

Texas Water Development Board

PROJECT FUNDING REQUEST

BOARD DATE: January 22, 2019

TEAM MANAGER: Dain Larsen

APPLICANT	Whitewater Springs Water Supply Corporation
TYPE OF ASSISTANCE	\$350,000 Loan Agreement (Taxable)
LEGAL PLEDGE	First Lien on Water System Gross Revenues and Mortgage Lien on the System

STAFF RECOMMENDATION

Approve No Action

ACTION REQUESTED

Approve by resolution a request from Whitewater Springs Water Supply Corporation (Burnet County) for \$350,000 in financing from the Texas Water Development Fund for refinancing of existing debt for the purchase of water system facilities.

PROJECT

Refinancing Debt
Project Number 21779

BACKGROUND

Whitewater Springs Water Supply Corporation (Corporation) provides water service to a population of approximately 231 in Burnet County, nine miles south of Bertram, Texas. On April 16, 2018, the Corporation received a commitment for financing from the Drinking Water State Revolving Fund (DWSRF) for the planning, acquisition, design, and construction of a new water well. A condition to close this commitment is a parity agreement with existing lender, which the Corporation has not been able to secure.

The Corporation proposes to refinance its existing debt with funds from the Texas Water Development Fund, to provide a projected cost savings, eliminate the need for the parity agreement, and allow the Corporation to move forward with its well project. The loan to be refinanced was used to purchase assets from the Lower Colorado River Authority, including a 100,000-gallon water storage tank; three water wells (total capacity of 59 gallons per minute) with associated pumps and piping; two buildings to house equipment for distribution; and approximately 15 miles of distribution piping.

FINANCIAL

Key Issues
None.

COMMITMENT PERIOD: ONE YEAR (1) TO EXPIRE ON JANUARY 31, 2020

Pledge and Repayment

The Corporation is pledging gross revenues of the water system and a mortgage lien on the system for the repayment of the proposed loan. The Corporation's current average monthly rate is \$96.00, which generates approximately \$105,255 in net revenues available for debt service and a coverage ratio of 3.23 in the first year of principal repayment.

Cost Savings

Based on a 25-year maturity and current interest rates, the Corporation could save approximately \$52,915 over the life of the financing.

Internal Risk Score

Staff assigns a 2A to the Corporation and the proposed project to be funded by the Texas Water Development Board. This means that the Corporation's payment capacity is strong.

The results of the Corporation's financial sustainability indicators are high. The current revenues available for debt service provide a high coverage ratio. The Corporation's level of reinvestment in the assets of the utility's infrastructure is adequate as indicated by an asset condition ratio of 19 years. A ratio greater than 24 years is considered high.

Burnet County data was considered for socioeconomic factors such as median household income, unemployment rate, and projected household cost factor. The average, unadjusted unemployment rate for the County was 2.7 percent in October 2018, compared to 3.5 percent in the state overall. The County's population has increased at an average annual rate of 0.69 percent since 2010, compared to an annual rate increase of 1.17 percent for the population of the state overall. The median household income for the Corporation's service area is \$59,646, which is 109 percent of the median for the state overall.

The household cost factor compares the annual cost of water and wastewater services, including any anticipated rate increases required to pay the proposed debt, to the median household income for the service area. The Corporation's household cost factor is 1.93 percent. The industry benchmark for the household cost factor is 1 percent for one service.

The Corporation's debt is supported by system revenues only. The utility system's ratio of debt to operating revenues, including the proposed loans, is at 3.15. A ratio of 4 to 6 is considered typical for utility systems.

The Corporation maintains reserves with unrestricted cash and short-term investments of approximately 1,302 days of the operating expenses of the utility system. An amount greater than 150 days is a high level of liquidity.

The Corporation generates sufficient revenues to meet the debt service requirements of the existing and proposed debt with a pledge of gross revenues. Self-supported debt by the utility system's revenues is moderate, which allows capacity for additional debt. The Corporation's high level of liquidity and low unemployment represents financial stability.

