PROJECT FUNDING REQUEST

BOARD DATE: May 11, 2026 **Team Manager:** Joe Koen

ACTION REQUESTED
Consider approving by resolution a request from the Greater Texoma Utility Authority on behalf of Gober Municipal Utility District (Fannin County) for $680,000 in financial assistance from the Texas Water Development Fund for planning, design, and construction of water system improvements project.

STAFF RECOMMENDATION
☒ Approve ☐ No Action

BACKGROUND
The Greater Texoma Utility Authority (Authority) provides its member communities with assistance in financing and construction of water and wastewater facilities. The Authority may also be requested to provide operations services for water and wastewater facilities by member communities and others.

The Gober Municipal Utility District (District) is located 70 miles northeast of Dallas. The District provides water and wastewater services to a population of approximately 521 residents and approximately 165 water connections.

PROJECT NEED AND DESCRIPTION
The District operates two 32,000-gallons ground storage tanks constructed in 2002 that have structural deterioration indicated by recurring leakage. The District estimates that it loses approximately 700 gallons of water per day, which amounts to 32 percent of water treated in the system. The District has confirmed that its current storage capacity is adequate through 2050 but proposes adding additional capacity to allow for flexibility when handling events like a pump failure. The District proposes to construct two 50,000-gallon ground storage tanks and to decommission and remove the existing ground storage tanks.

PROJECT SCHEDULE

Task	Schedule Date
Closing	August 15, 2026
Engineering Feasibility Report Completion (End of Planning Phase)	October 31, 2026
Design Phase Completion	February 28, 2027
Start of Construction	May 31, 2027
Construction Completion	November 30, 2027

COMMITMENT PERIOD: TWELVE (12) MONTHS TO EXPIRE MAY 31, 2027

Attachments:
1. Financial Review
2. Project Budget
3. Resolution (26-)
4. Water Conservation Review
5. Location Map

Financial Review
Greater Texoma UA - Gober MUD

Risk Score: 2B | Audit Reviewed: FYE 12/31/2024

Key Indicators

Indicator	Result	Benchmark
Population Growth, Average Annual 2010-2020	County: 0.50%	State: 1.49%
Top 10 Customers % of Total Revenue	12%	10-15%
Median Household Income as % of State	90%	100%
Household Cost Factor	2.05%	1.51-2.00%
Days of Cash on Hand (3-year Average)	618 days	30-149 days
Net Fixed Assets/ Annual Depreciation	2 years	12-24 years
Debt Service Coverage Ratio	1.05x	1.0x
Debt-to-Operating Revenues	11.62	4.00-5.99x
Unemployment Rate (December, 2025)	County: 4.20%	State: 3.90%
Working Capital Ratio	2.8	> 1.0
Cash Balance Ratio	30%	0%

Key Risk Score Strengths

- Based on the 2024 audited financial figures, the District meets the required debt service coverage for the first four years of maturity. As a proactive measure in December of 2025, the District implemented a base rate increase of $10 to meet the required debt service coverage over the life of the loan.
- The District's days of cash on hand is above the benchmark indicating sufficient liquidity to meet short-term obligations.
- The District's cash balance has grown from $64,146 in 2020 to $113,344 in 2024, this was the result of steady revenue increases over the last five years.

Key Risk Score Concerns

- The District net fixed assets to annual depreciation ratio is below the benchmark due to the aging water system being nearly fully depreciated. The proposed project addresses the issue by replacing two 50,000-gallon storage tanks that may have reached the end of their useful life. Additionally, the District has begun to replace other parts of the system through capital improvements outside of the proposed project
- The District's debt-to-operating revenues ratio is above the benchmark, indicating its debt is equivalent to nearly 12 years of operating revenue. Non-project related debt was issued in previous years to overhaul the existing water distribution system and to replace equipment and vehicles. This risk is mitigated by the District's current liquidity and revenue generation.

