

STATE OF TEXAS

Clean Water State Revolving Fund

State Fiscal Year 2007

ANNUAL REPORT

September 1, 2006 through August 31, 2007



Prepared By
Texas Water Development Board
P. O. Box 13231
Austin, Texas 78711

Revised: October 13, 2008

TABLE OF CONTENTS

I.	INTRODUCTION	3
II.	EXECUTIVE SUMMARY	3
III.	GOALS AND ACCOMPLISHMENTS.....	5
	A. Short-Term Goals of CWSRF	5
	B. Long-Term Goals of CWSRF.....	9
IV.	DETAILS OF FY2007 ACCOMPLISHMENTS	18
	A. Binding Commitments.....	18
	B. Capacity Model and Source of Funds.....	29
	C. Administrative Costs	29
	D. EPA Special Appropriations Act Program	31
V.	OPERATING AGREEMENT AND GRANT CONDITION/ASSURANCE	31
VI.	CWSRF ENVIRONMENTAL BENEFITS REPORTING.....	37
VII.	OTHER PROGRAM ACCOMPLISHMENTS AND IMPROVEMENTS	37

LISTING OF ATTACHMENTS

Attachment A – Cash Flow Model and Perpetuity Graphs 1 & 2

Attachment B – CWSRF Benefits Reporting

Attachment C – TWDB Annual Financial Report

LISTING OF TABLES

TABLE 1 CWSRF Fund Status

TABLE 2 & 2A CWSRF Grant Payments and Binding Commitments by Quarter

TABLE 3 CWSRF Eligible Categories of Cost

TABLE 4 & 4A CWSRF Federal Draws during FY 2007

TABLE 5 CWSRF Project Status

FY 2007

Clean Water State Revolving Fund

Annual Report

I. INTRODUCTION

The State of Texas through the Texas Water Development Board (Board) is submitting the Annual Report for the state Fiscal Year (FY) 2007 (September 1, 2006 - August 31, 2007). The 70th Legislature of the State of Texas established the Clean Water State Revolving Fund (CWSRF) to fulfill the requirements of Title VI of the federal Water Quality Act of 1987 and authorized the sale of state bonds to provide the 20 percent state match. The CWSRF program is a state-designed, established and operated program with minimal federal requirements imposed on its structure. The federal Clean Water Act (CWA, Section 606d) requires the Board to report on the CWSRF program activities on an annual basis. This annual report describes how the state has met the goals and objectives of the CWSRF program as identified in the FY 2007 Intended Use Plan (IUP) and details the actual use of the CWSRF program funds.

II. EXECUTIVE SUMMARY

The State of Texas' CWSRF program received a total of \$1,270,183,500 in Environmental Protection Agency (EPA) Capitalization Grants and Amendments through August 31, 2007, with the FY 2007 grant award of \$40,024,512 pending. The CWSRF program fund also includes match bond proceeds of \$262,332,747 exceeding the required match of \$262,041,602 by \$291,145. Total funds made available to the Board from the EPA for the capitalization grants since its inception totaled \$1,310,208,012. The State of Texas has made a total of 504 binding commitments totaling \$4,812,657,324 since the inception of the program in 1988 [Table 1].

The purpose of the CWSRF is to provide below market rate loans to applicants to assist them in meeting the wastewater needs of their communities. Applicants with federal equivalency (Tier III) projects receive an interest rate subsidy of 195 basis points below market rates and a 95 basis points subsidy for recycled funds (Tier II) projects.

The Board originally approved the FY 2007 CWSRF IUP at its August 2006 meeting. The Legislature authorized the Board to provide up to \$25 million in CWSRF program funds for

zero or one percent loans to eligible communities that qualify as disadvantaged. Ten disadvantaged communities received commitments or funding in FY 2007 for \$30,395,000. They are:

- City of Commerce (\$2,005,000)
- City of Groesbeck (\$2,000,000)
- City of Los Fresnos (\$4,975,000)
- City of Marfa (\$1,265,000)
- City of Rio Grande City (\$2,885,000)
- City of Roscoe (\$1,560,000)
- City of Roxton (\$1,000,000)
- City of Trinidad (\$780,000)
- City of Yoakum (\$7,500,000)
- Zapata County (\$6,415,000)

In accordance with Board rules 31 TAC §375.17, the FY 2007 IUP project list was developed by soliciting specified project information from all eligible applicants by letter dated January 20, 2006. Eligible applicants had until March 22, 2006 to respond. Board staff reviewed and ranked all applicants based on the requirements of the CWA and Board rules. The projects were then ranked within population category.

For the FY 2007 IUP, the Board received information on 61 projects totaling approximately \$773,995,000. Based on the FY 2007 capacity model developed and implemented by the Board to ensure the perpetuity of the fund, the Board's Executive Administrator set the capacity for the CWSRF Program at \$450,400,000 for FY 2007.

In FY 2007, the Board made 32 commitments for a total of \$691,670,000. Five commitments were from the FY 2006 IUP totaling \$55,620,000 and 27 commitments from the FY 2007 IUP totaled \$636,050,000. This information can be found in Table 3.

Funding for eligible applicants comes first from the federal capitalization grant and state matching fund account (Tier III) and then from recycled funds (Tier II). The amount of \$188,000,000 was available for Tier III loans at a lower interest rate. Tier II funds are made available from principal repayments, interest earnings on loans, investment earnings on the fund, and leveraged funds from the sale and issuance of revenue bonds. No new revenue bonds were issued in FY 2007.

III. GOALS AND ACCOMPLISHMENTS

In the FY 2007 IUP, the State of Texas described three short-term goals and three long-term goals:

A. Short-Term Goals

1. **To develop and employ programs to facilitate funding and implementation of nonpoint source (NPS) projects which are consistent with an approved nonpoint source management plan pursuant to the Act, 319.** *This will include assessing and modifying rules and procedures to maximize use of the program.*

The Board initiated an effort to fund more NPS projects through the CWSRF program. While the Board has had the ability to fund NPS projects since the inception of the CWSRF program, these types of projects were not a high priority for potential Texas applicants.

