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AGENDA ITEM MEMO

BOARD MEETING DATE: June 25, 2025

TO: Board Members

THROUGH: Bryan McMath, Executive Administrator
Ashley Harden, General Counsel
Georgia Sanchez, Chief Financial Officer
Jessica Peña, Deputy Executive Administrator, Water Supply & Infrastructure

FROM: Marvin Cole-Chaney, Director, Program Administration & Reporting
Rebekkah Sandt, Engineer, Program Administration & Reporting

SUBJECT: State Fiscal Year 2025 Drinking Water State Revolving Fund Emerging Contaminants Intended Use Plan

ACTION REQUESTED

Consider approving the State Fiscal Year (SFY) 2025 Drinking Water State Revolving Fund (DWSRF) Emerging Contaminants (EC) Intended Use Plan (IUP).

BACKGROUND

The Infrastructure Investment and Jobs Act of 2021 (IIJA) appropriated capitalization grant funds for Federal Fiscal Years (FFY) 2022 to 2026 to reduce exposure to perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants through drinking water.

For a project or activity to be eligible under this special appropriation, it must be otherwise DWSRF eligible and the primary purpose must be to address emerging contaminants in drinking water. The focus will be on projects addressing PFAS, however, the program may fund as a lower priority projects for any contaminant in any of the U.S. Environmental Protection Agency's (EPA) Contaminant Candidate Lists.

This IUP covers the DWSRF capitalization grant funds allocated to Texas from FFY 2024 appropriations in the amount of $60,914,000, and reallotments of FFY 2022 appropriations ($140,000) and FFY 2023 appropriations ($1,742,000), for a total amount of $62,796,000. Funding projects is dependent on the ranking and prioritization of Project Information Forms (PIFs) received and the outcome of TWDB's review of the project details in submitted financial assistance applications.

Our Mission
Leading the state's efforts in ensuring a secure water future for Texas

Board Members
L'Oreal Stepney, P.E., Chairwoman | Tonya R. Miller, Board Member
Bryan McMath, Executive Administrator

The appropriations require the entire amount allocated to project funding to be provided as additional subsidization, which will be in the form of principal forgiveness. A total of $59,568,889 is available for projects under this IUP as principal forgiveness, less the administrative set aside of $3,227,111. Per the IIJA, not less than 25 percent of the project funds must be provided to disadvantaged communities or public water systems serving fewer than 25,000 people.

Program Highlights

a) As required by law, all project funding will be provided as additional subsidization, which will be in the form of principal forgiveness. All federal requirements apply to all project funding;
b) Prioritizes proposals that have identified and will address PFAS. Projects that have identified emerging contaminants other than PFAS will be a lower priority. This is consistent with the federal appropriation requirements for this funding;
c) Prioritizes project proposals that request construction funding. This will ensure projects move forward in a timely manner and will allow a faster draw down of Emerging Contaminants grant funds; and
d) Within those that have identified and will address PFAS or other emerging contaminants as well as requested construction funding, further prioritization is based on:
    i. Projects that address the removal of PFAS exceeding the maximum contaminant levels (MCLs) of the National Primary Drinking Water Regulation (NPDWR);
    ii. Projects that address the removal of other emerging contaminants;
    iii. Projects that will provide first-time service to connections currently unserved by a public water system that have found emerging contaminants in their current water source;
    iv. Projects that facilitate consolidation of one or more water systems into another water system that does not have emerging contaminants present or has removal capability;
    v. Disadvantaged communities or small systems consistent with the need to fulfill the federally required 25 percent reserve for these projects;
    vi. Rural projects; and
    vii. Smaller systems based on the number of connections.

Eligible Project Proposals

The TWDB invited entities to submit PIFs for this funding opportunity from December 18, 2024, until April 4, 2025.

The TWDB received fifteen eligible project proposals requesting $916,873,685.37. One proposal received was considered ineligible as it did not address emerging contaminants.

PUBLIC REVIEW, HEARING, AND COMMENTS

An opportunity was provided for public comment on the draft IUP, with the proposed project priority lists included, from May 7 to May 21, 2025. A public hearing was conducted in person on May 13, 2025, at 1:30 P.M. in Austin.

The public comments received during the public comment period and the TWDB's response are shown in Attachment 1.

KEY ISSUES

The TWDB received sufficient project proposals to secure the entire FFY 2024 allotment for Texas. The TWDB is poised to move forward expeditiously with the beneficial work of reducing exposure to PFAS and other emerging contaminants throughout Texas.

Following approval of the IUP, the TWDB will submit the final IUP to the EPA, followed afterwards by invitations to entities with highest prioritization on the IUP's Project Priority List to submit a full financial assistance application for review and consideration.

RECOMMENDATION

The Executive Administrator recommends approval of the SFY 2025 DWSRF Emerging Contaminants IUP with the ability to make non-substantive changes if necessary.

Attachments:

1. Response to public comments on the draft SFY 2025 DWSRF Emerging Contaminants IUP.
2. Recommended Final SFY 2025 CWSRF Emerging Contaminants IUP.

Texas Water Development Board

Response to Comments on the State Fiscal Year 2025 Drinking Water State Revolving (DWSRF) Fund Emerging Contaminants Draft Intended Use Plan (IUP)

The following provides a summary of the public comments received during the public comment period from May 7, 2025, to May 21, 2025, the Texas Water Development Board (TWDB) responses, and any changes to the recommended final SFY 2025 DWSRF Emerging Contaminants IUP.

General Comments

Comment submitted by: Mark Evans, Associate Client Funding Lead, Freese and Nichols, Inc.
Comment Date: May 13, 2025

Comment:
In reviewing the Draft IUPs for ECs, the City of Denton's project was deemed ineligible.

Could you and I have a brief discussion so I may understand why? I do see the reason stated on Page 37 of the IUP as well as on Page 7 but not sure I understand.

On Page 6 under B. Eligible and Ineligible Use of Funds, it states, "Projects that address any contaminant listed on any of EPA's Contaminant Candidate Lists (CCL) are eligible." Unless I'm mistaken, the current list is CCL 5 and under the Microbial Contaminants (https://www.epa.gov/ccl/ccl-5-microbial-contaminants), E. coli is listed.

Response:
The TWDB appreciates receiving the comments for the 2025 DWSRF Emerging Contaminants IUP.

As noted on p. 7 of the Draft DWSRF-EC IUP, ineligible project costs include components with the primary purpose, "...to address a contaminant that is regulated under EPA's National Primary Drinking Water Regulation (NPDWR), with the exception of PFAS." This is also stated in Appendix H, noting that the City of Denton's PIF is ineligible for funding.

E. Coli has an established Maximum Contaminant Level (MCL) under the NPDWR (https://www.epa.gov/ground-water-and-drinking-water/national-primary-drinking-water-regulations#four). We did reach out directly to EPA regarding this project and they determined that unless there is confirmation of the presence of E. coli (O157), then E. coli is an ineligible emerging contaminant. Should water testing results confirm the presence of E. coli (O157), the project information form may be eligible for funding consideration.

Change:
None.

Comment Submitted by: Lia Clark, MEng, EIT, Texas Community Support Director, Water Finance Exchange
Comment Date: May 15, 2025

Comment:
In review of the DWSRF EC Project Rating, I was wondering why Sandbranch wasn't able to receive the rural area designation and the 10 points associated with it.

Response:
The TWDB appreciates receiving the comments for the 2025 DWSRF Emerging Contaminants IUP.

After further review, it does appear that Sandbranch is considered a rural area in accordance with the US Census Bureau definition of rural and urban areas. The points were updated to include an additional 10 points for rural. There is no change to the rankings within the IUP or the initial invited list.

Change:
Additional 10 points given to Sandbranch for rural designation.

Comment Submitted by: Lia Clark, MEng, EIT, Texas Community Support Director, Water Finance Exchange
Comment Date: May 19, 2025

Comment:
Thank you for the opportunity to provide a comment on the Draft IUP for the DWSRF-EC program. This program is highly valuable to all systems and communities in the state, as emerging contaminants and PFAs are of increasing concern. A total of $916,873,685.37 in project funding was requested from an available $59,568,889, making this year's program 15 times oversubscribed. This competition means the design of the priority rating system is that much more critical to ensuring that communities with long-standing needs, for whom the funding is most intended, receive the highest ranking. As indicated in the Draft IUP in Section I. Overview, “not less than 25% of the project funds must be provided to disadvantaged communities or public water systems serving fewer than 25,000 people”. Notably, all the systems that applied for the SFY 2025 DWSRF EC program, regardless of size, received all 30 points for Criteria 4 "Disadvantaged or Small System", effectively vetoing the intention of the priority ranking for those small and disadvantaged systems.

While systems of any size should be able to pursue funding for discrete segments of their service area that are disadvantaged, small systems, by nature, have less financial capacity to pay for projects than larger systems. Linking back to previous recommendations made to the Board, a separate window/process should be created for small communities with a specific population threshold. Not establishing a small system process for limited funding runs contrary to the Legislature’s directive that a portion of available funding bring benefit for small, rural and disadvantaged or underserved systems.

We are prepared to provide more detail on ways to address this smaller community challenge, and to discuss these comments at any time.

Response:
The TWDB appreciates receiving the comments for the 2025 DWSRF Emerging Contaminants IUP.

Thank you for this suggestion. When planning for future funding rounds for each program, the TWDB evaluates all rating criteria to ensure its effectiveness of meeting the goals of the program and the needs of Texas water systems. Suggestions related to rating criteria will be considered for future rounds. The TWDB recognizes that small and rural systems are not the only systems that need to address these contaminants and need financial assistance to do so, and thus the disadvantaged criteria is purposefully broad. Rural Projects (10 points) and Number of Connections (up to 10 points) provide additional points directly for smaller and rural systems.

Disadvantaged criteria as noted in Appendix D of the DWSRF Emerging Contaminants IUP is based on the presence of emerging contaminants, Annual Median Household

Income (AMHI), and either unemployment rate, population decline, or total number of connections less than 25,000. In this way, entities must meet three criteria in order to qualify as a disadvantaged community. This criteria has not changed since the initial DWSRF Emerging Contaminants IUP in SFY 2023. The goal of the DWSRF Emerging Contaminants program is to fund projects that address emerging contaminants to promote clean drinking water for Texas.

Texas is allocated nearly the same amount under the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) program ($55,125,000) as under the DWSRF Emerging Contaminants program. The TWDB's intent is to utilize these EC-SDC funds to further fund small communities. The EC-SDC program is also 100% principal forgiveness. communities.

Change:
None.

Comment Submitted by: Joshua Moroles
Comment Date: May 20, 2025

Comment:
Clean Drinking Water SRF Emerging Contaminants,

I am submitting this comment during the public review period for the Draft SFY 2025 Intended Use Plans for Clean and Drinking Water State Revolving Funds for Emerging Contaminants.

As a resident of the Rio Grande Valley, I am deeply concerned about the persistent and dangerous levels of contaminants found in municipal water systems across our region. These include arsenic, uranium, hexavalent chromium (Chromium-6)—the same carcinogen made infamous in Erin Brockovich—as well as PFAS, haloacetic acids (HAA9), and trihalomethanes (TTHMs). These contaminants have been linked to cancer, reproductive harm, and developmental issues, and many are present at levels hundreds to thousands of times above modern health-based guidelines.