PLEDGE

Legal Pledge Name	Contract Revenues
Type of Pledge	☐ Tax ☐ Revenue ☐ Tax & Revenue ☒ Contract ☐ Other
Revenue Pledge Level	☒ First ☐ Second ☐ Third ☐ N/A

RATES AND CHARGES

Average Residential Use	Gallons/Month	Current Rates (2025)	Projected Rates	Current Household Cost Factor	Projected Household Cost Factor
Water	930,000	$60.00	$60.00	2.05	2.05

Project Data Summary

Responsible Authority	Greater Texoma Utility Authority
Program	WDF
Commitment Number	L1002348
Project Number	21924
List Year	2026
Type of Pledge	Contract Revenue Pledge
Pledge Level (if applicable)	First Lien
Legal Description	$680,000 Contract Revenue Bonds, Series 2026 (Gober Municipal Utility District Project)
Tax-exempt or Taxable	Tax-Exempt
Refinance	No
Outlay Requirement	No
Disbursement Method	Escrow
Outlay Type	Outlay <> Escrow Release
Qualifies as Disadvantaged	No
Financial Managerial & Technical Complete	N/A
Phases Funded	Planning, Design, and Construction
Pre-Design	Yes
Project Consistent with State Water Plan	Yes
Water Conservation Plan	Adopted
Overall Risk Score	2B

PROJECT TEAM				
Team Manager	**Financial Analyst**	**Engineering Reviewer**	**Environmental Reviewer**	**Attorney**
Joe Koen	Jacob Berdoll	Ghazaleh Alikaram	Kylie Beard	Michael Perez

ISSUE BEING EVALUATED

FOR ILLUSTRATION PURPOSES ONLY

Greater Texoma Utility Authority

$680,000 Contract Revenue Bonds, Series 2026 (Gober Municipal Utility District)

Dated Date:	**8/15/2026**	**Source:**	**WDF**
Delivery Date:	**8/15/2026**	**Rate:**	**5.06%**
First Interest:	**2/1/2027**	**IUP Year:**	**2026**
First Principal	**8/1/2027**	**Case:**	**Contract Revenue**
Last Principal:	**8/1/2056**	**Admin.Fee:**	**$0**
Fiscal Year End:	**12/31**	**Admin. Fee Payment Date:**	**N/A**
Required Coverage:	**1.0**		

FISCAL YEAR	PROJECTED* NET SYSTEM REVENUES	CURRENT DEBT SERVICE	$680,000 ISSUE PRINCIPAL PAYMENT	INTEREST RATE	INTEREST PAYMENT	TOTAL PAYMENT	TOTAL DEBT SERVICE	COVERAGE
2027	$124,901	$58,999	$10,000	2.78%	$31,120	$41,120	$100,119	1.25
2028	124,901	58,686	10,000	2.81%	32,102	42,102	100,787	1.24
2029	124,901	58,376	10,000	2.83%	31,821	41,821	100,196	1.25
2030	124,901	58,066	10,000	2.98%	31,538	41,538	99,603	1.25
2031	124,901	57,742	15,000	3.17%	31,240	46,240	103,982	1.20
2032	124,901	57,392	15,000	3.34%	30,764	45,764	103,156	1.21
2033	124,901	57,016	15,000	3.47%	30,263	45,263	102,279	1.22
2034	124,901	61,617	15,000	3.64%	29,743	44,743	106,359	1.17
2035	124,901	61,009	15,000	3.83%	29,197	44,197	105,205	1.19
2036	124,901	65,351	20,000	4.11%	28,622	48,622	113,973	1.10
2037	124,901	64,630	20,000	4.31%	27,800	47,800	112,430	1.11
2038	124,901	63,868	20,000	4.48%	26,938	46,938	110,806	1.13
2039	124,901	63,074	20,000	4.61%	26,042	46,042	109,116	1.14
2040	124,901	62,255	20,000	4.73%	25,120	45,120	107,375	1.16
2041	124,901	61,412	20,000	4.85%	24,174	44,174	105,586	1.18
2042	124,901	65,547	25,000	4.95%	23,204	48,204	113,751	1.10
2043	124,901	64,442	25,000	5.03%	21,967	46,967	111,408	1.12
2044	124,901	63,320	25,000	5.09%	20,709	45,709	109,029	1.15
2045	124,901	62,151	25,000	5.14%	19,437	44,437	106,587	1.17
2046	124,901	60,973	25,000	5.18%	18,152	43,152	104,124	1.20
2047	124,901	59,792	30,000	5.21%	16,857	46,857	106,648	1.17
2048	124,901	63,608	30,000	5.24%	15,294	45,294	108,901	1.15
2049	124,901	62,187	30,000	5.25%	13,722	43,722	105,908	1.18
2050	124,901	60,740	30,000	5.26%	12,147	42,147	102,887	1.21
2051	124,901	59,291	30,000	5.26%	10,569	40,569	99,859	1.25
2052	124,901	32,838	30,000	5.27%	8,991	38,991	71,829	1.74
2053	124,901	31,419	35,000	5.28%	7,410	42,410	73,829	1.69
2054	124,901	-	35,000	5.28%	5,562	40,562	40,562	3.08
2055	124,901	-	35,000	5.29%	3,714	38,714	38,714	3.23
2056	124,901	-	35,000	5.32%	1,862	36,862	36,862	3.39
		$1,595,793	$680,000		$636,072	$1,316,072	$2,911,865	