The state has, as evidenced by the TMDL Program and the legislative changes which allowed the Board to make loans to persons for NPS projects, recognized that NPS is an important issue to be addressed. We advertise that the CWSRF program can be used for this purpose. Challenges still remain in funding these needs due to a low demand by borrowers.

2. **To meet with the stakeholders including potential applicants and other interested parties, the Texas Commission on Environmental Quality (TCEQ), the Texas State Soil and Water Conservation Board (TSSWCB), and other agencies to increase awareness of the CWSRF program as a funding alternative for identified management plan projects which address nonpoint source and estuary problems.** *Progress toward meeting this goal will be documented through our discussion forums with stakeholders, marketing and customer relations, where process changes and improvements were recommended and through overall process improvements to the Board's CWSRF Program.*

During the FY 2006 – 2007 time period, the Board made important strides in laying the groundwork for implementing new initiatives in the area of SRF customer relations and marketing. Notable activities and initiatives introduced during this time period involved methods the Board used to collect information from and distribute information to customers included: 1) conducting a formal strategic planning and stakeholder session, 2) launching an online customer satisfaction survey, and 3) developing new formalized SRF marketing and outreach initiatives. These activities are explained as

follows:

Online Customer Survey

The Board has an online customer satisfaction survey designed to provide customers with an ongoing, quick and easy-to-use way of providing customer satisfaction input. This survey collects information on the services and programs offered by the various offices of the Board, with a specific focus on PFCA and the loan application and closing process and the ease of understanding and usability of the CWSRF and DWSRF IUP processes. Information from those participating in the survey is processed once received. PFCA and other offices of the agency continue to evaluate internal processes associated with any areas identified in survey responses to determine options for improvement.

Board SRF Marketing and Outreach Initiatives

A significant change that will assist in the process improvement efforts described in this annual report is PFCA's recent reorganization which created the Policy, Projections, and Marketing Division reporting directly to the Deputy Executive Director. This division is responsible for SRF coordination, policy analysis and development, marketing and customer relations, and data and infrastructure needs projections.

Of note is the four-person Marketing Team in this division. This team, along with other staff from PFCA, focus efforts on identifying new customers, working closely with repeat customers, improving marketing and informational materials, improving the IUP process, and implementing the goals and objectives of the newly developed *FY 2007 – 2011 State Revolving Fund Marketing Plan*.

FY 2007 – 2011 State Revolving Fund Marketing Plan

The Board's efforts to develop formalized SRF marketing initiatives began in June 2006, with an initial marketing retreat at an off-site location for a guided group brainstorming session. This kickoff meeting brought together as many group members as possible to systematically develop a creative and comprehensive marketing strategy and implementable, measurable plan. A subsequent meeting was held in July 2006, wherein the group agreed to key strategies and measurable marketing goals.

A key element in the development and implementation of the marketing plan was the wealth of staff experience in important areas such as state and federal water-related programs, specialized knowledge of municipal government and city management (commonly recognized key Board customer groups), strategic planning, and project management. Staff has extensive experience

and backgrounds in specific SRF program policy, marketing and outreach and media relations, as well as detailed experience in governmental budgeting and finance, construction and engineering, water system management, and data collection and analysis.

Board staff provides a unique blend and variety of experience and skill sets that are anticipated to ensure a successful and efficient implementation of the goals and objectives of the *FY 2007 – 2011 State Revolving Fund Marketing Plan*.

Tri-Directional Marketing - The Board is in a unique position in terms of mission, so its marketing plan is unique. In accordance with input from appointed Board members, the SRF marketing plan focuses on three strategic areas:

- Marketing to the five largest metropolitan statistical areas (MSAs)
- Marketing to communities outside the five largest MSAs
- Marketing to the Board's Regional Water Planning Groups (RWPG) and *State Water Plan* customers

In August 2006, a draft of the Board's *FY 2007 – 2011 State Revolving Fund Marketing Plan* was sent to EPA Region 6, Water Quality Protection Division, Assistance Programs Branch, for review and comment. The plan became effective at the beginning of FY 2007 (September 1, 2006).

CWSRF Marketing and Outreach Collaboration with EPA Headquarters

In FY 2006, as part of the continuing collaboration with EPA Headquarters on CWSRF program marketing and outreach improvements, the TWDB began participating with other states and EPA in developing and implementing a variety of marketing tools. The use of these tools, once fully developed, is based upon each state's goals for their marketing efforts.

In FY 2007, the TWDB re-focused efforts with EPA to development of financial assistance program customer interest and perception surveying. These efforts were intended to allow the agency to understand the potential and current borrowers' perceptions of the CWSRF program, and which improvements or changes can help expand the borrower pool.

After initially considering an on-line satisfaction survey to collect information from existing customers, TWDB staff, with the assistance of Northbridge, re-directed efforts towards the use of the focus group process to collect information from Texas entities that had not applied for SRF funding

for at least 10 years. The results of the focus group process were to be used to assist the TWDB in fine-tuning its SRF programs and marketing these programs to Texas communities.

Additional information on this initiative is presented elsewhere in the narrative portion of this annual report.

CWSRF Technical Assistance Workshops

During FY 2007, the Board distributed marketing information and discussed its financial assistance programs with potential customers by participating in five conferences and tradeshow where we either made presentations or hosted exhibit booths. These events consisted of Starr County Industrial Foundation (South Padre Island), Economic Development Conference (Robstown), Texas Water Conservation Association Conference (Galveston), Economic Development Conference (Devine), and TCEQ Public Drinking Water Conference (Austin).

