



**PROJECT FUNDING REQUEST**

**BOARD DATE:** March 13, 2025

**Team Manager:** Nancy Richards

**ACTION REQUESTED**

Consider approving by resolution a request from the Ames-Minglewood Water Supply Corporation (Liberty County) for \$4,450,000 in financial assistance consisting of \$445,000 in financing and \$4,005,000 in grant from the Rural Water Assistance Fund for planning, design, and construction of water system improvements.

**STAFF RECOMMENDATION**

Approve       No Action

**BACKGROUND**

The Ames-Minglewood Water Supply Corporation’s (Corporation) is located approximately 40 miles northeast of downtown Houston. The Corporation provides water service to a population of approximately 1,704 residents and 621 water connections.

**PROJECT NEED AND DESCRIPTION**

The Corporation’s water distribution system components are beyond their useful life, resulting in high water loss. In addition, it has inadequate storage and delivery capacities, along with deteriorating service pumps.

The Corporation proposes to replace 30,595 linear feet of waterlines, 124 water meters, and a 55,000-gallon elevated storage tank. The tank will be expanded to a capacity of 60,000 gallons and 2 service pumps will be expanded from 460 to 1,000 gallons per minute. The Corporation will also add 31 fire hydrants.

**PROJECT SCHEDULE**

<b>Task</b>	<b>Schedule Date</b>
Closing	June 1, 2025
Engineering Feasibility Report Completion (End of Planning Phase)	November 30, 2025
Design Phase	January 31, 2026
Start of Construction	March 1, 2026
Construction Completion	March 1, 2027

**COMMITMENT PERIOD: SIX (6) MONTHS TO EXPIRE SEPTEMBER 30, 2025**

**KEY ISSUES**

The Corporation qualifies for \$4,005,000 in grant funding as an applicant with a population between 1,001 and 10,000 for a water loss mitigation project.

**LEGAL/SPECIAL CONDITIONS**

- Executed grant agreement
- Conveyance and conversion

## Attachments:

1. Financial Review
2. Project Budget
3. Resolution (25- )
4. Water Conservation Review
5. Location Map

# Financial Review Ames-Minglewood WSC

Attachment 1

Risk Score: 2A

Audit Reviewed: FY 2023

## Key Indicators

Indicator	Result	Benchmark
Population Growth, Average Annual 2010-2020	County: 1.94%	State: 1.49%
Top 10 Customers % of Total Revenue	12%	10-15%
Median Household Income as % of State	82%	100%
Days of Cash on Hand (3-year Average)	1,314 days	30-149 days
Net Fixed Assets/ Annual Depreciation	14 years	12-24 years
Debt Service Coverage Ratio	2.57x	1.0x
Debt-to-Operating Revenues	1.36x	4.00-5.99x
Unemployment Rate (November, 2024)	County: 5.60%	State: 4.20%
Working Capital Ratio	27.88	> 1.0
Cash Balance Ratio	103.91%	0-9.99%

### Key Risk Score Strengths

- The Corporation has sufficient water revenues to meet debt service coverage requirements without raising water rates.
- The Corporation has a three-year average of 1,314 days of cash on hand, indicating it has sufficient reserves and is well positioned to deal with fiscal emergencies.
- A high working capital ratio provides the Corporation with ample resources to cover short-term liabilities and shows a strong liquidity position.
- Connections have grown by 7 percent over the past five years, increasing from 580 to 621.

### Key Risk Score Concerns

- County unemployment is slightly higher than the benchmark and the median household income is lower; however, connections are steadily growing, the Corporation has ample cash reserves, and revenue streams are stable.