*Includes rate increase adopted 12/2025

AVERAGE (MATURITY) LIFE	**18.48 YEARS**
NET INTEREST RATE	**5.061%**
COST SAVINGS	**$0**
AVERAGE ANNUAL REQUIREMENT	**$97,062**

Disclaimer: This is a working document and is provided as a courtesy. All information contained herein, including the proposed interest rate, is subject to change upon further review of the TWDB in accordance with 31 Texas Administrative Code Chapters 363, 371, 375, or 384, as applicable. The TWDB does not function as a financial advisor to anyone in connection with this financing. The information contained in this document is used by TWDB staff to analyze the application for financing is illustrative only and does not constitute any guaranty of future rates. The TWDB makes no claim regarding the applicability of the information at closing, at which time actual rates will be set.

Project Budget Summary
Greater Texoma UA
21924 - GTUA/Gober MUD

Budget Items	TWDB Funds	Total
Construction		
Construction	$455,000.00	$455,000.00
Subtotal for Construction	**$455,000.00**	**$455,000.00**
Basic Engineering Services		
Construction Engineering	$23,000.00	$23,000.00
Design	$36,000.00	$36,000.00
Planning	$15,200.00	$15,200.00
Subtotal for Basic Engineering Services	**$74,200.00**	**$74,200.00**
Special Services		
Application	$10,000.00	$10,000.00
Environmental	$5,000.00	$5,000.00
Inspection	$7,500.00	$7,500.00
Surveying	$2,800.00	$2,800.00
Subtotal for Special Services	**$25,300.00**	**$25,300.00**
Fiscal Services		
Bond Counsel	$6,850.00	$6,850.00
Bond Reserve Fund	$37,400.00	$37,400.00
Financial Advisor	$6,850.00	$6,850.00
Fiscal/Legal	$8,750.00	$8,750.00
Subtotal for Fiscal Services	**$59,850.00**	**$59,850.00**
Other		
Administration	$4,000.00	$4,000.00
Other (Advertisement)	$6,000.00	$6,000.00
Subtotal for Other	**$10,000.00**	**$10,000.00**
Contingency		
Contingency	$55,650.00	$55,650.00
Subtotal for Contingency	**$55,650.00**	**$55,650.00**
Total	$680,000.00	$680,000.00