Individual financial assistance marketing was requested by 12 entities; Board staff responded by traveling to those locations and making personalized marketing presentations. These entities were Kermit, Pecos, Corpus Christi, Victoria County WCID #1, Portland, Riviera WCID, San Antonio Water System, Brookshire WCID, Mathis and Panola County.

Board staff also conducted six SRF Workshops to assist entities with completing IUP project submittals. These Workshops were held across the state in the cities of Harlingen, Corpus Christi, Spring, Dallas, and El Paso.

In addition, Board staff continues to serve on the TCEQ's NPS stakeholder's advisory workgroup, participates on the TCEQ's Water Quality/TMDL stakeholder's workgroup, and works with the TCEQ's source water protection program to identify potential applicants. Board staff also discussed and coordinated with TSSWCB and United States Department of Agriculture (USDA) – National Resources Conservation Service (NRCS) on possible linked deposit program to match the Environmental Quality Incentives Program (EQIP) and 503 funds. [The Water Quality Management Plan Certification Program created by Senate Bill 503 of the 73rd Legislature in 1993 provides agricultural and silvicultural producers the opportunity to comply with state water quality laws through traditional, voluntary incentive-based programs.]

3. **To strive to maximize use of the fund to provide funding for projects that is designed to meet the needs of the State.** *Progress toward meeting this goal will be provided by reporting on the numbers and dollar amounts of commitments during the fiscal year in comparison with previous years.*

In FY 2007, the Board made 27 commitments from the FY 2007 IUP totaling \$636,050,000 and five commitments from the FY 2006 IUP totaling \$55,620,000 [Table 3]. The total dollar amount of commitments for the entire fiscal year was \$691,670,000.

17 small communities with populations of less than 10,000 were funded in FY 2007 from the FY 2007 IUP for a total of \$61,065,000 [Table 3].

Two small communities with a population of less than 10,000 were funded in FY 2007 from the FY 2006 IUP for a total of \$8,845,000. They are:

- City of Liberty Hill (\$1,345,000)
- City of Yoakum (\$7,500,000)

B. Long-Term Goals of the CWSRF Program

1. **To maintain a living program to restore and maintain the chemical, physical and biological integrity of the State's waters that is responsive to changes in State priorities and needs.** *Progress on meeting this goal will be documented by providing information on strategic assessment of changing needs and ongoing or completed changes aimed at addressing those needs.*

The Board, since the inception of the program, has made 504 binding commitments [Tables 1 and 5]. The State of Texas is progressing toward meeting its short-term and long-term goals by improving the instream, ground, and estuarine water equality of the state.

Of the 504 active projects in the Texas CWSRF Program, 33 are committed but not yet closed, 45 are in design phase and 69 are in construction. A total of 357 projects have been completed [Table 5]. Each of these projects should result in improved instream water quality and/or improved public health within the state.

2. **To maintain the fiscal integrity of the CWSRF and to assure a continuous enhancement of the fund for future generations.** *Progress toward meeting this goal will be documented by discussion of changes to lending rate policies, loan monitoring activities and default information, and overall process improvements to the Board's SRF Program.*

The Board maintains the financial integrity of the fund through controls and

procedures governing the application process, establishment of the lending rate policy and loan monitoring. In May 2003, the Board rules were amended to increase the amount of subsidy to 195 basis points for federal equivalency projects (Tier III) and to 95 basis points subsidy for recycled funds (Tier II). This lending rate will produce sufficient repayment amounts to allow for the growth of funds after payment of debt service on state bonds, the proceeds of which have been deposited to the SRF and ensure a financial incentive for applicants to use the CWSRF program. Annual monitoring and stability reviews were conducted on every loan recipient in the CWSRF loan portfolio. There were no CWSRF loan defaults during the last fiscal year.

Additionally, during FY 2007, the Board made specific significant accomplishments under this goal in terms of overall process improvements to the CWSRF program. Summary information on five of these accomplishments is as follows:

Focus Group Discussions and Review State Revolving Fund Marketing Initiative: SRF Focus Group Session

Background – During 2006, the Texas Water Development Board (TWDB) developed a new State Revolving Fund (SRF) marketing plan that in part focuses on raising customer awareness of the agency and its SRF programs and services. While implementing this plan, the TWDB marketing staff recognized the need to better understand potential SRF customers—their attitudes, opinions, and requirements—so that TWDB managers could refine the SRF program elements to better meet potential borrowers’ needs and more strategically communicate the benefits of SRF funding.

On February 28, 2007, the TWDB, working with EPA contractor Northbridge Environmental Management Consultants (Northbridge) and their sub-contractor, Atwater Communications, sponsored a focus group session that gathered qualitative feedback from local government leaders and utility managers from Texas entities that had not applied for SRF funding for at least 10 years. This project was funded by EPA under an already-established Northbridge assignment.

The goals of the focus group session were to:

- Understand potential borrowers’ attitudes and opinions about the TWDB and its CWSRF and Drinking Water State Revolving Fund programs (DWSRF)
- Gain a better understanding of how water and wastewater infrastructure financing decisions are made in Texas communities

- Determine real and perceived barriers to using CWSRF and DWSRF financing
- Gain insights into ways the TWDB might improve the CWSRF and DWSRF programs to attract new borrowers
- Determine how the TWDB can better market the SRF programs to Texas communities
- Assess potential borrowers' views on EPA's new financial comparison calculator tool

The results of the focus group session are being used to assist the TWDB in fine-tuning its SRF programs and marketing these programs to Texas communities. The state's outreach program could serve as a model or template for SRF managers in other states.