This information is not speculation. It is based on publicly reported data compiled by the Environmental Working Group (EWG) from official sources such as the Texas Commission on Environmental Quality (TCEQ) and the U.S. EPA's ECHO database.

Cities like Weslaco, Mercedes, Mission, Donna, and Alamo show particularly alarming results. For example, Weslaco's arsenic levels exceed 1,000 times the EWG's health-based guideline, and cities like Mission and Mercedes have detectable levels of Chromium-6, a toxic chemical with no federally enforceable limit and clear links to cancer.

At this moment, the Rio Grande Valley is experiencing a human rights violation according to the United Nations' definition of the human right to water and sanitation—which includes access to safe, acceptable, and affordable water in sufficient quantity and quality for personal and domestic use. When contamination persists, warning systems are absent, and the public is uninformed or misled, those rights are being violated.

I am urging the Texas Water Development Board to:

- Prioritize municipalities in South Texas with long-term contamination and inadequate infrastructure
- Fund advanced water treatment technologies immediately
- Implement robust public awareness and transparency measures
- Accelerate timelines for remediation and safe compliance

This is not just a health issue—it is an issue of environmental justice and basic human dignity. Residents of the RGV should not be forced to choose between hydration and harm. We deserve safe water, accountability, and equitable protection.

Response:
The TWDB appreciates receiving the comments for the 2025 DWSRF Emerging Contaminants IUP.

When planning for future funding rounds for each program, TWDB evaluates all rating criteria to ensure its effectiveness of meeting the goals of the program and the needs of Texas water systems. Suggestions related to rating criteria will be considered for future rounds, while taking into account the resources required to acquire the information that is required on applications, as not to create a burden on the applying systems that would harm their ability to submit an application for funding.

- *Prioritize municipalities in South Texas with long-term contamination and inadequate infrastructure*
  The Texas DWSRF Emerging Contaminants program does not prioritize regions within the state. This program is for the benefit of all Texans and is open for any eligible applicant to apply. Funding from the financial assistance programs administered by the TWDB is based on the entities and projects that seek this funding. It is imperative that entities submit Project Information Forms to be considered for funding from these funding programs.

- *Fund advanced water treatment technologies immediately*
  The types of projects that the TWDB is able to provide financial assistance to construct are dependent on projects the local/regional entities submit for consideration through a Project Information Form. While funding for these projects is a critical component, the implementation and ultimate success of these projects is contingent on the local/regional entities' technical and managerial capability to oversee planning, construction and continued maintenance and operation of the technologies being installed.

- *Implement robust public awareness and transparency measures*
  The TWDB holds public workshops regarding funding programs around the state year-round. These workshops are intended to provide information on the financial assistance and technical assistance programs the TWDB offers. These events are held at locations across the state to try to ensure that all areas of the state have access to this information and have the ability to communicate, face to face, with representatives of the agency.

- *Accelerate timelines for remediation and safe compliance*
  It is the goal of the agency to provide financial assistance to entities and projects that seek the funding and are prioritized based on program criteria as fast as possible, while ensuring that the entities have the financial, technical and managerial capability to secure funding, oversee the project and continue to operate and maintain the infrastructure of their systems in a sustainable manner.

Change: None.

Comment Submitted by: Tom Entsminger, Policy Director, Texas Coast and Water Program, National Wildlife Federation; Usman Mahmood, Policy Analyst, Bayou City Waterkeeper; Martin Castro, Watershed Science Director, Rio Grande International Study Center; Stefania Tomaskovic, Coalition Director, Coalition for Environment, Equity, and Resilience; Stephany Valdez, Water Justice Organizer, Coalition for Environment, Equity and Resilience; Brenda Tijerina, Co-Director of Disaster Prep, Organizing, and Research, West Street Recovery
Comment Date: May 21, 2025

Comment:
To whom it may concern at the Texas Water Development Board,

This letter provides formal comments on behalf of the undersigned organizations on the Draft State Fiscal Year 2025 Clean and Drinking Water State Revolving Fund Emerging Contaminants Intended Use Plans (SFY '25 SRF EC IUP's). Demand for this funding has increased steadily as awareness of EC contamination and the availability of funds to resolve them has grown among Texas utilities. We understand these funds will only be made available pursuant to the Infrastructure Investment and Jobs Act (IIJA) through fiscal year 2026 and hope this demand will be met with increased federal and/or state funding resources in the future.

Strong Demand Justifies More Selective Disadvantaged Community (DAC) Eligibility
Since demand exceeds the funding available in both programs, we believe an opportunity exists to adjust eligibility standards for disadvantaged communities while continuing to meet federal funding requirements. The current DAC definition (AMHI below 150% of state AMHI plus unemployment above 50% of state rate or declining population or small system status) creates an overly broad definition that may not effectively target communities most in need of assistance. Lowering the income threshold would help direct assistance toward communities that are more likely to struggle with project costs.

We recommend refinements to the DAC criteria to lower the AMHI level used as an eligibility threshold and add consideration of additional socioeconomic factors such as:

- Poverty rate;
- Social Vulnerability Index; and
- Percentage of household income spent on water services.

If not introduced as elements of the DAC criteria for EC funds, this data could be utilized for project prioritization to ensure valuable grant funds are directed to areas where they are needed.

Allow Cross-Consideration of EC Projects Under the Next General Activities IUP
Since EC projects are eligible for SRF General Activities funding, un-funded EC projects should be offered the opportunity to roll forward for consideration under the upcoming General Activities IUP's. The "regular" SRF programs are an important funding

opportunity for Disadvantaged communities in particular, and re-submitting recent PIF information may present an unnecessary burden for important projects that have already been deemed eligible.

Broaden Prioritization Beyond PFAS
While PFAS contamination is a critical concern given recent EPA regulations, the current prioritization criteria heavily favor PFAS projects over other emerging contaminants. The DWSRF-EC IUP awards up to 200 points for PFAS treatment projects with specific PFAS compounds exceeding MCLs but fewer points (125 points) for other contaminants. Similarly, the CWSRF-EC IUP assigns highest priority to PFAS remediation. This narrow focus may indirectly exclude projects addressing other significant emerging contaminants identified in EPA's Contaminant Candidate Lists. A more balanced approach would better fulfill the program's intended purpose of addressing the full spectrum of emerging contaminants.

Add PIF Numbers to IUP Project Lists and Post Information on Funding Outcomes
To facilitate tracking of SRF projects across multiple data sources and maintain consistency with the General Activities IUP's, we request the addition of PIF numbers to the project lists in Appendices G-K. Follow-up reports indicating which projects receive full or partial commitments and close on funds would also be extremely helpful for students and advocates of the Texas SRF's along with engineers, grant writers, and prospective applicants.

Add Identified Contaminants to the CWSRF-EC Project Priority List (PPL)
The DWSRF-EC PPL identifies specific emerging contaminants for each project, while the CWSRF-EC PPL does not. To maintain consistency and facilitate project tracking, we recommend adding this information to the CWSRF project list.

Clarify CWSRF Project Rating Criteria
The draft CWSRF rating criteria prioritize projects that remove PFAS in circumstances where they exceed Maximum Concentration Levels (MCL's) established by the EPA for drinking water. While the EPA has not established MCL's for wastewater, the rating criteria should state whether the intent is to apply these limits to wastewater samples or if wastewater projects are eligible in communities where PFAS has exceeded the maximum enforceable levels in drinking water. Developing wastewater-specific thresholds where appropriate would also enhance the prioritization process.

Optimize Set-Aside Usage
The DWSRF-EC IUP allocates $3,227,111 to set-asides, while the CWSRF-EC allocates $388,760 to administration. Given that EC funding provides 100% principal forgiveness, we recommend considering the use of set-asides from other SRF programs for administrative costs to maximize EC project funding.

The EC funding represents an important opportunity to address critical water quality issues in Texas. With refinements to the IUPs, this funding can have an even greater impact for disadvantaged communities and systems addressing a wide range of emerging contaminants. The undersigned groups appreciate the opportunity to provide comments. We hope these recommendations provided above are taken into consideration.

Response:
The TWDB appreciates receiving the comments for the 2025 DWSRF Emerging Contaminants IUP.

I. Strong Demand Justifies More Selective Disadvantaged Community (DAC) Eligibility
When planning for future funding rounds for each program, the TWDB evaluates all rating criteria to ensure its effectiveness of meeting the goals of the program and the needs of Texas water systems. Suggestions related to rating criteria will be considered for future rounds, while taking into account the resources required to acquire the information that is required on applications, as not to create a burden on the applying systems that would harm their ability to submit an application for funding.

II. Allow Cross-Consideration of EC Projects under the next general activities IUP
The TWDB encourages entities to submit to any and all programs in which their projects may be eligible for funding. Due to the narrow eligibilities of the EC programs, the TWDB encourages entities to submit to both the general program and the EC program. However, the general activities IUPs for DWSRF and CWSRF are both over ten times oversubscribed. Eligible projects not invited for the first round are still eligible for subsequent rounds of invitations. In addition, for the DWSRF Emerging Contaminants program, additional funding from the Emerging Contaminants for Small or Disadvantaged Communities (EC-SDC) program supplements the EC funding to allow for more projects to be funded.

III. Broaden Prioritization Beyond PFAS
EPA has indicated that PFAS are a priority emerging contaminant, and the points towards addressing PFAS, particularly the PFAS that exceed the maximum contaminant levels (MCLs), reflect overall goals for the program.

IV. Add PIF Numbers to IUP Project Lists and Post Information on Funding Outcomes
Due to the condensed schedule between receipt of Project Information Forms (PIFs), review, and developing the draft IUPs paired with the submittal of PIFs via email, PIF numbers were not yet available for the draft IUP. PIF numbers will be included on the project lists within the final IUP. Appendix K Initial Invited list is included to show which projects are invited for full or partial funding. Due to the narrow eligibilities of the Emerging Contaminants program, actual awarded funding is not known until well into the application review process. Information on funding commitments are currently

available for viewing, for all TWDB projects, on the Financial Assistance Project Details dashboard on the TWDB website.

V. Add Identified Contaminants to the CWSRF-EC Project Priority List (PPL)
Identified emerging contaminants will be added to the CWSRF-EC PPLs.

VI. Clarify CWSRF Project Rating Criteria
The intent of the rating criteria using the MCLs for PFAS within the CWSRF Emerging Contaminants IUP is to encourage overall removal of PFAS from the environment to help indirectly address PFAS within drinking water sources. The intent is to use the MCLs on the wastewater, stormwater, or nonpoint source locations eligible under the CWSRF Emerging Contaminants program. TWDB is monitoring the development of wastewater effluent standards for PFAS from the EPA.

VII. Optimize Set-Aside Usage
Both Emerging Contaminant IUPs use the four percent set aside to support TWDB administration activities. Adequate funding for the agency's operations is essential to ensure the effective oversight of these projects during their construction. As noted within Section IX of the DWSRF Emerging Contaminant IUP, there is additional set aside for the Texas Department of State Health Services for laboratory improvements to support drinking water lab capacity for the PFAS sample analysis for Public Water Systems around Texas.