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF
$680,000 TO GREATER TEXOMA UTILITY AUTHORITY
FROM THE FINANCIAL ASSISTANCE ACCOUNT OF
THE TEXAS WATER DEVELOPMENT FUND II
THROUGH THE PROPOSED PURCHASE OF
$680,000 GREATER TEXOMA UTILITY AUTHORITY CONTRACT REVENUE BONDS,
PROPOSED SERIES 2026 (GOBER MUNICIPAL UTILITY DISTRICT PROJECT)

(26-)

Recitals:

The Greater Texoma Utility Authority (Authority), located in Fannin County, Texas, has filed an application for financial assistance in the amount of $680,000 from the Financial Assistance Account of the Texas Water Development Fund II, established by Texas Water Code § 17.959, to finance water system improvements, identified as Project No. 21924.

The Authority seeks financial assistance from the Texas Water Development Board (TWDB) in the amount of $680,000 through the TWDB's purchase of $680,000 Greater Texoma Utility Authority Contract Revenue Bonds, Proposed Series 2026 (Gober Municipal Utility District Project) (Obligations) (together with all authorizing documents), as is more specifically set forth in the application and in recommendations of the TWDB's staff.

The Authority has offered a pledge of contract revenues as sufficient security for the repayment of the Obligations.

The commitment is approved for funding under the TWDB's pre-design funding option, and initial and future releases of funds are subject to 31 TAC § 363.16.

In accordance with Texas Water Code § 17.124, the TWDB has considered all matters required by law and in particular the following:

1. The needs of the area to be served by the water supply project, the benefit of the water supply project to the area, the relationship of the water supply project to the overall, statewide water needs, and the relationship of the water supply project to the approved regional and state water plans.

2. The availability of revenue to the Authority, from all sources, for the ultimate repayment of the cost of the water supply project, including interest.

Findings:

1. The public interest requires state assistance in the financing of this project, in accordance with Texas Water Code § 17.125(a)(1).

2. In its opinion the tax or revenue pledged by the Authority will be sufficient to meet all the Obligations assumed by the Authority during the succeeding period of not more than 50 years, in accordance with Texas Water Code § 17.125(a)(2).

3. The application and financial assistance requested meet the requirements of Chapter 17, Subchapters D, E, and L, Water Code, and the TWDB's rules set forth in 31 TAC Chapter 363, Subchapter A.

4. The Authority has adopted and implemented a water conservation program for the more efficient use of water that will meet reasonably anticipated local needs and conditions and that incorporates practices, techniques or technology prescribed by the Texas Water Code and TWDB's rules.

5. The TWDB has approved a regional water plan for the region of the state that includes the area benefiting from the project and the needs to be addressed by the project will be addressed in a manner that is consistent with the approved regional and state water plans, as required by Texas Water Code § 16.053(j).

6. The Authority has completed its current water audit required by Texas Water Code § 16.0121 and has filed it with the TWDB, in accordance with Texas Water Code § 16.053(j).

NOW THEREFORE, based on these findings, the TWDB resolves:

A commitment is made by the TWDB to the Greater Texoma Utility Authority for financial assistance in the amount of $680,000 from the Financial Assistance Account of the Texas Water Development Fund II, to be evidenced by the TWDB's proposed purchase of $680,000 Greater Texoma Utility Authority Contract Revenue Bonds, Proposed Series 2026 (Gober Municipal Utility District Project). This commitment will expire on May 31, 2027.

This commitment is conditioned as follows:

Standard Conditions:

1. This commitment is contingent on a future sale of bonds by the TWDB or on the availability of funds on hand as determined by the TWDB.

2. This commitment is contingent upon the issuance of a written approving opinion of the Attorney General of the State of Texas stating that the Authority has complied with all of the requirements of the laws under which the Obligations were issued; that the Obligations were issued in conformance with the Constitution and laws of the State of Texas; and that the Obligations are valid and binding obligations of the Authority.