Focus Group Session Report Recommendations - The following are the initial set of recommendations that resulted from the focus group session that the TWDB is considering as it implements its Five-Year SRF Marketing Plan:

- **Improve coordination between TWDB and TCEQ:** The TWDB and the TCEQ should explore ways to better coordinate reporting requirements and project approvals. Duplicative and redundant requirements, many of which change from year to year, are currently a major source of frustration for Texas communities. Specific attention should be paid to providing support and funding to communities that have received unfunded mandates from state and national government agencies.
- **Provide additional planning assistance:** The TWDB should explore how it might better assist communities during the planning stages of their projects. The TWDB could play an important role during the planning phase by helping communities evaluate financing options (using the new Financing Alternatives Comparison Tool) and assess early on if a project has a good chance of qualifying for SRF funding. If so, SRF managers should more actively help communities navigate the application process. Communities appear to appreciate the assistance and hand-holding they receive from other agencies, and if TWDB resources are available, the additional assistance from SRF managers will create a strong incentive to consider SRF funding.
- **Revitalize branding:** The TWDB could benefit from a revitalized branding. It will be important to reverse perceptions that SRF engineering staff are young and inexperienced, and that the TWDB is

an impenetrable bureaucracy. Instead, the TWDB must present itself in all outreach and marketing materials as experienced, knowledgeable, and customer-focused.

- **Reach out to professional organizations:** The TWDB should increase the number of regional workshops it holds and make an effort to send SRF staff to as many professional conferences as possible. The Government Finance Officers Association of Texas (GFOAT) should be a priority, along with the Texas Municipal League, Texas County Managers Association, and Texas Public Works Association. Other groups include the Texas chapter of the American Water Works Association, Texas Rural Water Association, Association of Water Board and Directors and the Texas Water Conservation Association. Staff should present papers/case studies about successful programs and attempt to communicate with potential borrowers through exhibits.
- **Streamline the application process:** The TWDB should explore, where possible, streamlining the application process and instituting rolling applications. Customer perceptions are that it takes two years, while SRF staff mentioned at the end of the focus group session that a year is possible. Accurate, realistic timelines need to be communicated to communities in all marketing materials and personal outreach.
- **Provide an annual TWDB calendar:** The TWDB should print and distribute an annual calendar with SRF program deadlines, and other information that will be useful to decision makers (e.g., workshop dates, professional conferences where TWDB will be present, etc.)
- **Use past loans as case studies:** In addition to describing total loan amounts, SRF marketing materials need to include information about average loan amounts and the size of projects that qualify for SRF financing. This information will help reverse the perception that SRF financing is for smaller projects only. Including several case studies, with descriptive information about the project, loan amount, cost savings, timeframe for application and funding, and project contact information will be important. In these case studies, TWDB technical assistance – with profiles of the SRF managers and engineers who assisted – should also be described.
- **Submit case studies to Texas publications:** The TWDB should discuss with the editor of *Texas Town and City* submitting an article that highlights a successful project in Texas, funded with SRF

financing. The article should include a sidebar with SRF deadlines and other program information, including contact information at the TWDB. If this project is too time consuming for TWDB staff, they should consider arranging for a graduate journalism student at the University of Texas to write the article.

To effectively address the recommendations suggested in the SRF Focus Group Session Final Report, staff developed an initial action plan. As the PFCMA Marketing Team administers the State Revolving Fund Five-Year SRF Marketing Plan, this team is taking the lead in coordinating these efforts and ultimately implementing the report's recommendations.

Current Status of SRF Focus Group Initiative – TWDB staff identified the primary two recommendations in the report, Streamline the Application Process and Revitalize Branding, and are presently discussing proposed strategies to implement these two recommendations with Northbridge.

CWSRF Extended Loan Terms

In order to increase the marketability and demand for the CWSRF program, Board staff has been examining the use of extended loan terms for the program from beyond the authorized 20 year term maximum. The Board staff developed a proposal to extend CWSRF loan terms beyond 20 years and have presented the item to and received initial approval at its August 20, 2007 meeting from the appointed Board members.

EPA Headquarters will be reviewing TWDB's CWSRF rule revision to offer all Texas communities an option to finance their wastewater infrastructure needs for up to 30 years. We believe extended term financings will be an additional incentive (more affordable) for Texas communities to access CWSRF in addressing wastewater infrastructure needs. Increasing project affordability may, in turn, lead to an increase in projects funded as well as an increase in the speed at which communities may seek and accept funding for projects, thereby increasing both CWSRF demand and performance.

TWDB staff is working with EPA Region 6 on the reporting requirement EPA headquarters specified for extended term financings: the 60-year projection method or the baseline method of measurement using data provided by a state's program to the CWSRF National Information Management System (NIMS). With TWDB's FY 2006 annual assistance falling below the (policy-specified) FY 1990 to 2005 baseline for Texas, EPA Headquarters directed that Texas must use the 60-year projection method of reporting versus the baseline method.

TWDB recently developed a fully-integrated, flexible 60-year Capacity

Model. With EPA Region 6's continued assistance, Texas will be submitting the Capacity Model packet in late January 2007 for EPA Headquarters' approval. TWDB's goal is to offer customers extended financing terms of up to 30 years by the end of February 2007.

Monthly SRF Coordination Staff and Management Meetings

During FY 2006 the Board implemented monthly SRF staff and management coordination meetings that continued in FY 2007. These meetings serve as monthly forums to provide for interoffice discussion on SRF policies, procedures, and processes; intended use plans (current program cycle, rules revisions, and potentials for streamlining); annual reports; National Information Management System (NIMS) reporting; and other issues related to SRF activities and matters. These meetings, which are attended by staff at all levels of the agency from line-staff to upper management, have increased awareness of CWSRF program activities as well as program life-cycle components.