Change:
PIF numbers are added to the project priority lists of the IUPs. Identified emerging contaminants are added to the CWSRF Emerging Contaminants project priority lists. A statement clarifying that analytical results showing PFAS exceeding the MCLs under the CWSRF Emerging Contaminants IUP are from wastewater, stormwater, or nonpoint source locations has been added to the IUP.

Drinking Water State Revolving Fund

Intended Use Plan

Emerging Contaminants Funding

SFY 2025

(FFY 2024 Allotment and

FFY 2022-2023 Reallotments)

June 2025

Texas Water Development Board | 1700 N. Congress Ave. Austin, Texas 78701 | www.twdb.texas.gov

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Texas Water Development Board rules governing the Drinking Water State Revolving Fund program (Texas Administrative Code, Title 31, Part 10, Chapter 371) may be accessed online at https://texas-sos.appianportalsgov.com/rules-and-meetings?chapter=371&interface=VIEW_TAC&part=10&title=31

Drinking Water State Revolving Fund
Acronyms

ACS	American Community Survey
AIS	American Iron & Steel
AMHI	Annual Median Household Income
BABA	Build America, Buy America Act, 2021
CCL	Contaminant Candidate List
CWSRF	Clean Water State Revolving Fund
DWSRF	Drinking Water State Revolving Fund
EC	Emerging Contaminants
EPA	Environmental Protection Agency
FFY	Federal Fiscal Year
FMT	Financial, Managerial, and Technical
IIJA	Infrastructure Investment and Jobs Act, 2021
IUP	Intended Use Plan
NEPA	National Environmental Policy Act
NPDWR	National Primary Drinking Water Regulation
PFAS	Perfluoroalkyl and Polyfluoroalkyl Substances
PIF	Project Information Form
PPL	Project Priority List
PWS	Public Water System
SDWA	Safe Drinking Water Act
SFY	State Fiscal Year
SRF	State Revolving Fund
TCEQ	Texas Commission on Environmental Quality
TWDB	Texas Water Development Board
TxDSHS	Texas Department of State Health Services

I. Overview

The Infrastructure Investment and Jobs Act, 2021, Pub. L. 117-58 (IIJA) appropriated capitalization grant funds for Federal Fiscal Years (FFY) 2022 to 2026 to reduce exposure to perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants (EC) through drinking water and to help address discharges through wastewater and, potentially, nonpoint sources.

This Intended Use Plan (IUP) covers the DWSRF capitalization grant funds allocated to Texas from FFY 2024 appropriations in the amount of $60,914,000, plus the reallocation of FFY 2022 appropriations in the amount of $140,000, and the reallocation of FFY 2023 appropriations in the amount of $1,742,000, for a total amount of $62,796,000. The appropriations require the entire amount allocated to project funding be provided as additional subsidization, which will be in the form of principal forgiveness. A total of $59,568,889 is available for projects under this IUP as principal forgiveness. Per the IIJA, not less than 25% of the project funds must be provided to disadvantaged communities or public water systems serving fewer than 25,000 people.

For a project or activity to be eligible for funding under this appropriation, it must be otherwise DWSRF eligible and the primary purpose must be to address emerging contaminants in drinking water. The focus will be on projects addressing PFAS, however, the program may fund as a lower priority projects for any contaminant in any of the U.S. Environmental Protection Agency's (EPA) Contaminant Candidate Lists (CCL).

If EPA has promulgated a National Primary Drinking Water Regulation (NPDWR) for a contaminant, then a project whose primary purpose is to address that contaminant is not eligible for funding under this appropriation, with the exception of PFAS. For example, a project for which the primary purpose is to address arsenic or nitrate in drinking water is not eligible because arsenic and nitrate are regulated under the NPDWRs. (Note: A project to address arsenic or nitrate is eligible and prioritized under the Texas Water Development Board's (TWDB) regular DWSRF program.)

EPA established a NPDWR for six PFAS on April 10, 2024. PFAS-focused projects are still eligible for funding under this appropriation and are prioritized.

This DWSRF-EC IUP supports the EPA's initiative Pillar 1: Clean Air, Land, and Water for Every American. By working with entities to address emerging contaminants in water and provide safe water supplies, the program supports the EPA's mission on protecting human health and the environment.

II. Background

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

The TWDB is the financing agency for the DWSRF and has a contractual relationship with the state's primacy agency, the Texas Commission on Environmental Quality (TCEQ), to perform DWSRF activities. TCEQ performs DWSRF activities that include

rating proposed projects, state program management, small systems technical assistance, assessments for ground water sources, source water technical assistance, sanitary surveys, complaint investigations, enforcement activities, disaster assistance, and implementation of the State of Texas approved Capacity Development Strategy.

The IIJA appropriated supplemental capitalization grant funds for Federal Fiscal Years (FFY) 2022 to 2026 for general activities, lead service line replacement, and emerging contaminants.

The IIJA also included funds for the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) grant program, which focuses on addressing emerging contaminants, including PFAS, in drinking water served by public water systems in small communities (population less than 10,000 and unable to incur debt sufficient to finance the project) or disadvantaged communities. The EC-SDC program is intended to complement the DWSRF-EC program funding.

On April 10, 2024, the EPA issued drinking water standards for PFAS. This rule sets limits for five individual PFAS: PFOA, PFOS, PFNA, PFHxS, and HFPO-DA (also known as “GenX Chemicals”). The rule also sets a limit for mixtures of any two or more of four PFAS: PFNA, PFHxS, PFBS, and “GenX chemicals.” Projects focused on addressing PFAS are eligible for this funding.

III. Projects to Fund

A. Eligible Applicants

Applicants eligible to apply for assistance are:

- Existing community Public Water Systems (PWSs) including political subdivisions, nonprofit water supply corporations and privately-owned community water systems
- New community PWSs, created to address unsafe drinking water provided by individual (i.e. privately-owned) wells
- Non-profit, non-community public water systems
- State agencies

B. Eligible and Ineligible Use of Funds

The primary purpose must be to address emerging contaminants in drinking water with a focus on perfluoroalkyl and polyfluoroalkyl substances (PFAS). Projects that address any contaminant listed on any of EPA’s Contaminant Candidate Lists (CCL) are eligible. See EPA webpage for details on the drinking water contaminants on the CCL - https://www.epa.gov/ccl

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

    - Emerging contaminants costs associated with the construction of a new treatment facility or upgrade to an existing treatment facility that addresses emerging contaminants. This will be limited to only those costs directly related

to treatment or removal of emerging contaminants. If a new treatment facility is proposed, processes not directly related to emerging contaminants could be deemed ineligible for funding or only partially funded under this program.

- Development of a new source (i.e., new/replacement well or intake for a public water system) that addresses an emerging contaminant issue.
- Consolidation with another water system that does not have emerging contaminants present or has removal capability.
- Costs for planning and design and associated pre-project costs.
- Infrastructure related to pilot testing for treatment alternatives.
- Creation of a new community water system to address unsafe drinking water provided by individual (i.e., privately-owned) wells or surface water sources.

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

2. Examples of **ineligible** project costs include:

   - If the primary purpose is not to address emerging contaminants in drinking water.
   - Related costs in an emerging contaminant project that do not directly address treatment or removal of the contaminant. This includes parts of the project involving other treatment processes, collection and distribution, or other activities.
   - If the primary purpose is to address a contaminant that is regulated under EPA's National Primary Drinking Water Regulation (NPDWR), with the exception of PFAS.
   - Routine or compliance water monitoring.
   - Identifying sources of emerging contaminants.

IV. Significant Program Changes

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

1. The project prioritization scoring criteria has been updated to place more priority on projects in which the system has identified PFAs exceeding the Maximum Contaminant Limits (MCLs) of the NPDWR and the project includes treatment and removal of the PFAs in finished water that is used for public water supply.
2. Eligible project expenses must be directly related to emerging contaminants. Project components supporting eligible expenses will be allowed at a percentage equal to the eligible costs divided by the total proposed project cost. For example, if a new water treatment plant is proposed, the eligible project costs under the DWSRF-EC program would include the treatment process (e.g. GAC filter), and support components (e.g., electrical/SCADA or piping improvements) would be eligible at a percentage of their total cost. Some components (e.g., booster pumps or storage tanks) may be deemed ineligible under the DWSRF-EC program, requiring the applicant to identify another funding source for that component.
3. Additional funding for projects listed on this IUP, and previous DWSRF-EC IUPs, is available utilizing the Emerging Contaminants for Small or Disadvantaged Systems (EC-SDC) funding.

V. Amount Available

1. Allocations / Amount Available

A total of $59,568,889is available for projects under this IUP, all in the form of principal forgiveness. No origination fees will be assessed.

2. Allocation of Grant Funds, including Additional Subsidization:

	Emerging Contaminants	% of Grant
DWSRF IIJA FFY 2024 Allotment	$60,914,000.00	
DWSRF IIJA FFY 2022 Reallotment	$140,000.00	
DWSRF IIJA FFY 2023 Reallotment	$1,742,000.00	
TOTAL Allotment and Reallotment Amount	**$62,796,000.00**	
Less TWDB Administrative Set-Aside	$2,436,560.00	4%
Less TCEQ State Management Program Set-Aside	$790,551.00	1%
Total Set-Aside Amount	**$3,227,111.00**	
Total Principal Forgiveness Allocated to Projects	**$59,568,889.00**	95%

Note: Funding from the Emerging Contaminants in Small or Disadvantaged Communities (EC-SDC) EPA Grant Program may be awarded to projects from this IUP. Activity related to funding from that grant program will be made available in the Annual Report.

VI. Funding Options and Terms

Equivalency projects (Federal Requirements) - All projects will be considered equivalency projects, which must follow all federal requirements commonly known as "cross-cutters." More information on the federal cross-cutters may be found in Appendix E.

1. Funding Options Available:

Entities listed on the Project Priority Lists (PPLs) may be invited to apply for one or more of the following funding options.

a. Disadvantaged Community or Small Systems Funding (Equivalency only)

An entity is considered an eligible disadvantaged community if it:

1) may have emerging contaminants,

2) 51 percent or more of the proposed project beneficiary area based on household connections has an Annual Median Household Income (AMHI) level that does not exceed 150 percent of the state's AMHI level. The state AMHI from the U.S. Census 2019-2023 American Community Survey (ACS) 5-year estimate is $76,292; therefore, the AMHI of the proposed project beneficiary area must not exceed $114,438, and

3) the unemployment rate for the project beneficiaries is greater than 50 percent of the state unemployment rate (state employment rate of 5.14%) or the population has declined or the utility is a small system with 25,000 or fewer connections for the applicable utility service.

Small Systems is defined as public water systems serving fewer than 25,000 people.

This funding option offers 100 percent principal forgiveness.

b. Other emerging contaminant project funding (Equivalency only)

This funding is available to any eligible recipient. This funding option offers 100 percent principal forgiveness.

c. Emerging Contaminants for Small or Disadvantaged Systems (EC-SDC) (Equivalency-only)

The IIJA also included the Emerging Contaminants for Small or Disadvantaged Systems (EC-SDC) grant program, which focuses on addressing EC's, including PFAS, in drinking water served by PWS in small communities (population less than 10,000) or disadvantaged communities. On September 1, 2024, EPA awarded TWDB $110 million in federal EC-SDC grant funds for FFY2022 and FFY2023. The EC-SDC program is intended to complement the DWSRF-EC funding to support small and disadvantaged communities' development of projects

to address emerging contaminants in drinking water. Funding is through a separate grant under the EC-SDC program.