3. This commitment is contingent upon the Authority's continued compliance with all applicable laws, rules, policies, and guidance as these may be amended from time

to time to adapt to a change in law, in circumstances, or any other legal requirement.

4. The Obligations must provide that the Obligations can be called for early redemption only in inverse order of maturity, and on any date beginning on or after the first interest payment date that is 10 years from the dated date of the Obligations, at a redemption price of par, together with accrued interest to the date fixed for redemption.

5. The Obligations must provide that the Authority will comply with all applicable TWDB laws and rules related to the use of the financial assistance.

6. The Obligations must provide that the Authority must comply with all conditions as specified in the final environmental finding of the Executive Administrator when issued, including the standard emergency discovery conditions for threatened and endangered species and cultural resources.

7. The Obligations must contain a provision requiring the Authority to maintain insurance coverage sufficient to protect the TWDB's interest in the project.

8. The Obligations must provide that the Authority, or an obligated person for whom financial or operating data is presented to the TWDB in the application for financial assistance either individually or in combination with other issuers of the Authority's Obligations or obligated persons, will, at a minimum, regardless of the amount of the Obligations, covenant to comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by the Securities and Exchange Commission (SEC) in 17 CFR § 240.15c2-12 (Rule 15c2-12) and determined as if the TWDB were a Participating Underwriter within the meaning of SEC rule 15c2-12, the continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the Authority's Obligations, if the TWDB sells or otherwise transfers the Obligations, and the beneficial owners of the TWDB's bonds if the Authority is an obligated person with respect to the bonds under SEC Rule 15c2-12.

9. The Obligations must require the Authority to use any surplus financial assistance proceeds from the Obligations remaining after completion of the Project and completion of a final accounting in a manner approved by the Executive Administrator.

10. The Obligations must provide that the TWDB may exercise all remedies available to it in law or equity, and any provision of the Obligations that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect.

11. Financial assistance proceeds are public funds. Therefore, the Obligations must require that these proceeds be held at a designated state depository institution or other properly chartered and authorized institution in accordance with the Public Funds Investment Act, Government Code, Chapter 2256 and the Public Funds Collateral Act, Government Code, Chapter 2257.

12. Financial assistance proceeds shall not be used by the Authority when sampling, testing, removing, or disposing of contaminated soils or media at the project site. The Obligations must provide that the Authority is solely responsible for liability resulting from acts or omissions of the Authority, its employees, contractors, or agents arising from the sampling, analysis, transport, storage, treatment, recycling, and disposition of any contaminated sewage sludge, contaminated sediments or contaminated media that may be generated by the Authority, its contractors, consultants, agents, officials, and employees as a result of activities relating to the Project to the extent permitted by law.

13. Before closing, the Authority must submit documentation evidencing the adoption and implementation of sufficient system rates and charges or, if applicable, the levy of an interest and sinking tax rate sufficient for the repayment of all system debt service requirements.

14. Before closing, and if required under the TWDB's financial assistance program and not previously provided with the application, the Authority must submit an executed engineering contract as appropriate for the project scope of work, and an executed financial advisor contract and executed bond counsel contract as appropriate for the work to be performed in obtaining the TWDB's financial assistance for the project, in a form and substance satisfactory to the Executive Administrator. Fees to be reimbursed under any consulting contract must be reasonable in relation to the services performed, must be reflected in the contract, and must be acceptable to the Executive Administrator.

15. Before closing, when any portion of financial assistance proceeds are to be held in escrow or in trust, the Authority must execute an escrow agreement or trust agreement, approved as to form and substance by the Executive Administrator, and must submit that executed agreement to the TWDB.

16. The Executive Administrator may require that the Authority execute a separate financing agreement in form and substance acceptable to the Executive Administrator.

17. The Authority must abide by all applicable construction contract requirements related to the use of iron and steel products produced in the United States, as required by Texas Government Code, Chapter 2252, Subchapter F and Texas Water Code § 17.183.