CWSRF Project Tracking & Monitoring Process Improvements

PFCA Workgroups - In FY 2006, the Board organized PFCA staff into three workgroups defined by funding source. In FY 2007, the Board added a fourth workgroup in order to evenly distribute workload. These four workgroups are responsible for identifying and developing solutions to project circumstances that may cause a project to fall behind its schedule for design, planning and construction. The workgroups track all CWSRF program financial applications, unclosed loans, and assist in outlay reporting for requesting reimbursement of CWSRF program grant funds from EPA. The workgroups develop and implement action plans to ensure financial applications are processed efficiently and that entities with CWSRF (unclosed) loans are contacted on a regular basis to ensure timely closing and EPA draw downs. These forums continue to be helpful in ensuring awareness of the CWSRF in all levels of the agency especially in light of significant staff turnover during FY2007. Additional improvements to workgroup related structure are being considered to further maximize efficiency.

OUTLAY COORDINATOR – In FY 2007, the Board created an Outlay Coordinator position in an effort to expedite and reduce the amount of undrawn SRF funds. This position's duties include the monthly and quarterly reporting of outlay status for the CWSRF Tier III group of projects. The Coordinator has created and implemented a process for the monitoring and follow-up of all outlays that have lagged behind schedule. While the Outlay Coordinator position has been in existence for only a short time,

results have been apparent in the increase experienced in drawn CWSRF funds.

SRF Information Management System – In FY 2006, the TWDB began taking initial actions to develop improvements to tracking information on and the status of SRF and other state funded water-related projects. As a spin-off from the above mentioned initiation of PFCA workgroups, TWDB staff recognized the need to capture additional information on the status of projects as they moved through the agency’s funding process. As a short-term solution, a simple database was developed to collect information and track projects.

These short-term efforts began as a joint activity between PFCA, the Resource Information Office (RIO), and an external contractor. The scope of the project was later expanded at the direction of agency management and staff initiated discussions with EPA (Region 6 and Headquarters) concerning the use of an EPA national contractor (Northbridge), having considerable experience and expertise in development of loan and grant management information systems. These initial discussions with EPA began in October 2006.

The revised summary goal of the expanded project is to develop a *comprehensive water infrastructure improvement project tracking system* that will automate or enhance present automation capability for the tracking and management of construction projects beginning with the “entity initial contact” stage through the construction monitoring stage and ending with the project close-out stage. The project is now recognized by its official name, *Texas Water Infrastructure System Expansion*, or TxWISE.

The following is a listing of the significant activities and accomplishments for this major information technology initiative that have occurred during FY 2007:

- **Establishment of a Project Management Structure** – TWDB is following the system development methodology framework from the Texas Department of Information Technology to manage this project. This framework provides guidance to state agencies by presenting fundamental information on delivery of technology projects to help them assess the agency’s ability to manage state information technology investments. Several key components of this framework used on this project include identification of a project executive sponsor, a project steering committee (composed of upper management officials from agency business process areas, and a project team (composed of staff representatives and subject-matter-

experts from each agency business process area. The steering committee and project team each meet on a regular basis with project status reporting being delivered to agency management on a routine basis.

- **Creation of Strategic Issues Matrix** – As a starting point for the TxWISE project planning, a strategic issues matrix was developed to assist the steering committee with identification of key important issues that would or could impact the planning and execution of the project. During the initial planning phase of the project, the items on this matrix were researched, addressed, and tracked by staff. Many of the issues in the matrix were later transferred to the work breakdown structure of the project plan for longer range status tracking.
- **Identification of System Requirements and Budgetary Needs** – The steering committee identified and documented a high-level series of requirements for the TxWISE basic system and the additional components which are anticipated to be addressed subsequent to implementation of the basic system. These requirements were presented to upper management for project funding decision-making.
- **TxWISE Project Funding** - During FY 2007, the TWDB submitted SRF capitalization grant applications that included funding for the initial phases of the federal portion of the TxWISE project. The state portion of the initial system is to be funded out of the non-federal sources.
- **EPA/Northbridge National Contract Work Assignment Order** – During FY 2007, TWDB completed discussions with EPA Headquarters and finalized processing of the initial EPA work assignment order for the TxWISE project.
- **Significant Work Accomplishments with EPA Contractor** – During FY 2007, the following activities were completed by TWDB and Northbridge on the TxWISE project: 1) completion of initial visit and discussions with Northbridge including discussions with agency office staff on existing data systems (also including a demonstration of Northbridge’s Loan and Grant Tracking System – “LGTS”), 2) completion of various demonstrations of TWDB data systems and data sources to Northbridge for the information collection phase of the project, 3) completed installation of both the server and client versions of the LGTS software on approximately 30 agency user personal computers, 4) began testing of the LGTS

software and capturing information that is anticipated to lead to development of user requirements, and 5) began planning for two (2) LGTS system walk-throughs which are scheduled for September 2007.

High-level TxWISE project activities planned for FY 2008 include:

- Conducting system walk-through sessions
- Conducting two (2) joint application development sessions
- Review of post-joint application development sessions requirements and system configuration report
- Data migration and testing
- System training and on-line support

3. **To maintain the CWSRF into perpetuity.** *Progress toward meeting this goal will be provided via reporting on the annual capacity modeling and changes in capacity.*

Beginning in 1992 through 2000, the Board has leveraged the CWSRF Program to annually meet loan demand. This was done by issuing revenue bonds, loaning these proceeds along with the federal grant receipts, state match, and loan prepayments and using the loan repayments to pay the debt service on the bonds. This practice allowed the Texas Water Development Board to accept all applications for funding from the CWSRF Program. However, by 1998 the CWSRF Program was so successful that it generated over \$600M in demand in one year.

Funding \$600M of loan activity could not be sustained while at the same time assuring the continued existence of the CWSRF Program. Therefore, Board staff developed a capacity model as a management tool to assist staff in determining the maximum lending capacity for the CWSRF Program each year. The model is based on annual loan volume whereby the Board ensures a sustainable volume over time. While the Board continues to leverage the CWSRF Program, the capacity model allows staff to set the capacity at sustainable levels.