### PLEDGE

Legal Pledge Name	First Lien on System Revenues
Type of Pledge	<input type="checkbox"/> Tax <input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Tax & Revenue <input type="checkbox"/> Contract <input type="checkbox"/> Other
Revenue Pledge Level	<input checked="" type="checkbox"/> First <input type="checkbox"/> Second <input type="checkbox"/> Third <input type="checkbox"/> N/A

### RATES AND CHARGES

Average Residential Use	Gallons/Month	Current Rates	Projected Rates	Current Household Cost Factor	Projected Household Cost Factor
Water	3,000	\$36.00	\$36.00	1.72	1.72

### Cost Savings

Based on a 20-year maturity schedule and current interest rates, the Corporation could save approximately \$170,171 over the life of the financing. The Corporation is also saving \$4,005,000 in grant funding.

## Project Data Summary

<b>Responsible Authority</b>	Ames-Minglewood WSC
<b>Program</b>	RWAF
<b>Commitment Number</b>	G1002038, L1002039
<b>Project Number</b>	21855
<b>List Year</b>	2024
<b>Type of Pledge</b>	Revenue Pledge
<b>Pledge Level (if applicable)</b>	First Lien
<b>Legal Description</b>	\$4,005,000 Grant Agreement, \$445,000 Ames-Minglewood Water Supply Corporation Taxable Loan Agreement 2025
<b>Tax-exempt or Taxable</b>	Taxable
<b>Refinance</b>	No
<b>Outlay Requirement</b>	Yes
<b>Disbursement Method</b>	Escrow
<b>Outlay Type</b>	Outlay = Escrow Release
<b>Qualifies as Disadvantaged</b>	No
<b>Financial Managerial &amp; Technical Complete</b>	N/A
<b>Phases Funded</b>	Planning, Design, and Construction
<b>Pre-Design</b>	Yes
<b>Project Consistent with State Water Plan</b>	Yes
<b>Water Conservation Plan</b>	Adopted
<b>Overall Risk Score</b>	2A

### PROJECT TEAM

<b>Team Manager</b>	<b>Financial Analyst</b>	<b>Engineering Reviewer</b>	<b>Environmental Reviewer</b>	<b>Attorney</b>
Shubham Aggarwal	Rand Zeolla	Sophia Fousie	Britt Wilson	Breann Hunter

ISSUE BEING EVALUATED  
FOR ILLUSTRATION PURPOSES ONLY  
Ames-Minglewood Water Supply Corporation

**\$445,000 Ames-Minglewood Water Supply Corporation Taxable Loan Agreement 2025**

Dated Date:	6/1/2025	Source:	RWF
Delivery Date:	6/1/2025	Rate:	2.87%
First Interest:	3/15/2026	IUP Year:	2024
First Principal:	9/15/2026	Case:	Revenue
Last Principal:	9/15/2045	Admin.Fee:	\$0
Fiscal Year End:	09/30	Admin. Fee Payment Date:	N/A
Required Coverage:	1.0		

FISCAL YEAR	PROJECTED NET SYSTEM REVENUES	CURRENT DEBT SERVICE	PRINCIPAL PAYMENT	\$445,000 ISSUE		TOTAL PAYMENT	TOTAL DEBT SERVICE	COVERAGE
				INTEREST RATE	INTEREST PAYMENT			
2026	\$112,748	\$8,454	\$20,000	2.12%	\$15,410	\$35,410	\$43,864	2.57
2027	112,748	-	20,000	2.11%	11,532	31,532	31,532	3.58
2028	112,748	-	20,000	2.15%	11,110	31,110	31,110	3.62
2029	112,748	-	20,000	2.22%	10,680	30,680	30,680	3.67
2030	112,748	-	20,000	2.27%	10,236	30,236	30,236	3.73
2031	112,748	-	20,000	2.36%	9,782	29,782	29,782	3.79
2032	112,748	-	20,000	2.40%	9,310	29,310	29,310	3.85
2033	112,748	-	20,000	2.45%	8,830	28,830	28,830	3.91
2034	112,748	-	20,000	2.51%	8,340	28,340	28,340	3.98
2035	112,748	-	20,000	2.63%	7,838	27,838	27,838	4.05
2036	112,748	-	20,000	2.72%	7,312	27,312	27,312	4.13
2037	112,748	-	20,000	2.78%	6,768	26,768	26,768	4.21
2038	112,748	-	25,000	2.84%	6,212	31,212	31,212	3.61
2039	112,748	-	25,000	2.89%	5,502	30,502	30,502	3.70
2040	112,748	-	25,000	2.95%	4,780	29,780	29,780	3.79
2041	112,748	-	25,000	3.02%	4,042	29,042	29,042	3.88
2042	112,748	-	25,000	3.07%	3,287	28,287	28,287	3.99
2043	112,748	-	25,000	3.10%	2,520	27,520	27,520	4.10
2044	112,748	-	25,000	3.15%	1,745	26,745	26,745	4.22
2045	112,748	-	30,000	3.19%	957	30,957	30,957	3.64
		\$8,454	\$445,000		\$146,191	\$591,191	\$599,645	