2. Federal Requirements on Available Funds

All funds are subject to federal requirements such as Davis-Bacon Act prevailing wages (DB-0156) and Build America, Buy America (TWDB-0559). These DWSRF-funded projects must follow all federal "cross-cutter" requirements and EPA's signage requirements. These requirements are outlined in Appendix E.

VII. Goals

The primary goal of the Texas DWSRF program is to improve public health protection. In addition, the overall goals of the Texas DWSRF program are to identify and provide funding for maintaining and/or bringing Texas' PWSs into compliance with the SDWA; to support affordable drinking water and sustainability; and to maintain the long-term financial health of the DWSRF program fund. Goals specific to the emerging contaminants funding in this IUP are listed below.

A. Short-Term Goals

1. Fund eligible project proposals to address emerging contaminants as identified on the EPA's Contaminant Candidate List (CCL) and include PFAS,up to the amount of funding available.
2. Prioritize proposals that have identified and will address perfluoroalkyl and polyfluoroalkyl substances (PFAS).
3. Prioritize project proposals that request construction funding.
4. Provide outreach to systems within Texas on the availability of this funding to address emerging contaminants.

B. Long-Term Goals

1. Use the emerging contaminant grant funds provided to Texas to fund project proposals to address identified emerging contaminants projects eligible for assistance with an ongoing priority for addressing perfluoroalkyl and polyfluoroalkyl substances (PFAS).
2. To the extent eligible project proposals are received, use all the emerging contaminant funds allotted to Texas to improve public health and enhance the objectives of SDWA.
3. The TWDB and TCEQ will collaborate on the deployment of these funds in a manner that will provide the most benefit to public health and ensure compliance with the requirements of SDWA.

VIII. Participating in the DWSRF Program

A. Solicitation of Project Information

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

The required information submitted on a PIF consisted of:

- A detailed description of the proposed project.
- A list of the emerging contaminants that the project will address (if emerging contaminants have been identified, applicant needs to provide documentation of the presence).
- A map(s) showing the location of the service area.
- An estimated total project cost that is certified by a registered professional engineer if project costs are greater than $100,000.
- A checklist and schedule of milestones to determine a project's readiness to proceed to construction.
- Information necessary to rank the project:

  (a) Whether there are identified perfluoroalkyl and polyfluoroalkyl substances (PFAS) that will be addressed by the proposed project

  (b) Whether there are other identified emerging contaminants on any of EPA's Contaminant Candidate Lists (CCLs) that will be addressed by the proposed project.

  (c) Whether there is any proposed monitoring for the specific purpose of project development (planning, design, and construction). Note regular operations & maintenance monitoring is ineligible.

  (d) Whether the proposed project requests funds for the construction phase.

  (e) Whether the project will provide first-time service to connections currently un-served by a public water system that have found emerging contaminants in their current source of water.

  (f) Whether the project will facilitate consolidation of one or more water systems that have identified a presence of emerging contaminants into another water system that does not have emerging contaminants or has removal capability.

  (g) Project beneficiary area's Annual Median Household Income (and if seeking disadvantaged community status, all the required information).

(h) Project beneficiary area's unemployment rate.

(i) Project beneficiary area's population change percentage.

(j) System size – number of connections and people served.

- Signature of the applicant's authorized representative.
- Additional information detailed within the solicitation for projects as needed to establish the priority rating.

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

B. Evaluation of the Project Information Received and Priority Rating System

All PIFs are evaluated by the TWDB and projects eligible for funding are scored and ranked according to the established rating criteria. The scores are based on information received by any established PIF deadline. Throughout the evaluation process, entities are contacted by staff if additional information is needed.

The TWDB performed the priority rating of projects by assigning points for projects that addressed factors provided in Appendix C.

C. Ranking and Creation of the Project Priority List

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

1. The applicant for a proposed project changes but the project does not change;

2. The number of participants in a consolidation project changes and the change does not result in a change to the combined rating factor; or

3. The fundable amount of a proposed project does not increase by more than 10 percent of the amount listed in the approved IUP. The Executive Administrator may waive the 10 percent limit to incorporate additional elements to the project;.

Based on a review of readiness to proceed to construction, the TWDB determined which phases would be eligible to receive funding. The phases indicated on the TWDB invitation represent the phases deemed eligible based on that review. In general, if the complete project is not being funded solely by the DWSRF-EC Program, it is recommended that funds from this program cover the initial phases of the project (e.g., planning and design).

D. Bypassing Projects

The TWDB's Executive Administrator may decide to bypass, or skip, higher ranked projects in favor of lower ranked projects to ensure that funds available are utilized in a timely manner, that statutory and capitalization grant requirements are met, including the 25 percent requirement for disadvantaged communities or small systems. In addition, if an entity is offered funding for any project that has an interrelated project ranked lower on the list, the Executive Administrator has discretion to also offer funding for the interrelated project. If an entity has multiple projects, projects may be bypassed to allocate funds to more than one entity. Reasons for bypassing projects are discussed in Appendix F.

E. Phases for Invited Projects

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

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

2. Construction Funding Only

Projects that were determined to be ready to proceed to construction based on the current status of their planning, acquisition, and design activities.

3. Planning, Acquisition, and Design

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

4. Viability and Feasibility of Projects

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

F. Invitations and Application Submissions

The TWDB will invite certain entities on the PPL to submit an application for the project phases shown on the list using the available funding options. An entity on the list may not submit an application until it receives an invitation from TWDB. TWDB

will consider the need to meet the minimum federal additional subsidization requirements when deciding whether it needs to bypass projects on the PPL.

Intent to Apply

As part of the invitation process the TWDB may require the applicant to submit an intent to apply form or information by a specified deadline showing the applicant's intent to request up to the eligible amount of funding in the IUP. **Failure to submit the requested intent to apply information by the established deadline will result in the TWDB bypassing the project on the IUP list.** Bypassed projects are not considered for funding during the remainder of the funding cycle unless funds remain after inviting other eligible projects from the IUP list.

Applicants that submit an accepted Intent to Apply are invited to a pre-application meeting. Entities are required to participate in a pre-application meeting to discuss the application process and project requirements prior to submitting an application. Invited applications from projects on the PPL that are received during the initial invitation round after Board approval of the IUP will be allotted available funds based on rank order. All projects must be determined administratively complete as submitted or within 14 days from the date the applicant receives a notice to correct deficiencies or the project will be bypassed.

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

Projects may be bypassed if an applicant fails to timely submit a complete application or additional requested information within a timely manner.

Deadline for Receipt of Invitation

The TWDB will establish a deadline for receipt of the application. If the application is not received by the established deadline, the project will be bypassed.

Subsequent Invitations

TWDB may invite additional projects to submit if any funds remain unallocated after an initial invitation. Applicants may submit a PIF at any time for a project to be considered for inclusion on the amended PPL. The new projects will be considered after those on the original PPL list have been invited. Amendments to the project lists will undergo a 14-day public review period that will be advertised on the agency website.

G. Addressing Any Water Loss Mitigation within the Application

If an applicant that is a retail public utility providing potable water has a water loss that meets or exceeds the threshold for that utility in accordance with §358.6 of Title 31, Part 10, Texas Administrative Code, the retail public utility must use a portion of any financial assistance received from the DWSRF, or any additional financial assistance provided by the TWDB, to mitigate the utility's water loss. However, at the request of a retail public utility, the TWDB may waive this requirement if the TWDB

finds that the utility is satisfactorily addressing the utility's system water loss. Mitigation, if necessary, will be in a manner determined by the retail public utility and the TWDB's Executive Administrator in conjunction with the project proposed by the utility and funded by TWDB. Note that DWSRF-EC program funds cannot be used to address water loss mitigation unless it directly relates to emerging contaminants.

H. Self-Certification for Certain Systems Serving 500 or Fewer Persons

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

I. Closing Deadlines

All commitments must close within six months from the date of the commitment. In extenuating circumstances, the Board may grant extensions of time to close if an applicant demonstrates sufficient reason for a delay. The TWDB may extend these closing deadlines if necessary to confirm to the closing schedule for concurrent financing for the project from another TWDB financing program.

Type of Financial Assistance	Closing Deadline
All commitments	6 months

J. Limits

1. Proportionate Share/Capacity

The TWDB may limit the amount of total funding available to an individual entity or project based on a proportionate share of total funds available.

2. Additional Project Funding Before Closing

The total project costs may be increased if the entity shows that additional funds are necessary to implement the project.

3. Transfer of Funds

Similar to the regular/base grants, the TWDB may transfer IIJA funds between the DWSRF emerging contaminants account and the Clean Water State Revolving Fund (CWSRF) emerging contaminants account, or vice versa, in an amount up to thirty-

three percent (33 percent) of the DWSRF IIJA emerging contaminants Grant Amount, or $20,101,620. The TWDB is not proposing any transfer any funds between the CWSRF emerging contaminant program and the DWSRF emerging contaminants program in this IUP; However, the TWDB reserves the authority for transferring funds in the future.

K. Updates to the Intended Use Plan

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

IX. Set-Asides

Federal regulations allow states to set aside up to 31 percent of the capitalization grant funds for purposes other than financing construction projects for water systems. The set asides for the FFY 2024 capitalization grant for emerging contaminants will be allocated as shown below.

A. Texas Water Development Board Administration and Technical Assistance Activities

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

The TWDB will draw administrative and technical assistance set-asides from the FFY 2024 Capitalization Grant in the amount of $2,436,560. This amount is based on the option of using four percent of the original FFY 2024 DWSRF capitalization grant allotment. These funds will be used for allowable expenses such as reporting activities, payment processing, application assistance, project development and monitoring, and technical assistance to public water systems.

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

B. Texas Commission on Environmental Quality Activities

Funds from the FFY 2024 IIJA Emerging Contaminants Appropriations may be used for TCEQ Set-Aside activities. The TCEQ has elected to use $790,551 to support a Texas Department of State Health Services (TxDSHS) project to renovate existing laboratory space and purchase essential instruments and infrastructure necessary to operate those instruments to support drinking water lab capacity for Per- and

Polyfluoroalkyl Substances (PFAS) sample analysis for Public Water Systems (PWS) across the State of Texas on behalf of TCEQ's Public Water System Supervision Program (PWSSP). IIJA Emerging Contaminant grant funds from the 10 percent State Program Management Set Aside may be used in SFY 2025. A detailed description of the SFY 2025 activities may be found in TCEQ's DWSRF-EC Set Aside Work Plan.

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

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

D. Other Set-Aside Funds

All other set-aside authority from the grants is reserved.

X. Financial Status

The TWDB will comply with the requirements associated with the FFY 2024 allotments under this SFY 2025 IUP.

A. State Match

No state match is required for the emerging contaminant grant funds.

B. Binding Commitment Requirement

The TWDB will enter into binding commitments with entities during SFY 2025 that total the amount of a FFY 2024 grant payment allocated to projects within one year after the receipt of the grant payment. A binding commitment occurs when the TWDB's Board adopts a resolution to commit funds to a project.

C. Leveraging

The DWSRF program will be leveraged as necessary to provide funds to meet the needs of public water systems in the state. The TWDB does not anticipate leveraging the emerging contaminant grant funds at this time.