Based on TWDB's standard financial risk scoring for financial assistance applicants, the Corporation is assigned a risk score of 2A.

LEGAL

Key Issues

None.

Conditions

Standard Texas Water Development Fund, taxable, gross revenue conditions and additional conditions:

- Conversion and conveyance.

Attachments: 1. Project Data Summary
2. Debt Service Schedule
3. Engineering/Environmental Review
4. Project Budget
5. Resolution (19-)
6. Water Conservation Review
7. Location Map

Project Data Summary

Responsible Authority	Whitewater Springs Water Supply Corporation
Program	Texas Water Development Fund
Commitment Code	L1000934
Project Number	21779
Intended Use Plan Year	N/A
Type of Pledge	2- Revenue
Revenue Pledge Level	First
Legal Description	\$350,000 Loan Agreement
Tax-exempt or Taxable	Taxable
Refinance	Yes
Outlay Requirement	No
Disbursement Method	Escrow
Outlay Type	N/A
Population	231
Rural	Yes
Water Connections	77
Wastewater Connections	N/A
Qualifies as Disadvantaged	N/A
Disadvantaged Level	N/A
Clean Water State Revolving Fund Type	N/A
SWIFT Financing Type	N/A
SWIFT Characteristic	N/A
Financial Managerial & Technical Complete	N/A
Funding Phase Code	Refinance
Pre-Design	N/A
Project Consistent with Water Plan	Yes
Water Conservation Plan	Exempt (\$500,000 or less)
Water Rights Certification Required	No
Internal Risk Score	2A
External Ratings (for SRF rates)	
Standard and Poor's	Non-Rated
Moody's	Non-Rated
Fitch	Non-Rated
Special Issues	None.

Project Team

Team Manager	Dain Larsen
Financial Analyst	Hector Estrada
Engineering Reviewer	Hiwa Majeed
Environmental Reviewer	Kristin Miller
Attorney	Alexis Lorick

ISSUE BEING EVALUATED
FOR ILLUSTRATION PURPOSES ONLY
Whitewater Springs WSC

\$350,000 Whitewater Springs Water Supply Corporation Loan Agreement (taxable)

Dated Date: 3/1/2019	Source: WDF
Delivery Date: 3/1/2019	Rate: 4.55%
First Interest: 6/1/2019	IUP Year: 2018
First Principal: 6/1/2019	Case: Revenues
Last Principal: 6/1/2044	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	\$350,000 ISSUE				TOTAL DEBT SERVICE	COVERAGE
			PRINCIPAL PAYMENT	INTEREST RATE	INTEREST PAYMENT	TOTAL PAYMENT		
2019	\$105,255	\$11,360	\$10,000	3.20%	\$11,185	\$21,185	\$32,545	3.23
2020	105,255	11,199	10,000	3.33%	14,641	24,641	35,840	2.94
2021	105,255	11,038	10,000	3.41%	14,304	24,304	35,342	2.98
2022	105,255	10,877	10,000	3.49%	13,959	23,959	34,836	3.02
2023	105,255	10,716	10,000	3.59%	13,605	23,605	34,321	3.07
2024	105,255	10,555	10,000	3.73%	13,239	23,239	33,794	3.11
2025	105,255	10,394	10,000	3.83%	12,861	22,861	33,255	3.17
2026	105,255	10,233	10,000	3.96%	12,471	22,471	32,704	3.22
2027	105,255	10,072	10,000	4.01%	12,073	22,073	32,145	3.27
2028	105,255	9,911	10,000	4.06%	11,669	21,669	31,580	3.33
2029	105,255	9,750	10,000	4.21%	11,256	21,256	31,006	3.39
2030	105,255	9,589	10,000	4.21%	10,835	20,835	30,424	3.46
2031	105,255	9,428	15,000	4.31%	10,301	25,301	34,729	3.03
2032	105,255	14,186	15,000	4.36%	9,651	24,651	38,837	2.71
2033	105,255	13,864	15,000	4.41%	8,993	23,993	37,857	2.78
2034	105,255	13,542	15,000	4.67%	8,312	23,312	36,854	2.86
2035	105,255	13,220	15,000	4.67%	7,611	22,611	35,831	2.94
2036	105,255	12,898	15,000	4.67%	6,911	21,911	34,809	3.02
2037	105,255	12,576	15,000	4.67%	6,210	21,210	33,786	3.12
2038	105,255	12,254	15,000	4.67%	5,510	20,510	32,764	3.21
2039	105,255	11,932	15,000	4.67%	4,809	19,809	31,741	3.32
2040	105,255	11,610	20,000	4.67%	3,992	23,992	35,602	2.96
2041	105,255	11,288	20,000	4.67%	3,058	23,058	34,346	3.06
2042	105,255	10,966	20,000	4.67%	2,124	22,124	33,090	3.18
2043	105,255	10,644	20,000	4.67%	1,190	21,190	31,834	3.31
2044	105,255	15,242	15,000	4.82%	362	15,362	30,604	3.44
		\$299,344	\$350,000		\$231,126	\$581,126	\$880,470	