18. The Authority must immediately notify TWDB, in writing, of any suit against it by the Attorney General of Texas under Texas Penal Code § 1.10(f) (related to federal laws regulating firearms, firearm accessories, and firearm ammunition).

19. Before closing, the City shall submit to the escrow agent a closing memo signed by the Executive Administrator.

Conditions Related To Tax-Exempt Status:

20. Before closing, the Authority's bond counsel must prepare a written opinion that states the interest on the Obligations is excludable from gross income or is exempt from federal income taxation. Bond counsel may rely on covenants and representations of the Authority when rendering this opinion.

21. Before closing, the Authority's bond counsel must prepare a written opinion that states the Obligations are not "private activity bonds." Bond counsel may rely on covenants and representations of the Authority when rendering this opinion.

22. The Obligations must include a provision prohibiting the Authority from using the proceeds of this financial assistance in a manner that would cause the Obligations to become "private activity bonds" within the meaning of § 141 of the Internal Revenue Code of 1986, as amended (Code) and the Treasury Regulations promulgated thereunder (Regulations).

23. The Obligations must provide that no portion of the proceeds of the financial assistance will be used, directly or indirectly, in a manner that would cause the Obligations to be "arbitrage bonds" within the meaning of § 148(a) of the Code and Regulations, including to acquire or to replace funds used, directly or indirectly, to acquire Nonpurpose Investments (as defined in the Code and Regulations) that produce a yield materially higher than the yield on the TWDB's bonds issued to provide the financial assistance (Source Series Bonds), other than Nonpurpose Investments acquired with:

    a. proceeds of the TWDB's Source Series Bonds invested for a reasonable temporary period of up to three (3) years after the issue date of the Source Series Bonds until such proceeds are needed for the facilities to be financed;

    b. amounts invested in a bona fide debt service fund, within the meaning of § 1.148-1(b) of the Regulations; and

    c. amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed the least of maximum annual debt service on the Obligations, 125% of average annual debt service on the Obligations, or 10 percent of the stated principal amount, or, in the case of a discount, the issue price of the Obligations.

24. The Obligations must require the Authority to take all necessary steps to comply with the requirement that certain amounts earned on the investment of gross proceeds of the Obligations be rebated to the federal government in order to satisfy the requirements of § 148 of the Code. The Obligations must provide that the Authority will:

    a. account for all Gross Proceeds, as defined in the Code and Regulations, (including all receipts, expenditures, and investments on its books of account) separately and apart from all other funds (and receipts, expenditures, and investments) and retain all records of such accounting for at least six years after the final Computation Date. The Authority may, however, to the extent permitted by law, commingle Gross Proceeds of its financial assistance with other money of the Authority, provided that the Authority separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired with those proceeds;

b. calculate the Rebate Amount, as defined in the Code and Regulations, with respect to its financial assistance, not less frequently than each Computation Date, in accordance with rules set forth in § 148(f) of the Code, § 1.148-3 of the Regulations, and the rulings under the Code. The Authority must maintain a copy of such calculations for at least six years after the final Computation Date;

c. as additional consideration for the making of the financial assistance, and in order to induce the making of the financial assistance by measures designed to ensure the excludability of the interest on the TWDB's Source Series Bonds from the gross income of the owners for federal income tax purposes, pay to the United States the amount described in paragraph (b) above within 30 days after each Computation Date; and

d. exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (b) and, if an error is made, to discover and promptly correct the error within a reasonable amount of time after discovery, including payment to the United States of any interest and any penalty required by the Regulations.

25. The Obligations must include a provision prohibiting the Authority from taking any action that would cause the interest on the Obligations to be includable in gross income for federal income tax purposes.

26. The Obligations must provide that the Authority will not cause or permit the Obligations to be treated as "federally guaranteed" obligations within the meaning of § 149(b) of the Code.