D. Cross-collateralization

On March 1, 2018, the TWDB has cross-collateralized the CWSRF and the DWSRF as a source of revenue and security for the payment of the principal and interest on bonds for the DWSRF and CWSRF programs. State authority is provided under Section 15.6042 of the Texas Water Code. The TWDB has received a certification from the state Attorney General that state law permits the TWDB to cross-collateralize the assets of the CWSRF and the DWSRF. Cross-collateralization of

the CWSRF and DWSRF will enhance the ability of the DWSRF to leverage its funds and increase its lending capacity without detriment to either of the SRF programs.

1. Summary of the cross-collateralization structure:

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

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

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

2. Proportionality – The proceeds generated by the issuance of bonds will be allocated to the purposes of the CWSRF and the DWSRF in the same proportion as the assets from the two funds that are used as security for the bonds.

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

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

E. Method of Cash Draw

There is no state match and EPA has revised its cash draw policy as described in "Class Exception from the Clean Water and Drinking Water State Revolving Fund Cash Draw Rules", dated November 18, 2022. Therefore, TWDB will draw federal funds using acceptable evidence of expenditures.

F. Long-Term Financial Health of the Fund

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

G. Fees

No origination fee will be assessed on project financing.

H. EPA Program Evaluation Report and Audit

The EPA has conducted an annual program review of the DWSRF program for SFY 2024 in April 2025. The final EPA Program Evaluation Report related to the DWSRF program in SFY 2024 is not yet available. The TWDB will provide status updates within the SFY 2025 Annual Report for any recommendations or action items following the receipt of a final EPA Program Evaluation Report. The Texas State Auditor's Office published the results of the SFY 2024 Federal Portion Single Audit of the DWSRF on February 26, 2025 (Report 25-315). There were no findings as a result of the review.

XI. Navigating the Lists

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

- **Appendix G** - The alphabetical list is the PPL sorted alphabetically. It contains the project information; the name of the applying entity, their total number of points and associated priority order rank, the system's PWS ID number, the total population based on TCEQ data, a detailed description of the proposed project, all project phases requested by the entity, and total project cost. A grand total for all of the projects is listed on the last page of the appendix.
- **Appendix H** – Projects that were deemed ineligible to receive DWSRF funding with a brief description as to why they were deemed ineligible.
- **Appendix I** – Projects that were deemed ineligible to receive disadvantaged funding with a brief description as to why they were deemed ineligible. The project may still be eligible to receive other funding options.
- **Appendix J** – Lists projects in order of highest priority to receive funding. The content is the same as the alphabetical list in Appendix G.

Appendix A. Public Review and Comment

Public Participation in the Development of the Intended Use Plan

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

A. Notice

To seek public comment, the draft IUP including the Project Priority List was made available until May 21, 2025. The draft FFY 2024/SFY 2025 DWSRF Emerging Contaminants IUP was announced as follows:

- Public notification of the draft IUP and the public comment period was posted on the TWDB website at www.twdb.texas.gov.
- A copy of the draft IUP was sent to EPA after being published for public comment.

B. Comment

Comments were accepted via the following three options from May 7, 2025, until midnight on May 21, 2025.

1. Attending a public hearing on May 13, 2025, at 1:30 P.M. at the Stephen F. Austin State Office Building, Room 172, in Austin, Texas.
2. Completing a Public Comment Microsoft Form online.
3. Emailing comments to the following electronic mail address and specifying in the subject line "*DWSRF Emerging Contaminants comments*".
   DWSRF@twdb.texas.gov.

C. Effective Date

The FFY 2024/SFY 2025 DWSRF Emerging Contaminants IUP is considered final on the effective date.

D. Documentation

The final entire IUP, including project lists, was formally submitted to the EPA and posted on the TWDB website.

Appendix B. Projected Sources and Uses of Funds

(As of May 1, 2025 – FFY IIJA Allotments)

SOURCES:	
FFY 2024 Federal IIJA Capitalization Grant Allocation	$60,914,000
FFY 2022 Federal IIJA Capitalization Grant Reallocation	$140,000
FFY 2023 Federal IIJA Capitalization Grant Reallocation	$1,742,000
TOTAL SOURCES:	**$62,796,000**
USES:	
Set-Asides from FFY 2024 Grant	
TWDB Administrative Set-Aside	$2,436,560
Total TWDB Set-Aside:	$2,436,560
TCEQ Small Systems Technical Assistance Program Set-Aside	$0
TCEQ Texas State Management Program Set-Aside	$790,551
TCEQ Local Assistance and Other State Programs Set-Aside	$0
Total TCEQ Set-Asides	$790,551
Projects to be Funded:	
SFY 2025 IUP Commitments – Principal Forgiveness	$59,568,889
Total Projects To Be Funded - SFY 2025:	$59,568,889
TOTAL USES:	**$62,796,000**
NET SOURCES (USES):	**$0**

Appendix C. Rating Criteria

1.a. Identified perfluoroalkyl and polyfluoroalkyl substances (PFAS) (Highest priority) where PFAS exceed at least two (2) maximum contaminant levels (MCLs) of the National Primary Drinking Water Regulation (NPDWR) within one analytical sample, and requested construction costs for treatment and removal of PFAS in finished water (e.g., reverse osmosis membranes, GAC, ion-exchange, or other approved methods) – 200 points (Highest priority), OR

1.b. Identified perfluoroalkyl and polyfluoroalkyl substances (PFAS) (Highest priority) where PFAS exceed at least one MCL of the NPDWR within one analytical sample, and requested construction costs for treatment and removal of PFAS in finished water (e.g., reverse osmosis membranes, GAC, ion-exchange, or other approved methods)– 175 points, OR

1.c. Identified perfluoroalkyl and polyfluoroalkyl substances (PFAS) (Highest priority) where PFAS do not exceed MCLs of the NPDWR and requested construction costs for treatment and removal of PFAS in finished water (e.g., reverse osmosis membranes, GAC, ion-exchange, or other approved methods)– 150 points, OR

1.d. Identified other emerging contaminants (other than PFAS) and requested construction costs for treatment and removal of the emerging contaminants in finished water (e.g., reverse osmosis membranes, GAC, ion-exchange, or other approved methods), - 125 points, OR

1.e. Proposals requesting only planning and design and associated pre-project costs, including pilot testing, for any eligible purpose, without requesting the associated construction costs – 50 points

Plus the following:

2. Proposal will provide first-time service to connections currently unserved by a public water system that have found emerging contaminants in their current water source – 20 points

3. Proposal will facilitate consolidation of one or more water systems into another water system that does not have emerging contaminants present or has removal capability – 25 points

4. Disadvantaged Community or Small System – 30 points

i. Disadvantaged community is defined in Appendix D.

ii. A small system for the purpose of this IUP is a public water system serving fewer than 25,000 people

5. A rural project is one that fits any of the following – 10 points:

i. An entity that provides services predominately in a rural area. Using the U.S. Bureau of the Census 2010 decennial census definitions of a rural area, not more than 20

percent of the residential service connections are in urbanized areas and not more than 50 percent are in urban clusters according to the most recent data available to TWDB. The calculation will be based on the utility service(s) associated with the proposed project; OR

ii. A project from a political subdivision with a population of 10,000 or less and located outside the extraterritorial jurisdiction of a city with a population of 500,000 or greater; OR

iii. A project in a county in which no urban political subdivision exceeds 50,000 in population based upon the most current data available from the U.S. Bureau of the Census or TWDB-approved projections.

6. System size
Applicant entity serves under 1,000 connections – 15 points
Applicant entity serves between 1,000 and 10,000 connections – 10 points
Applicant entity serves between 10,000 and 25,000 connections – 5 points
Applicant entity serves over 25,000 connections but fewer than 50,000 connections – 2 points

Tie Breaker
Rating factors will be ranked in descending order with priority given to the entity serving the fewest connections first.

Appendix D. Criteria to Determine Disadvantaged Community Eligibility

An entity is considered an eligible disadvantaged community if it:

1) may have emerging contaminants,
2) 51 percent or more of the proposed project beneficiary area based on household connections has an Annual Median Household Income (AMHI) level that does not exceed 150 percent of the state's AMHI level. The state AMHI from the U.S. Census 2019-2023 American Community Survey (ACS) 5-year estimate is $76,292; therefore the AMHI of the proposed project beneficiary area must not exceed $114,438, and
3) the unemployment rate for the project beneficiaries is greater than 50 percent of the state unemployment rate or the population has declined or the utility is a small system with 25,000 or fewer connections for the applicable utility service.

Acceptable Source of Socioeconomic Data for SFY 2025

For this IUP, the TWDB will utilize:

(1) U.S. Census 2019-2023 ACS 5-year estimates. An Excel spreadsheet containing this date is located here:
https://www.twdb.texas.gov/financial/instructions/doc/ACS-data-for-SFY2026.xlsx

Entities may also access their U.S. Census 2019-2023 ACS 5-year estimate data directly from the U.S. Census webpage. Census Data Search guidance (WRD-284) is available on the TWDB website at: http://www.twdb.texas.gov/financial/instructions/doc/WRD-284.docx

OR

(2) Data from a socioeconomic survey approved by the Executive Administrator of a statistically acceptable sampling of customers in the service area completed in accordance with the most current Socioeconomic Surveys Guidelines (WRD-285) posted on the TWDB website. Any survey being used for income determination must be conducted within five years prior to the date the TWDB receives the PIF. An entity must submit documentation that substantiates the inadequate or absent Census data that led to the need to conduct a survey. **All entities must obtain prior approval to use survey data instead of the most recently available ACS data.**

In instances where the ACS data does not adequately reflect an entity's service area (e.g. an entity serves a community outside of its Certificate of Convenience and Necessity, an entity serves another system, the entity is a system without a Census Bureau defined boundary, etc.), a prorated analysis of ACS block group data will be performed to calculate the AMHI. Systems owned and operated by a public school or school district will be evaluated for their annual median household income for their school district boundary.

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

Methodology - Disadvantaged Community Eligibility Calculation

City/Place, Census Tract and Block Group geographical U.S. Census geographical areas or an eligible income survey may be used for the AMHI, unemployment rate and population change calculations.

The methods below should be used to find the AMHI for the project beneficiary area. When finding the AMHI for the census geographic areas, applicants should also make note of the unemployment percentages and population change, as the same method and data source used for the AMHI calculation method below will be used for the unemployment rate and change in population. If an income survey is used, TWDB will use the most appropriate geographical area that represents the proposed project beneficiaries for determining the unemployment rate and change in population.

First method, easiest method to employ:
To lessen the burden on applicants who can meet the requirement without considering the 51% level, the TWDB will make the presumption that the average (mean) of the AMHI of all U.S. Census Bureau Cities/Places, Block Groups and/or Census Tracts containing any portion of the project service area is the AMHI for the project. Applicants must provide a list of all of the Cities/Places, Block Groups and/or Census Tracts containing any portion of the project service area, the AMHI for each City/Place, Block Group and/or Census Tract, and a detailed map of the proposed service area to be considered for using the presumptive approach in establishing the project's AMHI. TWDB will use the project area map to verify the associated Cities/Places, Block Groups and/or Census Tracts submitted. The Executive Administrator will then determine whether this option is a reasonable estimate of the AMHI for the project service area and may be used for the AMHI threshold calculation.