AVERAGE (MATURITY) LIFE	14.52 YEARS
NET INTEREST RATE	4.547%
COST SAVINGS	\$52,915
AVERAGE ANNUAL REQUIREMENT	\$33,864

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.

Whitewater Springs WSC
21779 Whitewater Springs WSC Refinancing
Debt
Engineering and Environmental Review

Engineering:

Key Issues:

None.

Project Need/Description

Project Need: On April 16, 2018, the Corporation received a commitment for financing from the Drinking Water State Revolving Fund (DWSRF) for the planning, acquisition, design, and construction of a new water well. A condition to close this commitment is a parity agreement with existing lenders. The Corporation has not been able to obtain a parity agreement with its existing lender. On October 3, 2018, the Corporation received a six-month extension to the commitment to allow for submission of a Texas Water Development Board (TWDB) application to refinance its existing debt.

Project Description: The Corporation proposes to refinance its existing debt with funds from the Texas Water Development Fund, to provide a projected cost savings, eliminate the need for a parity agreement, and allow the Corporation to move forward with its well project. The loan to be refinanced was used to purchase assets from the Lower Colorado River Authority, including a 100,000-gallon water storage tank; three water wells (total capacity of 59 gallons per minute) with associated pumps and piping; two buildings to house equipment for distribution; and approximately 15 miles of distribution piping.

Project Schedule:

Project Task	Schedule Date
Closing	3/1/2019

Environmental Section:

Key Issues:

None.

Environmental Summary:

As set forth in the preliminary environmental information submitted by the applicant, there are no known environmental, social, or permitting issues that would preclude completion of the project. Based on this initial environmental review, it is not anticipated that the proposed project's primary environmental impacts should be significant or adverse, nor should they affect project implementation.

Pursuant to the requirements of 31 Texas Administrative Code § 363.14, all financial assistance shall be conditioned to read that funding for construction costs for specific project elements will not be released until the environmental review has been completed and a favorable environmental determination has been issued.



Project Budget Summary
Whitewater Springs WSC
21779 - Whitewater Springs WSC Refinancing Debt

Attachment 4

Budget Items	This Commitment	TWDB Funds	Total
Other			
Loan Refinancing	\$350,000.00	\$350,000.00	\$350,000.00
Subtotal for Other	\$350,000.00	\$350,000.00	\$350,000.00
Total	\$350,000.00	\$350,000.00	\$350,000.00

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE IN THE AMOUNT OF
\$350,000 TO THE WHITEWATER SPRINGS WATER SUPPLY CORPORATION
FROM THE FINANCIAL ASSISTANCE ACCOUNT OF
THE TEXAS WATER DEVELOPMENT FUND II
THROUGH THE PROPOSED PURCHASE OF
A PROMISSORY NOTE IN THE AMOUNT OF \$350,000
AND EXECUTION OF A LOAN AGREEMENT