IV. DETAILS OF FY 2007 ACCOMPLISHMENTS

A. Binding Commitments

The Board continued to make binding commitments for loans through the purchase of municipal bonds. Other authorized forms of financial assistance through the SRF have not been used. During FY 2007 binding commitments were made for 32 projects in 28 communities for financial assistance for the construction of Section 212 projects:

- Alamo - Collection System Rehabilitation (\$10,160,000 Commitment 11/14/2006) - Replace approximately 75,000 feet of line in the City's wastewater collection system, repair approximately 100 brick manholes, and rehabilitate 7 lift stations. The project will help eliminate the problems of manhole overflows, undersized lines, and infiltration and inflow. The system includes 286,000 feet of pipe and 19 lift stations. The City has committed to replace 172,000 feet of older clay lines. TWDB funding will enable them to finish these improvements. The population is 16,870.
- Celina - WWTP Expansion (\$4,480,000 Commitment 03/27/2007) - Wastewater system improvements in two phases: 1) Renovate the existing oxidation ditch treatment plant and expand capacity from 0.50 to 0.95 million gallons per day (MGD) by adding a parallel sequence batch reactor process train; and 2) Provide service to the Twelve Oaks Addition in the far eastern portion of the city's service area, whose residents are currently on septic systems. This phase will include an interceptor to connect the subdivision, and eventually the city, to the North Texas MWD Wilson-Rowlett Creek regional system. The city has exceeded the 75% flow threshold and is beginning to experience population growth similar to other cities in Collin County. The project also has preliminary approval from the USDA-RD for \$1,016,530 in funding. The population is 4,280.
- Cleveland - Collection System Rehabilitation (\$5,270,000 Commitment 04/24/2007) - Funds will enable the City to continue efforts to rehabilitate its wastewater collection system. Through TWDB funding the City cleaned, videoed, and evaluated approximately 158,000 feet of 6-inch through 12-inch line, which represents approximately 60% of the system. Preliminary reviews indicate that as much as 30% of the lines recently surveyed will require some type of rehabilitation. Funds will

also be used to repair, replace, and upgrade components in the City's two wastewater treatment plants. The population is 8,500.

- Commerce - Wastewater System Improvements (\$2,005,000 Commitment 02/27/2007) - Perform an infiltration and inflow analysis on the City's wastewater collection system and make repairs as needed. Also refurbish and place back in operation four sand filters at the wastewater treatment plant. The filters failed and were taken out of service. The population is 8,600.
- Edinburg - WWTP Expansion & Upgrade (\$4,020,000 Commitment 12/12/2006) - Expand and upgrade the City's wastewater treatment plant in two phases. Phase I will increase capacity from 5.3 to 7.0 MGD and include expansion of the treatment unit, an additional clarifier, an emergency generator, yard piping, and other items. Phase II will increase the plant's efficiency and facilitate future expansion. A draft permit requires 5/5/1.5 (bod/tss/nh3) treatment. Work includes another plant lift station, new headworks, a flow division structure, a new aerobic digester, a sludge dewatering building, an effluent pumping station, and odor control. The population is 69,825.
- Fort Worth - Relief Interceptors - Mains 325 & 257 (\$33,560,000 Commitment 03/27/2007) - Construct two parallel relief interceptors. Main 325 includes 23,076 feet of 42-inch pipe with tunnels under a rail line and IH-35W. Main 257 is divided into two phases. Phase I includes 31,300 feet of 66-inch pipe; phase II includes 1,600 feet of 54-inch and 13,400 feet of 42-inch pipe. The population is 661,850.
- Groesbeck - WWTP Expansion (\$2,000,000 Commitment 02/27/2007) - Rehabilitate and expand the City's wastewater treatment facility from 0.525 to 0.709 MGD. Work will include rehabilitation of the two existing clarifiers, construction of a third clarifier, a splitter box, a new sludge pump, a belt press, and a building to house sludge dewatering equipment. The City has also applied to the Office of Rural Community Affairs for funds to replace the Middle School Lift Station, which causes sewer line back-ups into the school. If funds are not available, the scope of work for the WWTP may be adjusted to accommodate the lift station. The population is 4,291.
- Harris Co MUD # 50 - WWTP Rehabilitation (\$1,500,000 Commitment 02/27/2007) - Rehabilitate the District's Barrett Station WWTP. Modify and add to the recently constructed all-weather access road, clean the oxidation ditch to restore hydraulic capacity, replace the aeration system, clean and rehabilitate both clarifiers, expand the chlorine contact basin

and rehabilitate the chlorine handling system, install a new flow meter, and modify the plant electrical and instrumentation systems and plant discharge line. The District is under a U.S. Justice Department consent decree for treatment violations. The population is 3,300.