Second method, if first method does not meet the 150 percent threshold:
Any applicant that does not meet the 150 percent threshold by using the average (mean) of the U.S. Census Bureau Block Groups and/or Census Tracts containing any portion of the project service area may submit the actual number of household connections in each Block Group and/Census Tract and calculate the weighted average AMHI for the project service area.

Third method, if necessary to meet the 150 percent threshold:
Finally, if the AMHI of the applicant's project service area does not fall within 150 percent of the state AMHI threshold without consideration of the 51 percent calculation, the applicant would need to provide the number of household connections in each U.S. Census Bureau's geographical area that is used in the calculation.

Alternatively, as with general program activities, the entity may conduct an income survey for determining the applicable AMHI. Any survey being used for income determination must be completed within five years of prior to the date the TWDB receives the PIF.

Appendix E. Federal Requirements and Assurances

A. Federal Requirements

1. Build America, Buy America Act, 2021

The requirements of the Build America, Buy America Act, 2021 (P.L. 117-58), known as BABA, will apply to all projects funded for emerging contaminants. Additional information on BABA is available on the TWDB website at: http://www.twdb.texas.gov/financial/programs/BABA/index.asp

TWDB Guidance (TWDB-0559) is available at http://www.twdb.texas.gov/financial/instructions/doc/TWDB-0559.pdf. An additional source of information on BABA is Information on EPA's website.

2. Davis-Bacon Wage Rate Requirements

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

3. American Iron and Steel (AIS)

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

The term ‘‘iron and steel products’’ means the following products made primarily of iron or steel:

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

EPA may waive the AIS requirement under certain circumstances.

Furthermore, if the original financial assistance agreement for the planning and/or design of a project closed prior to January 17, 2014, then the AIS provision would not

apply to the construction phase of the same project. TWDB guidance (TWDB-1106) is available at http://www.twdb.texas.gov/financial/instructions/doc/TWDB-1106.pdf.

4. Environmental Reviews

The National Environmental Policy Act (NEPA)-like environmental review requirements are specified in Texas Administrative Code, Title 31, Part 10, Chapter 371. The NEPA-like environmental review applies to all DWSRF emerging contaminant projects.

5. Generally Accepted Accounting Principles

Assistance recipients must maintain project accounts according to Generally Accepted Accounting Principles as issued by the Governmental Accounting Standards Board, including standards relating to the reporting of infrastructure assets.

6. Compliance with Cross-cutting Authorities

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

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

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

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

7. Financial, Managerial, and Technical (FMT) Capacity

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

8. Competency Statements

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

A. TWDB Competency Statement

TWDB ascertains that competency can be demonstrated by the following:

1. The “TWDB Quality Management Plan,” was approved by EPA Region 6 in February 2025. The plan demonstrates competency by providing a description of the quality policies including all requirements described in EPA QA/R-2.

B. TCEQ Competency Statement

TCEQ ascertains that competency can be demonstrated by the following:

1. EPA approval of the "Quality Assurance Project Plan for the Public Water Supply Supervision Program Relating to the Safe Drinking Water Act of the Texas Commission on Environmental Quality", Revision 14, (QTRAK #23-033), approved by EPA on November 10, 2022, which is approved through November 10, 2025.
2. The "TCEQ Quality Management Plan, Revision 29 (2024)" (QTRAK# 24-064) approved on December 7, 2023 by EPA Region 6 which demonstrates competency by providing a description of the quality policies including all requirements described in EPA QA/R-2.

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

A. Capacity development authority. The State of Texas, through the TCEQ, has the legal authority to ensure that all new community water systems, and new nontransient, noncommunity water systems that commence operations have demonstrated FMT capacity with respect to national primary drinking water regulations. If DWSRF financial assistance is being provided to the new system, TCEQ conducts and provides to TWDB the results of its FMT assessment prior to closing on the financial assistance.

B. Capacity development strategy. The State of Texas, through the use of DWSRF set-asides provided to TCEQ, implements a strategy to assist public water systems in acquiring and maintaining financial, managerial, and technical capacity. The TWDB has set aside funds from the regular/base program FFY 2023 grant for TCEQ to implement a capacity development strategy. TCEQ will use funds from the State Program Management, Small Systems Technical Assistance, and Local Assistance and Other State Programs set-asides to conduct the capacity development activities. The TCEQ demonstrates compliance with the Capacity Development Strategy requirement of the SDWA by annually submitting the Capacity Development Report to EPA. The most recent report was provided to EPA on November 27, 2024. The TCEQ submitted the TCEQ Triennial Progress Report to the Governor on the Public Water Supply Capacity

Development Program on September 29, 2023 as required by SDWA Section 1420(c)(3).

C. Operator certification program. The State of Texas, through the TCEQ, has a program for certifying operators of community and nontransient, noncommunity public water systems. The TCEQ demonstrates compliance with the Operator Certification Program Provisions by annually submitting an Operator Certifications Program Report to EPA. The most recent report was provided to EPA on September 9, 2024.

10. Signage

DWSRF emerging contaminants projects must comply with applicable EPA signage requirements. See guidance for SRF Project Public Awareness, TWDB-1109.

B. Assurances

Entry into the Federal Reporting Systems

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

Appendix F. Bypass Procedures

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

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

1. **Fulfill the Minimum Additional Subsidization Requirement**

   A project on the PPL may be bypassed to fulfill the federal minimum additional subsidization requirement or to make commitments of the amount of funds that remain unallocated.

2. **Intent to Apply and Application Submission Deadlines**

   A project may be bypassed if the applicant did not submit any intent to apply form or information by a specified deadline or the application is not received by the TWDB-established submission deadline and it is not administratively complete by the established deadline.

3. **Disadvantaged Community or Small Systems**

   In the event that there are not enough projects with completed applications eligible to receive Disadvantaged Community or Small Systems funding to meet required 25 percent requirement, the Executive Administrator may bypass other projects to invite additional projects that are eligible for additional subsidization.

4. **Readiness to Proceed**

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

5. **Past Project Performance**

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

6. Financial Capacity

A project may be bypassed if the Executive Administrator determines that the applicant will be unable to repay the SRF financial assistance for the project or does not have acceptable financial records or audits.

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Appendix G. Project Priority List - Alphabetical

Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
9	207	Baytown Area Water Authority	TX1011742	17122	129,317	BAWA conducted multiple sampling and testing events throughout 2023-2024. The results confirmed the presence of regulated PFAS compounds, including PFOA, PFOS, PFHxS, PFNA, and PFBS, in the finished water. Analysis indicated an average PFOS concentration exceeding the 4 ng/L enforceable Maximum Contaminant Level (MCL) set by the USEPA. PFOA was detected slightly below the 4 ng/L enforceable MCL, while PFHxS, PFNA, and PFBS were present but remained within compliance limits. With the April 2029 compliance deadline approaching, BAWA is preparing to design, construct, and commission a treatment system to ensure regulatory compliance for PFAS removal before enforcement begins. BAWA plans to explore an Ion Exchange resin system at both the BAWA Fritz Lanham SWTP and BAWA East SWTP to effectively adsorb and remove PFAS chemicals from the finished water. Design will include researching different treatment options with both capital and life cycle costs evaluations. This initiative aims to meet federal regulatory requirements and ensure the delivery of safe drinking water to the community.	PDC	PFAS, PFOS, PFOA	$ 71,885,000.00
12	180	Canyon Park WSC	TX1870034	17123	453	This project will include a new water treatment plant and a new water well that will be deeper and potentially not have contaminants in the water.	PDC	Lithium	$ 4,200,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
5	230	Dallas Water Utilities	TX0570004	17124	2,679,042	The City of Dallas Water Utilities' (DWU) Bachman WTP is a critical water treatment facility. Regular sampling of the primary source water supply (Elm Fork of the Trinity River) and at the WTP has measured concentrations of PFAS compounds at or below the EPAs established MCLs. The proposed project includes the planning, design and construction of identified PFAS treatment process. DWU will conduct a PFAS Assessment, which includes integrating enhanced PFAS monitoring into DWU's source water sampling program at Bachman to establish seasonal PFAS occurrences, researching near- and long-term strategies to reduce PFAS levels, evaluating established and emerging treatment technologies for PFAS removal, conducting preliminary pilot studies (if needed) to confirm the viability of identified technologies, and identifying the preferred PFAS mitigation approach for compliance with regulatory requirements. DWU will complete the design (including 30%, 60% and 100% plans and specifications) of the PFAS mitigation project. DWU will complete required environmental compliance documentation (NEPA) in parallel to design activities. Construction activities are anticipated to include the construction of granular activated carbon (GAC) gravity contactors, including required infrastructure modifications, to meet the average daily capacity of 150 MGD at the Bachman WTP.	PDC	PFOA, PFOS, PFHxS, PFNA, HFPO-DA	$ 333,000,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
7	215	East Rio Hondo WSC	TX0310093	17125	34,536	East Rio Hondo Water Supply Corporation (ERHWSC) owns and operates the Martha Ann Simpson Water Treatment Plant (MASWTP). MASWTP is rated to treat 8 MGD of surface water diverted from the Rio Grande River and conveyed to the facility via a series of open channel resacas and canals. Recent sampling revealed the presence of two emerging contaminants in ERHWSC's raw water; PFOS and lithium. The intent of this project is to equip the MASWTP with additional treatment capabilities to remove the currently identified emerging contaminants as well as those that may be present in the future. Secondary/future goals for this project include implementing brackish groundwater at the MASWTP for both blending and alternative water supply purposes. The conceptual design for this project includes a new, 8 MGD reverse osmosis treatment system for removal of both PFOS and lithium. The current conceptual design utilizes brackish groundwater for blending to achieve downstream concentration goals. Future ratios of potential blending and implementation of additional brackish groundwater will be contingent on future raw surface water contaminant concentrations and disposal permit limitations. Additional improvements include pretreatment filtration and post-treatment systems, clean-in-place system, electrical, mechanical, and piping improvements, an injection well for concentrate disposal, two brackish groundwater wells, backup generators, and new building.	PDC	PFOS, Lithium	$ 55,474,839.53