(19 -)

WHEREAS, the Whitewater Springs Water Supply Corporation (Corporation), located in Burnet County, Texas, has filed an application for financial assistance in the amount of \$350,000 from the Financial Assistance Account of the Texas Water Development Fund II, established by Texas Water Code § 17.959, to refinance the purchase of a water system from the Lower Colorado River Authority, identified as Project No. 21779; and

WHEREAS, the Corporation seeks financial assistance from the Texas Water Development Board (TWDB) in the amount of \$350,000 through the TWDB's purchase of a Promissory Note in the amount of \$350,000 and execution of a Loan Agreement (together with all authorizing documents (Obligations)), all as is more specifically set forth in the application and in recommendations of the TWDB's staff; and

WHEREAS, the TWDB has previously approved a commitment to the Corporation through TWDB Resolution No. 18-049 for financial assistance from the Drinking Water State Revolving Fund for Project No. 62783 in the amount of \$500,000 through the proposed purchase of a Promissory Note in the amount of \$200,000 and the execution of a Principal Forgiveness Agreement in the amount of \$300,000; and

WHEREAS, Condition No. 32 of TWDB Resolution No. 18-049 requires the Corporation to execute a parity agreement for certain debt that "will remain outstanding after closing the TWDB's loan," such loan being the commitment made by Resolution No. 18-049; and

WHEREAS, the commitment period of the loan made to the Corporation pursuant to TWDB Resolution No. 18-049 expires October 31, 2019; and

WHEREAS, the Corporation cannot secure an agreement from the holder of its existing debt to agree to parity with the TWDB for the loan to be made by the TWDB, thusly, the Corporation has requested the TWDB to refinance the Corporation's existing debt to comply with Condition No. 32 of TWDB Resolution No. 18-049; and

WHEREAS, the Executive Administrator recommends that the TWDB refinance the Corporation's existing debt to close the commitment made by TWDB Resolution No. 18-049; and

WHEREAS, the Corporation has offered a pledge of its gross revenues and a mortgaged deed of trust as sufficient security for the repayment of the Obligations; and

WHEREAS, 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; and
2. the availability of revenue to the Corporation, from all sources, for the ultimate repayment of the cost of the water supply project, including interest.

WHEREAS, the TWDB hereby finds:

1. that the public interest requires state assistance in the water supply project, in accordance with Texas Water Code § 17.125(a)(1);
2. that in its opinion the tax and/or revenue pledged by the Corporation will be sufficient to meet all the Obligations assumed by the Corporation during the succeeding period of not more than 50 years, in accordance with Texas Water Code § 17.125(a)(2);
3. that the Corporation is exempt from requirements to adopt a water conservation program because the TWDB's financial assistance will be \$500,000 or less;
4. that 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;
5. that 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); and
6. that the current water audit required by Texas Water Code § 16.0121 has been completed by the Corporation and filed with the TWDB, in accordance with Texas Water Code § 16.053(j).

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

A commitment is made by the TWDB to the Whitewater Springs Water Supply Corporation for financial assistance in the amount of \$350,000 from the Financial

Assistance Account of the Texas Water Development Fund II, to be evidenced by the TWDB's purchase of \$350,000 a Promissory Note in the amount of \$350,000 and execution of a Loan Agreement. This commitment will expire on January 31, 2020.

