

<sup>2</sup> Funds carried over to FY 2008 will be used to fund eligible projects in the CWSRF program.

<sup>3</sup> Based on capitalization grants through FY 2005.

**Texas Water Development Board  
FY 2007 Clean Water State Revolving Fund Intended Use Plan**

**Attachment A**

**Sources and Uses of Fees Collected  
(Outside of the SRF Program)**

**Sources**

Administrative Cost Recovery Fund (Restricted) Projected for 08/31/2006	<u>\$1,720,581</u>
<b>Total Sources</b>	<b>\$1,720,581</b>

**Uses**

Administrative Budget for FY 2007	<u>\$3,618,345</u>
<b>Total Uses</b>	<b>\$3,618,345</b>

<b>Net Balance</b>	<b>-\$1,897,764</b>
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