AVERAGE (MATURITY) LIFE	11.43 YEARS
NET INTEREST RATE	2.873 %
COST SAVINGS	\$170,171
AVERAGE ANNUAL REQUIREMENT	\$29,560

*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**  
**Ames-Minglewood WSC**  
**21855 - Water System Improvements**

Budget Items	TWDB Funds	Total
<b>Construction</b>		
Construction	\$3,376,000.00	\$3,376,000.00
<b>Subtotal for Construction</b>	<b>\$3,376,000.00</b>	<b>\$3,376,000.00</b>
<b>Basic Engineering Services</b>		
Construction Engineering	\$154,000.00	\$154,000.00
Design	\$220,000.00	\$220,000.00
Planning	\$220,000.00	\$220,000.00
<b>Subtotal for Basic Engineering Services</b>	<b>\$594,000.00</b>	<b>\$594,000.00</b>
<b>Special Services</b>		
Environmental	\$20,000.00	\$20,000.00
Surveying	\$15,000.00	\$15,000.00
<b>Subtotal for Special Services</b>	<b>\$35,000.00</b>	<b>\$35,000.00</b>
<b>Fiscal Services</b>		
Bond Counsel	\$40,000.00	\$40,000.00
Bond Reserve Fund	\$45,000.00	\$45,000.00
Financial Advisor	\$63,000.00	\$63,000.00
Issuance Costs	\$9,000.00	\$9,000.00
<b>Subtotal for Fiscal Services</b>	<b>\$157,000.00</b>	<b>\$157,000.00</b>
<b>Contingency</b>		
Contingency	\$288,000.00	\$288,000.00
<b>Subtotal for Contingency</b>	<b>\$288,000.00</b>	<b>\$288,000.00</b>
<b>Total</b>	<b>\$4,450,000.00</b>	<b>\$4,450,000.00</b>

A RESOLUTION OF THE TEXAS WATER DEVELOPMENT BOARD  
APPROVING AN APPLICATION FOR FINANCIAL ASSISTANCE TO  
AMES-MINGLEWOOD WATER SUPPLY CORPORATION  
FROM THE RURAL WATER ASSISTANCE FUND  
IN AN AMOUNT OF \$4,450,000 THROUGH THE PROPOSED PURCHASE OF A  
PROMISSORY NOTE IN THE AMOUNT OF \$445,000  
AND EXECUTION OF A LOAN AGREEMENT  
AND EXECUTION OF A GRANT AGREEMENT IN THE AMOUNT OF \$4,005,000

(25 - \_\_)

Recitals:

The Ames-Minglewood Water Supply Corporation (Corporation), located in Liberty County, filed an application for financial assistance in the amount of \$4,450,000, to finance certain water system improvements, identified as Project No. 21855.

The Corporation seeks financial assistance from the Texas Water Development Board (TWDB) in the amount of \$4,450,000 through the TWDB's purchase of a Promissory Note in the amount of \$445,000 and execution of a Loan Agreement (Obligations) and an execution of a Grant Agreement in the amount of \$4,005,000, all as is more specifically set forth in the application and in recommendations of the TWDB's staff.

The Corporation has offered a pledge of a first lien on the Corporation's gross revenues and a mortgage on all real and person property owned by the Corporation 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, 363.43 and 365.23.