Such 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;
2. prior to closing, the Corporation must submit to the Executive Administrator an attorney's opinion confirming the legal authority for the Corporation to incur the debt;
3. this commitment is contingent upon the Corporation's 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), including but not limited to 31 TAC Chapter 363;
4. the Obligations must provide that the Corporation may prepay all or part of the amounts of principal and interest then due on the loan on any regularly scheduled payment date as specified in the Repayment Schedule, as revised, beginning no earlier than the first interest payment date that is 10 years from the date of the first delivery of funds from the TWDB to the Corporation pursuant to this Agreement;
5. the Obligations must include a provision wherein the Corporation, 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 Corporation's Obligations or obligated persons, will, at a minimum, covenant to comply with requirements for continuing disclosure on an ongoing basis substantially in the manner required by 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 such rule, such continuing disclosure undertaking being for the benefit of the TWDB and the beneficial owners of the Corporation's Obligations, if the TWDB sells or otherwise transfers such Obligations, and the beneficial owners of the TWDB's bonds if the Corporation is an obligated person with respect to such bonds under SEC Rule 15c2-12;
6. the Obligations must contain a provision requiring the Corporation to levy a tax and/or maintain and collect sufficient rates and charges to produce system revenues in an amount necessary to meet the debt service requirements of all outstanding obligations and to maintain the funds established and required by the Obligations;

7. the Obligations must include a provision requiring the City to use any surplus loan proceeds from the Obligations remaining after completion of a final accounting in a manner as approved by the Executive Administrator; and
8. the Obligations must contain a provision 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;
9. financial assistance proceeds are public funds and, as such, the Obligations must include a provision requiring that these proceeds shall 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;
10. financial assistance proceeds shall not be used by the Corporation when sampling, testing, removing or disposing of contaminated soils and/or media at the project site. The Obligations shall include an environmental indemnification provision wherein the Corporation agrees to indemnify, hold harmless and protect the TWDB from any and all claims, causes of action or damages to the person or property of third parties arising from the sampling, analysis, transport, storage, treatment and disposition of any contaminated sewage sludge, contaminated sediments and/or contaminated media that may be generated by the Corporation, its contractors, consultants, agents, officials and employees as a result of activities relating to the project to the extent permitted by law;
11. prior to closing, the Corporation shall 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;
12. prior to closing, and if required under the TWDB's financial assistance program and not previously provided with the application, the Corporation shall 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 that are 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;
13. prior to closing, when any portion of financial assistance proceeds are to be held in escrow or in trust, the Corporation shall execute an escrow agreement or trust agreement, approved as to form and substance by the Executive Administrator, and shall submit that executed agreement to the TWDB;

14. the Executive Administrator may require that the Corporation execute a separate financing agreement in form and substance acceptable to the Executive Administrator;

Pledge Conditions for the Loan

15. the Obligations must include a provision stating that the Corporation's indebtedness to the TWDB shall be secured by:
 - a. a first or parity lien on the gross revenues of the Corporation's water system (System); and
 - b. a first or parity lien mortgage on the System;
16. upon closing or within 20 days after closing, the Corporation must file a Deed of Trust with the County Clerk of the county in which the property is located, as required by Business and Commerce Code, Chapter 9, or a Utility Security Instrument with the Secretary of State's Office and corresponding notice with the County Clerk, as required by Business and Commerce Code, Chapter 261, as evidence of the TWDB's security interest in the Corporation's System. Within thirty (30) days of the date of each filing, the Corporation shall submit a copy of the recorded instrument to the TWDB;
17. upon closing or within 20 days after closing, the Corporation must file a security instrument with the Secretary of State's Office, as required by Business and Commerce Code, Chapter 9 or Chapter 261 to evidence the TWDB's security interest in any personal property directly related to water supply and/or sewer service, owned or to be acquired by the Corporation. A copy of the recorded security instrument shall be submitted by the Corporation to the TWDB within thirty (30) days of its filing with the Secretary of State's Office;
18. prior to closing, the Corporation must obtain a commitment from a title insurance company in accordance with the standards established by the Texas Department of Insurance, resulting in the issuance of a mortgagee title insurance policy on the property owned in fee simple, upon which the TWDB will be given a first or parity lien mortgage. A copy of the mortgagee title insurance policy shall be submitted to the TWDB within thirty (30) days of its execution;
19. prior to closing, the Corporation must cure any defects or liens upon the property listed in Schedule C of the title insurance company commitment that the Executive Administrator deems necessary;
20. prior to release of funds, the Corporation must provide the TWDB with evidence that the necessary acquisitions of land, leases, easements, and rights-of-way have been completed, or that the Corporation has the legal authority necessary to complete the acquisitions;