27. The Obligations must contain a covenant that the Authority will refrain from using the proceeds of the Obligations to pay debt service on another issue of obligations of the borrower in contravention of section 149(d) of the Code (related to "advance refundings").

28. The transcript must include a No Arbitrage Certificate or similar Federal Tax Certificate setting forth the Authority's reasonable expectations regarding the use, expenditure and investment of the proceeds of the Obligations.

29. The transcript must include evidence that the information reporting requirements of § 149(e) of the Code will be satisfied. This requirement may be satisfied by filing an IRS Form 8038 with the Internal Revenue Service. In addition, the completed

IRS Form 8038, or other evidence that the information reporting requirements of § 149(e) have been satisfied, must be provided to the Executive Administrator within 14 days of closing. The Executive Administrator may withhold the release of funds for failure to comply.

30. The Obligations must provide that neither the Authority nor a related party will acquire any of the TWDB's Source Series Bonds in an amount related to the amount of the Obligations to be acquired from the Authority by the TWDB.

31. Before closing, the Authority must provide certification that the average weighted maturity of the Obligations purchased by the TWDB does not exceed 120 percent of the average reasonably expected economic life of the Project.

Pledge Conditions:

32. Upon request by the Executive Administrator, the Authority must submit annual audits of contracting parties for the Executive Administrator's review.

33. The Obligations must require the Authority to maintain and enforce the contracts with its customers so that the revenues paid to the Authority by its customers are sufficient to meet the revenue requirements of the Authority's obligations arising from the operation of the water and sewer system.

34. The Obligations must provide that the pledged contract revenues from the Authority will not be pledged to the payment of any additional parity obligations of the Authority secured by a pledge of the same contract revenues unless the Authority demonstrates to the Executive Administrator's satisfaction that the pledged contract revenues will be sufficient for the repayment of all Obligations and additional parity obligations.

35. Before closing, the Authority must submit executed contracts between the Authority and the contracting parties regarding the contract revenues pledged to the payment of the Authority's Obligations, in form and substance acceptable to the Executive Administrator. The contracts must include provisions consistent with the provisions of this Resolution regarding the contracting parties' annual audits, the setting of rates and charges, and collection of revenues sufficient to meet the Authority's debt service obligations and additional parity obligations.

APPROVED and ordered of record this, the 11th day of May 2026.

TEXAS WATER DEVELOPMENT BOARD

____

L’Oreal Stepney, P.E., Chairwoman

DATE SIGNED: __________________________

ATTEST:

____

Bryan McMath, Executive Administrator

Attachment 4

- [x] Water
- [ ] Wastewater
- [ ] Other ______________

WATER CONSERVATION REVIEW

Review Date: 03/25/2026

Project ID: 21924

Entity: Greater Texoma Utility Authority

Other entity: Gober MUD

WATER CONSERVATION PLAN DATE: 2025 — [ ] **Approvable** [x] **Adopted**

	Total GPCD	Residential GPCD	Water Loss GPCD
Baseline	78	53	25
5-year Goal	80	55	25
10-year Goal	78	54	24

WATER LOSS AUDIT YEAR: 2025 Validation Required: Yes Validation Performed: Yes

Service connections: 165

Retail population: 330

Length of main lines (miles): 13

Connections per mile: 12

Water Loss GCD: 22

Water Loss GPCD: 11

ILI: NA

Real Loss GMD: 233

WATER LOSS THRESHOLDS Water Loss Project: [x] Waiver Requested: [ ]

Wholesale Adjusted: [ ]

Threshold Type:

Connection Density < 32 per mile

Apparent Loss GCD		Real Loss GCD	
Reported	Threshold	Reported	Threshold
3	10	19	57

Does the applicant meet Water Loss Threshold Requirements? **Yes** [x] **No** [ ] **NA** [ ]

ADDITIONAL INFORMATION

The district's water conservation plan satisfies minimum requirements. Efforts to implement conservation goals and reduce water loss include:

- continuing the water education program currently in place,
- supporting a plumbing retrofit program,
- adding a xeriscaping measure in the next rate order update, and,
- maintaining a comprehensive leak detection and repair program.