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
8	215	East Rio Hondo WSC	TX0310093	17126	34,536	East Rio Hondo Water Supply Corporation (ERHWSC) owns and operates the Nelson Road Water Treatment Plant (NRWTP). NRWTP is rated to treat 3.2 MGD of surface water diverted from the Rio Grande River and conveyed to the facility via a series of open channel resacas and canals. Recent sampling revealed the presence of two emerging contaminants in ERHWSC's raw water; PFOS and lithium. The intent of this project is to equip the NRWTP with additional treatment capabilities to remove the currently identified emerging contaminants as well as those that may be present in the future. Secondary/future goals for this project include implementing brackish groundwater at the NRWTP for both blending and alternative water supply purposes. The conceptual design for this project includes a new, 3.2 MGD reverse osmosis treatment system for removal of both PFOS and lithium. The current conceptual design utilizes brackish groundwater for blending to achieve downstream concentration goals. Future ratios of potential blending and implementation of additional brackish groundwater will be contingent on future raw surface water contaminant concentrations and disposal permit limitations. Additional improvements include pretreatment filtration and posttreatment systems, clean-in-place system, electrical, mechanical, and piping improvements, an injection well for concentrate disposal, a brackish groundwater well, backup generator, and new building.	PDC	PFOS, Lithium	$ 28,349,420.84
4	230	Fort Worth	TX2200012	17127	1,001,741	This project will construct a per- and polyfluoroalkyl substances (PFAS) treatment at the City's South Holly municipal water treatment facility. This treatment will reduce the PFAS levels below the Maximum Contaminant Level in the potable water supply. The City will use Granular Activated Carbon (GAC) adsorption to reduce the PFAS levels. GAC adsorption is recognized as a best available technology to reduce the PFAS levels in potable water.	C	PFOA, PFOS, PFHxS	$ 150,000,000.00
14	100	Goldthwaite	TX1670001	17121	1,733	The City of Goldthwaite has performed testing on its drinking water sources. Results have shown evidence of several different PFAS substances. The City is requesting planning funding which will be used to study the PFAS substances present and determine the best course of action towards treating these substances in the drinking water supply.	P	PFAS	$ 75,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
13	105	Grandview	TX1260004	17128	2,004	The City of Grandview has been made aware of recent elevated concerns regarding PFAS contaminants within the City's ETJ due to a past PFAS contamination from agriculture biosolids. As a result, the City has tested each of their groundwater source wells and the results warrant continued monitoring and addition of some more specific testing, such as for Lithium.	P	PFAS, Lithium	$ 105,000.00
11	185	Johnson County SUD	TX1260018	17129	65,427	The proposed project includes the use of reverse osmosis (RO) and granular activated carbon (GAC) technologies to prepare for the new PFAS limits initiated by EPA in Spring 2024. Given the introduction of PFAS into source waters from wastewater effluent discharge, JCSUD is implementing RO and GAC technologies to be prepared to reduce emerging contaminants from its source water. JCSUD is proposing a new Reverse Osmosis Water Treatment Plant (RO WTP). JCSUD has historically relied on a combination of groundwater and surface water supplies. However, with the rapidly declining capacity and quality of local shallow, freshwater groundwater aquifers due to overdevelopment of the groundwater supply by residential and commercial developers over the past 30 years, current and future water demands will need to rely on surface water supplies and/or deeper, brackish groundwater supplies. Additionally, the area is seeing rapid growth and needs additional drinking water. An asset management plan will also be included as part of the project.	PDC	PFAS	$ 215,111,000.00
15	80	Laredo	TX2400001	17130	255,949	Quarterly UCMFR sampling tests conducted in 2023 at two water treatment plants, Jefferson WTP and El Pico WTP, in the City of Laredo revealed the presence of Lithium and PFBA contaminants in their primary water supply. This contamination poses a risk to site groundwater contamination and migration to surrounding surface water bodies. To prevent further contamination, the proposed project will be used to support planning, additional testing and monitoring, and the development of a treatment action plan to address these contaminants effectively.	P	PFAS, Lithium	$ 782,500.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
3	232	Manville WSC	TX2270033	17131	91,023	MWSC is a non-profit water supply corporation and was selected for monitoring as part of the Fifth Unregulated Contaminant Monitoring Rule (UCMR 5). UCMR 5 results showed elevated levels of per- and polyfluoroalkyl substances (PFAS) and lithium The proposed project would include the planning, design, and construction of treatment and associated infrastructure sized to remediate and remove PFAS from the13 active drinking water wells and two (2) additional future wells.	PDC	PFAS, Lithium	$ 38,940,000.00
1	255	New Horizons Ranch and Center, Inc.	TX1670009	17132	100	The Entity currently owns and operates a water treatment facility that utilizes free chlorine to treat raw water from Meadows Lake which sources its water from the Pecan Bayou. The Entity has performed testing on its drinking water sources and has detected the presence of several PFAS substances. This project will be to provide a new drinking water source via City of Goldthwaite's (TX1670001) water system. This project will consist of the construction of approximately 43,000 linear feet of a supply line, valves, boring, and all associated incidentals. The supply line will route to the Entity's existing GST. In addition to the supply line, this project includes replacing the Entity's pressure tank, high-service pumps (2), electrical improvements, and chemical feed improvements to return the Entity's system to TCEQ compliance. This project will also include improvements to the City of Goldthwaite's distribution facilities to supply drinking water to New Horizons. The Entity qualifies for very small system principal forgiveness funding and also submitted a SFY2026 PIF through the regular DWSRF program for this project.	PDC	PFAS	$ 3,004,025.00
6	225	Parker County SUD	TX1840079	17133	4,113	The proposed project includes the use of reverse osmosis (RO) and granular activated carbon (GAC) technologies to prepare for the new PFAS limits initiated by EPA in Spring 2024. Given the introduction of PFAS into source waters from wastewater effluent discharge, PCSUD is implementing RO and GAC technologies to be prepared to reduce emerging contaminants from its source water.	PDC	PFAS	$ 77,980,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
10	200	Sandbranch WSC	not applicable	17134	240	The Sandbranch Development & WSC would enter into a wholesale water purchase agreement with the City of Seagoville. Securing funding will allow them to continue with their design efforts to propose an interconnect, negotiate the agreement with Seagoville, receive TCEQ approval for plans and specs, obtain a CCN to serve the area, and deliver first-time service to the deserving folks in Sandbranch. Please review the additional attachments for historical context on developments to securing safe and clean water and sanitation access in Sandbranch in the 1980's. There has been extensive work on the community's part to formalize as a Water Supply Corporation and in the face of adversity, they have worked through bureaucratic obstacles to perform necessary planning work for water and wastewater connections. Also attached are water quality reports and support letters from Dallas County Judge Clay Jenkins, Senator Johnson for District 16, and Representative Rose for District 110 highlighting the need for significant investment.	PADC	Naphthalene	$ 9,851,900.00
2	235	Sharyland WSC	TX1080033	17135	97,990	Sharyland Water Supply Corporation (SWSC) owns and operates three water treatment plants, WTP #1, WTP #2, and WTP #3. SWSC's WTP #1 is rated to treat 6 MGD, while WTP #2 and #3 are both rated to treat 8 MGD each (total of 22 MGD) of surface water diverted from the Rio Grande River. The water from the Rio Grande River is conveyed to SWSC's facilities via a series of open channel irrigation canals. The Rio Grande River is an impaired waterbody from a water quality standpoint and the existing raw water delivery system to the treatment facilities facilitates the further degradation of water quality prior to treatment. Recent sampling revealed the presence of several emerging contaminants in SWSC's water, including PFOS, PFOA, and PFHxS. The intent of this project is to equip SWSC's existing plants with additional treatment capabilities to remove the identified emerging contaminants. Specifically, this project will include the design and construction of new Granular Activated Carbon (GAC) treatment systems for removal of these contaminants.	PDC	PFOS, PFOA, PFHxS	$ 40,900,000.00
Total		**15**							**$916,873,685.37**

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

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Appendix H. Alphabetical List of Ineligible Projects

Entity	Project Description	Emerging Contaminants	Project Cost	Reason of Ineligibility
Denton	A small subdivision of 21 homes in Denton County is facing an urgent need for a permanent water solutions. These homes currently rely on private water system supported by two community wells, both of which have failed and are considered beyond repair. The system has multiple compliance issues with TCEQ including failed biological testing where *E. coli* was detected. The subdivision is connected to the City of Denton via an emergency, above-ground interconnect. This temporary setup comprises over 1,000 feet of uninsulated hose running through a forested area and crossing two streets. The emergency interconnect was approved by TCEQ as a short-term measure to ensure water service for the residents. A long-term, sustainable solution is critically needed to provide reliable water access to these homes.	*E. coli*	$ 1,298,777.00	Projects with a primary purpose to that address contaminants with a National Primary Drinking Water Regulation (with the exception of PFAS) are not eligible for DWSRF Emerging Contaminants funds.

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Appendix I. Projects Ineligible for Disadvantaged Funding

None.

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Appendix J. Project Priority List - By Rank

Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
1	255	New Horizons Ranch and Center, Inc.	TX1670009	17132	100	The Entity currently owns and operates a water treatment facility that utilizes free chlorine to treat raw water from Meadows Lake which sources its water from the Pecan Bayou. The Entity has performed testing on its drinking water sources and has detected the presence of several PFAS substances. This project will be to provide a new drinking water source via City of Goldthwaite's (TX1670001) water system. This project will consist of the construction of approximately 43,000 linear feet of a supply line, valves, boring, and all associated incidentals. The supply line will route to the Entity's existing GST. In addition to the supply line, this project includes replacing the Entity's pressure tank, high-service pumps (2), electrical improvements, and chemical feed improvements to return the Entity's system to TCEQ compliance. This project will also include improvements to the City of Goldthwaite's distribution facilities to supply drinking water to New Horizons. The Entity qualifies for very small system principal forgiveness funding and also submitted a SFY2026 PIF through the regular DWSRF program for this project.	PDC	PFAS	$ 3,004,025.00
2	235	Sharyland WSC	TX1080033	17135	97,990	Sharyland Water Supply Corporation (SWSC) owns and operates three water treatment plants, WTP #1, WTP #2, and WTP #3. SWSC's WTP #1 is rated to treat 6 MGD, while WTP #2 and #3 are both rated to treat 8 MGD each (total of 22 MGD) of surface water diverted from the Rio Grande River. The water from the Rio Grande River is conveyed to SWSC's facilities via a series of open channel irrigation canals. The Rio Grande River is an impaired waterbody from a water quality standpoint and the existing raw water delivery system to the treatment facilities facilitates the further degradation of water quality prior to treatment. Recent sampling revealed the presence of several emerging contaminants in SWSC's water, including PFOS, PFOA, and PFHxS. The intent of this project is to equip SWSC's existing plants with additional treatment capabilities to remove the identified emerging contaminants. Specifically, this project will include the design and construction of new Granular Activated Carbon (GAC) treatment systems for removal of these contaminants.	PDC	PFOS, PFOA, PFHxS	$ 40,900,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
3	232	Manville WSC	TX2270033	17131	91,023	MWSC is a non-profit water supply corporation and was selected for monitoring as part of the Fifth Unregulated Contaminant Monitoring Rule (UCMR 5). UCMR 5 results showed elevated levels of per- and polyfluoroalkyl substances (PFAS) and lithium. The proposed project would include the planning, design, and construction of treatment and associated infrastructure sized to remediate and remove PFAS from the13 active drinking water wells and two (2) additional future wells.	PDC	PFAS, Lithium	$ 38,940,000.00
4	230	Fort Worth	TX2200012	17127	1,001,741	This project will construct a per- and polyfluoroalkyl substances (PFAS) treatment at the City's South Holly municipal water treatment facility. This treatment will reduce the PFAS levels below the Maximum Contaminant Level in the potable water supply. The City will use Granular Activated Carbon (GAC) adsorption to reduce the PFAS levels. GAC adsorption is recognized as a best available technology to reduce the PFAS levels in potable water.	C	PFOA, PFOS, PFHxS	$ 150,000,000.00
5	230	Dallas Water Utilities	TX0570004	17124	2,679,042	The City of Dallas Water Utilities' (DWU) Bachman WTP is a critical water treatment facility. Regular sampling of the primary source water supply (Elm Fork of the Trinity River) and at the WTP has measured concentrations of PFAS compounds at or below the EPAs established MCLs. The proposed project includes the planning, design and construction of identified PFAS treatment process. DWU will conduct a PFAS Assessment, which includes integrating enhanced PFAS monitoring into DWU's source water sampling program at Bachman to establish seasonal PFAS occurrences, researching near- and long-term strategies to reduce PFAS levels, evaluating established and emerging treatment technologies for PFAS removal, conducting preliminary pilot studies (if needed) to confirm the viability of identified technologies, and identifying the preferred PFAS mitigation approach for compliance with regulatory requirements. DWU will complete the design (including 30%, 60% and 100% plans and specifications) of the PFAS mitigation project. DWU will complete required environmental compliance documentation (NEPA) in parallel to design activities. Construction activities are anticipated to include the construction of granular activated carbon (GAC) gravity contactors, including required infrastructure modifications, to meet the average daily capacity of 150 MGD at the Bachman WTP.	PDC	PFOA, PFOS, PFHxS, PFNA, HFPO-DA	$ 333,000,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
6	225	Parker County SUD	TX1840079	17133	4,113	The proposed project includes the use of reverse osmosis (RO) and granular activated carbon (GAC) technologies to prepare for the new PFAS limits initiated by EPA in Spring 2024. Given the introduction of PFAS into source waters from wastewater effluent discharge, PCSUD is implementing RO and GAC technologies to be prepared to reduce emerging contaminants from its source water.	PDC	PFAS	$ 77,980,000.00
7	215	East Rio Hondo WSC	TX0310093	17125	34,536	East Rio Hondo Water Supply Corporation (ERHWSC) owns and operates the Martha Ann Simpson Water Treatment Plant (MASWTP). MASWTP is rated to treat 8 MGD of surface water diverted from the Rio Grande River and conveyed to the facility via a series of open channel resacas and canals. Recent sampling revealed the presence of two emerging contaminants in ERHWSC's raw water; PFOS and lithium. The intent of this project is to equip the MASWTP with additional treatment capabilities to remove the currently identified emerging contaminants as well as those that may be present in the future. Secondary/future goals for this project include implementing brackish groundwater at the MASWTP for both blending and alternative water supply purposes. The conceptual design for this project includes a new, 8 MGD reverse osmosis treatment system for removal of both PFOS and lithium. The current conceptual design utilizes brackish groundwater for blending to achieve downstream concentration goals. Future ratios of potential blending and implementation of additional brackish groundwater will be contingent on future raw surface water contaminant concentrations and disposal permit limitations. Additional improvements include pretreatment filtration and posttreatment systems, clean-in-place system, electrical, mechanical, and piping improvements, an injection well for concentrate disposal, two brackish groundwater wells, backup generators, and new building.	PDC	PFOS, Lithium	$ 55,474,839.53