21. prior to closing, the Corporation must submit to the Executive Administrator evidence that the Corporation's bylaws have been amended to include the following requirements:
 - a. as long as the Corporation is indebted for a loan or loans made by or through the TWDB, the bylaws shall not be altered, amended or repealed without the prior written consent of the Executive Administrator; and
 - b. the Corporation is a nonprofit entity; no part of the income of the Corporation will be distributed to the Corporation's members, directors, or officers;
22. prior to closing, if the Corporation is pledging a lien on real property that is to be on parity with a lien or liens on real property securing debt that will remain outstanding after closing the TWDB's loan, then the Corporation must execute a Parity Agreement with each entity that holds such debt that is acceptable in form and substance to the Executive Administrator; and
23. the Obligations shall include a special covenant prohibiting the Corporation from encumbering, pledging, or otherwise impairing the revenues of the System in any manner with respect to the payment of any Obligations or with respect to any liability, except for the payment of the following: (1) maintenance and operating expenses payable within the current fiscal year with current revenues; and (2) additional debt, and that the Corporation shall in no way encumber, pledge or otherwise impair its title to the land used by or for the System or any interests therein, including improvements and facilities of the System, without prior TWDB approval;

PROVIDED, however, the commitment is subject to the following special conditions:

Special Conditions:

24. the Corporation must notify the Executive Administrator in writing thirty (30) days prior to taking any actions to alter its legal status in any manner; and
25. the Obligations must include a provision requiring that the Corporation notify the Executive Administrator in writing prior to any action by it to convey its Obligations held by the TWDB to another entity; the conveyance and the assumption of the Obligations must be approved by the TWDB.

APPROVED and ordered of record this, the 22nd day of January, 2019.

TEXAS WATER DEVELOPMENT BOARD

Peter M. Lake, Chairman

DATE SIGNED: _____

ATTEST:

Jeff Walker
Executive Administrator

WATER CONSERVATION REVIEW

Entity: _____

Review date: _____

WATER CONSERVATION PLAN DATE: **Approvable** **Adopted**

	Total GPCD	Residential GPCD	Water Loss GPCD	Water Loss Percent
Baseline				
5-year Goal				
10-year Goal				

WATER LOSS AUDIT YEAR:

Total water loss (GPCD): _____ Total water loss (percent): _____ Wholesale Water
 Total no. of connections: _____ Length of mains (miles): _____ Connections per mile: _____
 If > 16 connections per mile and > 3,000 connections, Infrastructure Leakage Index (ILI): _____

WATER LOSS THRESHOLDS:

	Apparent Loss Gallons per connection per day	Real Loss Gallons per mile per day	Real Loss Gallons per connection per day	Apparent Threshold Gallons per connection per day	Real Threshold Gallons per mile per day	Real Threshold Gallons per connection per day
If population ≤ 10K, connections/mile < 32 :						
If population ≤ 10K, connections/mile ≥ 32 :						
If population > 10K :						

Does the applicant meet Water Loss Threshold requirements? Yes No NA

ADDITIONAL INFORMATION:

STAFF NOTES AND RECOMMENDATIONS:

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 loss refers to unauthorized consumption, meter inaccuracy, billing adjustments, and waivers.

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.

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 5,000 connections, average pressure greater than 35 psi, and a connection density of more than 32 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 benchmarking 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.

Produced water is the total amount of water purchased or produced by the utility.

Real loss comes from main breaks and leaks, storage tank overflows, customer service line breaks, and leaks.

Residential GPCD is the amount of water per capita used solely for residential use and ideally includes both single and multi-family customer use.

Total baseline GPCD is the amount of all water purchased or produced by the utility divided by the service area population and then 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 Thresholds are levels of real and apparent water loss determined by the size and 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.



Whitewater Springs WSC Burnet County