The Board hereby authorizes the transfer of \$4,450,000 from the Texas Water Fund to the Rural Water Assistance Fund, as authorized by Texas Water Code § 15.504(a), to finance the Project.

In accordance with Texas Water Code § 15.995, 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 project, the benefit of the project to the area, the relationship of the project to the overall statewide water needs, and the relationship of the project to the approved regional and state water plans.
2. The availability of revenue to the Corporation from all sources for the ultimate repayment of the cost of the project, including all interest.

Findings:

1. The public interest is served by state assistance for the project, in accordance with Texas Water Code § 15.995(d).



2. The revenue or taxes 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 § 15.995(d).
3. The Corporation 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.
4. 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).
5. A current water audit required by Texas Water Code § 16.0121 and 31 TAC § 358.6 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 Ames-Minglewood Water Supply Corporation for financial assistance in the amount of \$4,450,000 from the Rural Water Assistance Fund through a transfer from the Texas Water Fund to be evidenced by the TWDB's purchase of a Promissory Note in the amount of \$445,000 and execution of a Loan Agreement and the execution of a Grant Agreement in the amount of \$4,005,000. This commitment will expire September 30, 2025.

The commitment is conditioned as follows:

Standard Conditions:

1. The commitment is contingent on a future sale of bonds by the TWDB or on the availability of funds on hand.
2. The commitment is contingent upon the Corporation'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), including but not limited to 31 TAC Chapter 363 and 365.
3. The Obligations and Grant Agreement must contain a provision that the TWDB may exercise all remedies available to it in law or equity, and any provision of the Obligations and Grant Agreement that restricts or limits the TWDB's full exercise of these remedies shall be of no force and effect.
4. Loan proceeds and Grant funds are public funds and, as such, the Obligations and Grant Agreement 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.

5. Loan proceeds and Grant funds 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 and Grant Agreement 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.
6. Before closing, and if not previously provided with the application, the Corporation shall submit executed contracts for engineering, and, if applicable, financial advisor, and bond counsel contracts for the project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed under the contract and acceptable to the Executive Administrator.
7. Before closing, when any portion of the financial assistance is 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.
8. The Executive Administrator may require that the Corporation execute a separate financing agreement in form and substance acceptable to the Executive Administrator.
9. Before closing, the Corporation must submit to the Executive Administrator an attorney's opinion confirming the legal authority for the Corporation to incur the Obligations that is acceptable to the Executive Administrator,
10. 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.
11. The Obligations must contain a provision requiring the Corporation to levy a tax 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.
12. The Obligations must include a provision requiring the Corporation to use any loan proceeds from the Obligations that are determined to be surplus proceeds remaining after completion of the project and after completion of a final accounting in a manner approved by the Executive Administrator.

13. Before 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.
14. The Obligations must provide that the Corporation will comply with all applicable TWDB laws and rules related to the use of the financial assistance.
15. The Obligations must provide that the Corporation 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.
16. The Obligations must contain a provision requiring the Corporation to maintain insurance coverage sufficient to protect the TWDB's interest in the project.
17. The Obligations must provide that the Corporation will submit annually an audit prepared by a certified public accountant in accordance with generally accepted auditing standards.
18. The Obligations must contain a covenant that the Corporation will abide by all applicable construction contract requirements related to the use of iron and steel products and manufactured goods produced in the United States, as required by Texas Water Code § 17.183.

Water Supply Corporation Conditions:

19. The Corporation's indebtedness to the TWDB shall be evidenced by loans specifically 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.
20. 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.
21. 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.

22. Before 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.
23. Before closing, the Corporation must cure any defects or liens upon the property listed in the title insurance company commitment that the Executive Administrator deems necessary.
24. Before release of funds for construction, 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.
25. Before 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.
26. Before 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
27. 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.