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
8	215	East Rio Hondo WSC	TX0310093	17126	34,536	East Rio Hondo Water Supply Corporation (ERHWSC) owns and operates the Nelson Road Water Treatment Plant (NRWTP). NRWTP is rated to treat 3.2 MGD of surface water diverted from the Rio Grande River and conveyed to the facility via a series of open channel resacas and canals. Recent sampling revealed the presence of two emerging contaminants in ERHWSC's raw water; PFOS and lithium. The intent of this project is to equip the NRWTP with additional treatment capabilities to remove the currently identified emerging contaminants as well as those that may be present in the future. Secondary/future goals for this project include implementing brackish groundwater at the NRWTP for both blending and alternative water supply purposes. The conceptual design for this project includes a new, 3.2 MGD reverse osmosis treatment system for removal of both PFOS and lithium. The current conceptual design utilizes brackish groundwater for blending to achieve downstream concentration goals. Future ratios of potential blending and implementation of additional brackish groundwater will be contingent on future raw surface water contaminant concentrations and disposal permit limitations. Additional improvements include pretreatment filtration and posttreatment systems, clean-in-place system, electrical, mechanical, and piping improvements, an injection well for concentrate disposal, a brackish groundwater well, backup generator, and new building.	PDC	PFOS, Lithium	$ 28,349,420.84

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
9	207	Baytown Area Water Authority	TX1011742	17122	129,317	BAWA conducted multiple sampling and testing events throughout 2023-2024. The results confirmed the presence of regulated PFAS compounds, including PFOA, PFOS, PFHxS, PFNA, and PFBS, in the finished water. Analysis indicated an average PFOS concentration exceeding the 4 ng/L enforceable Maximum Contaminant Level (MCL) set by the USEPA. PFOA was detected slightly below the 4 ng/L enforceable MCL, while PFHxS, PFNA, and PFBS were present but remained within compliance limits. With the April 2029 compliance deadline approaching, BAWA is preparing to design, construct, and commission a treatment system to ensure regulatory compliance for PFAS removal before enforcement begins. BAWA plans to explore an Ion Exchange resin system at both the BAWA Fritz Lanham SWTP and BAWA East SWTP to effectively adsorb and remove PFAS chemicals from the finished water. Design will include researching different treatment options with both capital and life cycle costs evaluations. This initiative aims to meet federal regulatory requirements and ensure the delivery of safe drinking water to the community.	PDC	PFAS, PFOS, PFOA	$ 71,885,000.00
10	200	Sandbranch WSC	not applicable	17134	240	The Sandbranch Development & WSC would enter into a wholesale water purchase agreement with the City of Seagoville. Securing funding will allow them to continue with their design efforts to propose an interconnect, negotiate the agreement with Seagoville, receive TCEQ approval for plans and specs, obtain a CCN to serve the area, and deliver first-time service to the deserving folks in Sandbranch. Please review the additional attachments for historical context on developments to securing safe and clean water and sanitation access in Sandbranch in the 1980's. There has been extensive work on the community's part to formalize as a Water Supply Corporation and in the face of adversity, they have worked through bureaucratic obstacles to perform necessary planning work for water and wastewater connections. Also attached are water quality reports and support letters from Dallas County Judge Clay Jenkins, Senator Johnson for District 16, and Representative Rose for District 110 highlighting the need for significant investment.	PADC	Naphthalene	$ 9,851,900.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
11	185	Johnson County SUD	TX1260018	17129	65,427	The proposed project includes the use of reverse osmosis (RO) and granular activated carbon (GAC) technologies to prepare for the new PFAS limits initiated by EPA in Spring 2024. Given the introduction of PFAS into source waters from wastewater effluent discharge, JCSUD is implementing RO and GAC technologies to be prepared to reduce emerging contaminants from its source water. JCSUD is proposing a new Reverse Osmosis Water Treatment Plant (RO WTP). JCSUD has historically relied on a combination of groundwater and surface water supplies. However, with the rapidly declining capacity and quality of local shallow, freshwater groundwater aquifers due to overdevelopment of the groundwater supply by residential and commercial developers over the past 30 years, current and future water demands will need to rely on surface water supplies and/or deeper, brackish groundwater supplies. Additionally, the area is seeing rapid growth and needs additional drinking water. An asset management plan will also be included as part of the project.	PDC	PFAS	$ 215,111,000.00
12	180	Canyon Park WSC	TX1870034	17123	453	This project will include a new water treatment plant and a new water well that will be deeper and potentially not have contaminants in the water.	PDC	Lithium	$ 4,200,000.00
13	105	Grandview	TX1260004	17128	2,004	The City of Grandview has been made aware of recent elevated concerns regarding PFAS contaminants within the City's ETJ due to a past PFAS contamination from agriculture biosolids. As a result, the City has tested each of their groundwater source wells and the results warrant continued monitoring and addition of some more specific testing, such as for Lithium.	P	PFAS, Lithium	$ 105,000.00
14	100	Goldthwaite	TX1670001	17121	1,733	The City of Goldthwaite has performed testing on its drinking water sources. Results have shown evidence of several different PFAS substances. The City is requesting planning funding which will be used to study the PFAS substances present and determine the best course of action towards treating these substances in the drinking water supply.	P	PFAS	$ 75,000.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
15	80	Laredo	TX2400001	17130	255,949	Quarterly UCMFR sampling tests conducted in 2023 at two water treatment plants, Jefferson WTP and El Pico WTP, in the City of Laredo revealed the presence of Lithium and PFBA contaminants in their primary water supply. This contamination poses a risk to site groundwater contamination and migration to surrounding surface water bodies. To prevent further contamination, the proposed project will be used to support planning, additional testing and monitoring, and the development of a treatment action plan to address these contaminants effectively.	P	PFAS, Lithium	$ 782,500.00

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Rank	Points	Entity	PWS ID	PIF No.	Population	Project Description	Requested Phase(s)	Emerging Contaminants	Total Project Cost
1	255	New Horizons Ranch and Center, Inc.	TX1670009	17132	100	The Entity currently owns and operates a water treatment facility that utilizes free chlorine to treat raw water from Meadows Lake which sources its water from the Pecan Bayou. The Entity has performed testing on its drinking water sources and has detected the presence of several PFAS substances. This project will be to provide a new drinking water source via City of Goldthwaite's (TX1670001) water system. This project will consist of the construction of approximately 43,000 linear feet of a supply line, valves, boring, and all associated incidentals. The supply line will route to the Entity's existing GST. In addition to the supply line, this project includes replacing the Entity's pressure tank, high-service pumps (2), electrical improvements, and chemical feed improvements to return the Entity's system to TCEQ compliance. This project will also include improvements to the City of Goldthwaite's distribution facilities to supply drinking water to New Horizons. The Entity qualifies for very small system principal forgiveness funding and also submitted a SFY2026 PIF through the regular DWSRF program for this project.	PDC	PFAS	$ 3,004,025.00
2	235	Sharyland WSC	TX1080033	17135	97,990	Sharyland Water Supply Corporation (SWSC) owns and operates three water treatment plants, WTP #1, WTP #2, and WTP #3. SWSC's WTP #1 is rated to treat 6 MGD, while WTP #2 and #3 are both rated to treat 8 MGD each (total of 22 MGD) of surface water diverted from the Rio Grande River. The water from the Rio Grande River is conveyed to SWSC's facilities via a series of open channel irrigation canals. The Rio Grande River is an impaired waterbody from a water quality standpoint and the existing raw water delivery system to the treatment facilities facilitates the further degradation of water quality prior to treatment. Recent sampling revealed the presence of several emerging contaminants in SWSC's water, including PFOS, PFOA, and PFHxS. The intent of this project is to equip SWSC's existing plants with additional treatment capabilities to remove the identified emerging contaminants. Specifically, this project will include the design and construction of new Granular Activated Carbon (GAC) treatment systems for removal of these contaminants.	PDC	PFOS, PFOA, PFHxS	$ 40,900,000.00
3	232	Manville WSC	TX2270033	17131	91,023	MWSC is a non-profit water supply corporation and was selected for monitoring as part of the Fifth Unregulated Contaminant Monitoring Rule (UCMR 5). UCMR 5 results showed elevated levels of per- and polyfluoroalkyl substances (PFAS) and lithium The proposed project would include the planning, design, and construction of treatment and associated infrastructure sized to remediate and remove PFAS from the13 active drinking water wells and two (2) additional future wells.	PDC	PFAS, Lithium	$ 38,940,000.00
Total									**$82,844,025.00**

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