- Harris Co WCID # 89 - New Wastewater Treatment Plant (\$7,565,000 Commitment 08/27/2007) - Design and construct a permanent 0.95 MGD wastewater treatment plant on the current plant site. Once operational the existing facility will be removed. The population is 4,284.
- Houston - Citywide Sewer Rehabilitation - Tier 2 (\$23,290,000 Commitment 10/17/2006) - City projects provide for the systematic renewal/replacement of deteriorated portions of the wastewater collection system. The City maintains service contracts with smoke testing and television firms, and rehabilitation contractors. The City's collection system consists of approximately 5,300 miles of pipe ranging in size from 6 to 144-inch diameter. Approximately 3,620 miles are sizes less than 10 inches in diameter. Many of the lines were constructed with unprotected concrete or other non-standard products, and exhibit varying degrees of corrosion and other structural defects. Funds will also be used to make improvements at the Southeast and 69th Street wastewater treatment plants. The population is 2,060,444.
- Houston - Citywide Sewer Renewal Program (\$61,545,000 Commitment 11/14/2006) - Citywide renewal and replacement of sewer systems. Projects include sanitary sewer cleaning and televised inspection in support of rehabilitation, replacement, rehabilitation by slip lining and pipe bursting, rehabilitation by cured-in-place pipe method, and lift station renewal. The City employs a classification system for needed projects depending on the size of components to be rehabilitated or replaced and the scope of the project. Loan proceeds from project 72151 will rehabilitate approximately 925,000 feet of pipe and three lift stations. The population is 2,060,444.
- Liberty - WWTP & Collection Improvements (\$8,100,000 Commitment 03/27/2007) - Wastewater treatment and collection improvements. Plant work will include a new lift station, bar screen, grit chamber, blower, and belt press. Plant piping, valves, pumps, and electrical system will be replaced. Plant walls will be raised and treatment processes upgraded. Collection system work will include the repair or replacement of approximately 27,000 feet of 6 to 24-inch sewer line. The existing plant is over 25 years old and its design makes it difficult to meet ammonia nitrogen permit requirements. The population is 9,442.

- Liberty Hill - New Wastewater Collection System (\$6,785,000 Commitment 10/17/2006) - A wastewater collection system to provide first time service within the city limits. The system will serve the city's Old Town and extend eastward along US Highway 29 through Seward Junction - the intersection of Highway 29 and US 183. The system will be pressurized and consist of approximately 100,000 feet of 2 to 8-inch line and 485 grinder pumps. The system will also require a 150 gallons per minute (gpm) lift station for the elementary/middle school, a 400 gpm lift station at the high school, and 8,500 feet of 8-inch force main. Treatment will be provided at the LCRA regional plant currently under construction. **Funding for this project is provided by this CWSRF Tier III loan (2007 IUP), a \$575,000 CDBG grant and two State and Tribal Assistance Grants (STAG) totaling \$594,900. The population is 1,409.**
- Liberty Hill - New Wastewater Collection System (\$1,345,000 Commitment 10/17/2006) - A wastewater collection system to provide first time service within the city limits. **This is the 2006 IUP portion of the project described above for a Tier II CWSRF loan.**
- Los Fresnos - Wastewater Treatment Plant Expansion (\$15,000 Commitment 08/27/2007) - Improve the City's wastewater treatment plant to re-rate permitted capacity from 1.00 to 1.30 MGD and construct a third treatment stream to increase overall capacity to 1.80 MGD. Project 10322 expanded the 1987 oxidation ditch plant from 0.59 to 1.00 MGD by adding a second oxidation ditch and clarifier. Plant construction was complete in 2003. The aerators on the original oxidation will be replaced and the plant's chlorination basin expanded. A third oxidation ditch and two clarifiers will be built. Funds will also be used to upgrade the City's Alamo Street Lift Station, and expand the Laureles Lift Station - still to be constructed by project 10322. The population is 5,454.
- Lower Valley WD - Collection System Extensions (\$20,600,000 Commitment 10/17/2006) - Collection systems for 22 colonias/subdivisions in the Lower Valley Water District service area including the Town of Clint. Projects include approximately 110,000 feet of 8 to 15-inch gravity sewer line, four lift stations, and 10,000 feet of pressure line. Facilities will connect to existing trunk lines. The project will benefit approximately 1,810 families. Collected wastewater is treated at El Paso's R.R. Bustamante WWTP. The population is 39,178.
- Marfa - Effluent Storage Pond (\$1,265,000 Commitment 02/27/2007) - Construct an effluent storage system that meets state permit requirements. Also replace approximately 8,200 feet of 4-inch line with 8-inch PVC line. The current WWTP consists of two Imhoff tanks (1929

& 1945), two sludge pits, and a sludge drying bed, with disposal by irrigation on 62 acres of pasture. During wet weather the drying beds have overflowed into a stream. Portions of the collection system date to the 1920s, are undersized, and suffer from fat and reverse slopes, root intrusion, cracks and other problems. The city has a \$413,970 USDA loan to help finance collection system upgrades. The population is 2,424.

- Mercedes - WWTP Expansion (\$7,530,000 Commitment 03/27/2007) - Rehabilitate and expand the City's WWTP from 2.3 to 5.0 MGD and upgrade treatment levels to meet anticipated ammonia nitrogen limits. The project will replace the headworks, overhaul both oxidation ditches and add brush aerators, rehabilitate both clarifiers, add a third clarifier, expand chlorination facilities, add a sludge belt press, and upgrade pump stations, piping, electrical and control systems. The population is 18,049.
- Orange Co WCID # 1 - Wastewater System Consolidation (\$27,225,000 Commitment 07/24/2007) - Construct a new 3.0 MGD treatment plant at the site of the District's Oak Lane WWTP, construct trunk lines to abandon and divert flow from the District's other WWTPs (Tiger Creek, Tiger Lake, and Cloverleaf) to the new plant, replace a large percentage of the old concrete sewer lines in the Oak Lane service area and the Green Forest and Wexford Park subdivisions, and rehabilitate collection facilities to reduce infiltration and inflow. The District is under enforcement for manhole overflows and excessive flow at all of its plants. The District includes nearly 7,900 acres and provides wastewater service to the cities of Vidor, Pine Forest, and Rose City, and surrounding areas. The population is 14,400.
- Palestine - Collection System Rehabilitation III (\$30,945,000 Commitment 12/12/2006) - Funding for Phases III and IV and Stage 2 of the City's wastewater system plan. Phase I (project 71573) is complete. Phase II (project 71717) has a TWDB commitment. Phase III includes improvements in basins 16, 19, 20, and 22, as well as citywide manhole rehabilitation. Phase IV includes improvements in basins 10, 11, and 14 and upgrades at the Wells Creek Lift Station. Stage 2 includes basins 1, 4, 5, 7, 17, 18, and 21 and improvements at the Gum Creek Lift Station. Trunk line improvements will be planned and constructed after accounting for reduced flow rates in the system. The population is 17,598.
- Rio Grande City - Collection System Extension (\$2,885,000 Commitment 12/12/2006) - Wastewater collection for residents of Rio Grande City and the Rio WSC that are currently served by individually owned on-site systems, with treatment at the City's wastewater treatment

plant. The City anticipates providing service for residents of El Tanque WSC, and with a separate system, for residents of El Sauz WSC. The City will also use \$8,700,000 in grant and loan funding from the Border Environmental Cooperation Commission (BECC). They also anticipate another CWSRF application in FY 2007. The project will add approximately 1,165 wastewater connections. The population is 19,200.