The Following Conditions Must Be Included in the Grant Agreement:

30. The Grant Agreement must provide that the Corporation 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.
31. The Grant Agreement must provide that the Corporation will not begin construction for a portion of the Project until the environmental finding has been issued for that portion of the Project.
32. The Grant Agreement must contain a provision requiring the Corporation to maintain insurance coverage sufficient to protect the TWDB's interest in the project.
33. The Grant Agreement must include a provision requiring a final accounting to be made of the total sources and authorized use of Project funds within 60 days of the completion of the Project.
34. The Grant Agreement must include a provision stating that the Corporation shall return any grant funds that are determined to be surplus funds remaining after completion of the Project and completion of a final accounting, including any interest earned on the grant funds in a manner approved by the executive administrator.
35. The Grant Agreement must contain a provision stating that the Corporation shall 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 G.
36. Before release of funds for the relevant services, and if required under the TWDB's financial assistance program and if not previously provided with the application, the Corporation shall submit executed contracts for engineering and, if applicable, financial advisor and legal services, for the Project that are satisfactory to the Executive Administrator. Fees to be reimbursed under the contracts must be reasonable in relation to the services performed, reflected in the contract, and acceptable to the Executive Administrator.
37. Before closing, when any portion of financial assistance is 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.
38. Before release of funds for construction, the Corporation must provide the TWDB with evidence that the necessary acquisitions of land, leases, easements and rights-of-way have been completed or, with prior approval by the executive administrator if all acquisitions have not been completed, evidence that the applicant has the legal Corporation necessary to complete the acquisitions.

Pledge Conditions for the Loan:

39. The Obligations must require the accumulation of a reserve fund of no less than average annual debt service requirements, to be accumulated in equal monthly installments over the initial sixty (60) months following the issuance of the Obligations.
40. If the Corporation has existing revenue obligations with the same pledge of security as the proposed Obligations that will remain outstanding after any loan(s) made by the TWDB pursuant to this commitment, the lien or liens securing the Obligations issued to the TWDB shall be at least on a parity with lien or liens securing such outstanding obligations.
41. The Obligations must contain a provision providing that additional revenue obligations may only be incurred if net system revenues are at least 1.25 times the average annual debt service requirements after giving effect to the additional obligations when net revenues are a) determined from the last completed fiscal year or a 12 consecutive calendar month period ending not more than ninety (90) days preceding the adoption of the additional obligations as certified by a certified public accountant; or b) the Corporation certifies that the Corporation is expected to continue to meet or exceed the net system revenue test with a minimum coverage of 1.25 times the average annual debt service requirement. An authorized representative of the Corporation must provide the calculations, identifying reasonable assumptions, in a manner and format that is acceptable to the Executive Administrator.

Special Conditions:

42. Before closing, the Corporation shall execute a Grant Agreement in a form and substance acceptable to the Executive Administrator.
43. The Corporation must notify the Executive Administrator before taking any actions to alter its legal status in any manner, such as by conversion to a conservation and reclamation district or a sale-transfer-merger with another retail public utility.
44. The Obligations must include a provision requiring that, before any action by the Corporation 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 13th day of March, 2025.

TEXAS WATER DEVELOPMENT BOARD

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L'Oreal Stepney, P.E., Chairwoman

DATE SIGNED:

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ATTEST:

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Bryan McMath, Executive Administrator

Review Date:

Project ID:

Water

Wastewater

Other

**WATER CONSERVATION REVIEW**

Entity:

Other entity:

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

	<b>Total GPCD</b>	<b>Residential GPCD</b>	<b>Water Loss GPCD</b>
<b>Baseline</b>			
<b>5-year Goal</b>			
<b>10-year Goal</b>			

**WATER LOSS AUDIT YEAR:**

Service connections:

Length of main lines (miles):

Water Loss GCD:

Retail population:

Connections per mile:

Water Loss GPCD:

ILI:

Real Loss GMD:

**WATER LOSS THRESHOLDS**

Water Loss Project:

Waiver Requested:

Wholesale Adjusted:

Apparent Loss GCD

Real Loss GCD

Threshold Type:

Reported

Threshold

Reported

Threshold

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 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 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.

**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.



# Ames-Minglewood WSC Liberty County