STAFF NOTES AND RECOMMENDATIONS

Based on the 2025 water loss audit data the district is below the water loss thresholds. The proposed project is a water loss project, which includes replacing two existing water tanks to address it's real water loss. Water loss audit validation was completed on 03/18/2026. The validation changed the data of the water loss audit and did not impact the thresholds.

DEFINITIONS

Adopted refers to a water conservation plan that meets the minimum requirements of the water conservation plan rules and has been formally approved and adopted by the applicant's governing body.

Apparent losses are paper losses that occur when the water reaches a customer, but the volume is not accurately measured and/or recorded due to unauthorized consumption, customer meter inaccuracy, or billing system and collection data errors.

Approvable refers to a water conservation plan that substantially meets the minimum requirements of the water conservation plan rules but has not yet been adopted by the applicant's governing body.

Best Management Practices are voluntary efficiency measures that save a quantifiable amount of water, either directly or indirectly, and that can be implemented within a specific time frame.

GPCD means gallons per capita per day.

GCD means gallons per connection per day.

GMD means gallons per mile per day.

Infrastructure Leakage Index (ILI) is the current annual real loss divided by the unavoidable annual real loss (theoretical minimum real loss) and only applies to utilities with more than 3,000 connections and a connection density of more than 16 connections per mile. The **ILI** is recommended to be less than 3 if water resources are greatly limited and difficult to develop, between 3 and 5 if water resources are adequate to meet long-term needs but water conservation is included in long-term water planning, and between 5 and 8 if water resources are plentiful, reliable, and easily extracted. The **ILI** is recommended as a bench marking tool, but until there is increased data validity of the variables used in the calculation, the **ILI** should be viewed with care.

NA means not applicable.

Real losses are the physical losses, largely leakage, from the infrastructure: mains, valves, and storage tank overflows. Real loss constitutes background leakage (unreported and difficult to detect), unreported leakage (leaks that do not surface but could be detected), and reported leakage (leaks that often surface and those that are detected by the utility through leak detection).

Residential GPCD is the amount of residential water use (single and multi-family customer use) divided by the residential population divided by 365.

Total GPCD is the amount of total system input volume divided by the retail population divided by 365.

Total water loss is the sum of the apparent and real water losses.

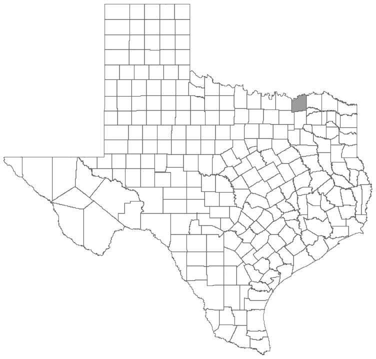
Water loss is the difference between the input volume and the authorized consumption within a water system. Water Loss consists of real losses and apparent losses.

Water Loss GPCD is the amount of water loss divided by the retail population divided by 365.

Water Loss per Connection per Day Calculated as the water loss volume divided by the number service connections divided by 365. This indicator allows for reliable performance tracking in the water utility's efforts to reduce water losses. It replaces water loss percentage.

Water Loss Thresholds are levels of real and apparent water loss determined by the connection density of a retail public utility, at or above which a utility receiving financial assistance from the Texas Water Development Board must use a portion of that financial assistance to mitigate the utility's system water loss.

Wholesale Adjusted represents that some utilities provide large volumes of wholesale water to other providers that travel through the general distribution system, so a calculation has been established to adjust for that volume of wholesale water. These adjustments are only applicable for use in determining whether a utility meets or exceeds water loss thresholds in review of their application for financial assistance. These adjustments should not be used for performance tracking or benchmarking.



Greater Texoma Utility Authority
Gober Municipal Utility District
Fannin County