- Roscoe - WWTP Replacement (\$1,560,000 Commitment 02/27/2007) - Replace the City's deteriorated WWTP with a new, more efficient plant located outside the flood plain. The existing plant was constructed in 1935. It is more economical for the City to construct a new WWTP than upgrade the existing plant and site to comply with TCEQ requirements. The new plant will be designed for 0.175 MGD and consist of a facultative lagoon, an irrigation storage pond, a center-pivot irrigation system, and a pump station to supply irrigation water. The population is 1,411.
- Roxton - Collection System Rehabilitation (\$1,000,000 Commitment 04/24/2007) - Rehabilitate the collection system. Replace old brick manholes and broken, crushed or shifted clay pipe - the primary sources for infiltration and inflow. Service will be extended to approximately fifteen customers currently on septic tanks. Additional projects include equipping lift stations with alarm systems, installing a parshall flume at the WWTP, rehabilitating units at the WWTP, and rehabilitating the master lift station. The population is 697.
- Sonora - Collection System Replacement (\$6,000,000 Commitment 02/27/2007) -Replace major elements of the City's wastewater collection system. The system was installed in the 1930s, 1940s and early 1950s and consists of clay, cement, iron, steel, and PVC pipe. The system has many problems that include fragile materials (clay), lines with insufficient slope, improperly installed taps, undersized pipes, and deteriorated manholes. The project could include up to 132,600 feet of 6 to 12-inch gravity line and 242 manholes. The population is 3,068.
- Taylor Landing - WWTP Replacement (\$710,000 Commitment 04/24/2007) -Replace the City's 25 year old package wastewater treatment plant with a new 0.50 MGD plant. The plant is located in the Country Club Park Estates Subdivision (and the newly incorporated city of Taylor Landing) four miles west of Port Arthur and adjacent to Taylor's Bayou in the 100-year flood plain. Corrosion in the steel structure of the plant has deteriorated the original thickness by approximately 75%. The new plant will be built on a raised concrete foundation. The population is 280.

- Trinidad - Sewer Line Replacement (\$780,000 Commitment 02/27/2007)- Funding to replace approximately 8,000 feet of older concrete and vitrified clay sewer line in several locations. Funds will also be used to add baffles and aeration to the wastewater ponds. The collection system is over 40 years old and has deteriorated. Rainfall events bring excessive flow to the plant, causing short circuiting, and insufficient detention times. The population is 1,100.
- Trinity River Authority (TRA) - Central WWTP Expansion (\$300,000,000 Commitment 05/22/2007) - Rehabilitate and expand the Central wastewater treatment plant from 162 to 189 MGD. Treatment works will include replacing aging units, improving system reliability, and providing wet weather flow storage and treatment. Also rehabilitate and expand the regional interceptor system that transports collected flow from all or parts of the cities of Addison, Arlington, Carrollton, Cedar Hill, Colleyville, Coppell, Dallas, Duncanville, Euless, Farmers Branch, Fort Worth, Grand Prairie, Grapevine, Hurst, Irving, Keller, Mansfield, North Richland Hills, Southlake, and the DWF International Airport. The population is 1,200,000.
- Trinity River Authority - Denton Creek Regional WWTP Expansion (\$50,000,000 Commitment 07/24/2007) - Expand the Denton Creek Regional wastewater system from 5.0 to 11.5 MGD. Renovate and expand the older activated sludge process train from 2.2 to 4.0 MGD and add a new 5.0 MGD unit to operate in parallel with the existing 2.5 MGD sequencing batch reactor process. Work will include screening facilities, a new influent lift station, a grit removal system, aeration facilities, clarifiers, effluent filters, an expanded ultraviolet light disinfection process, and solids handling equipment. TRA anticipates stricter discharge limits for the current WWTP location and the need for a second outfall on Whites Branch. Interceptor projects include 8,000 feet of 27 and 30-inch line in the Cade Branch watershed and 14,400 feet of 54 to 72-inch line on Henrietta Creek. The system serves the Alliance Airport area, the Texas Motor Speedway, and a number of cities in northern Tarrant and southwestern Denton counties. The population is 60,000.
- Trinity River Authority - Ten Mile Creek System Improvements (\$50,000,000 Commitment 07/24/2007) - A series of improvements that will completely refurbish or replace aging components in the Authority's 24.0 MGD Ten Mile Creek WWTP, provide needed capacity in the interceptor system, and provide flexibility for future expansion. Originally constructed in the late 1960s, the system provides regional

service to all or portions of the cities of Cedar Hill, DeSoto, Duncanville, Ferris, and Lancaster south of Dallas. The population is 123,829.

- Winters - Lagoon Rehabilitation (\$655,000 Commitment 02/27/2007) - Funding to remove sludge from and rehabilitate the City's three existing effluent storage ponds. The City has a \$350,000 Texas Community Development Program grant and has local funding to construct a new large lagoon and irrigation system, but needs additional funding to comply with TCEQ permit requirements. To comply, effluent storage capacity must be sufficient to store treated water during peak flow conditions and during times of the year when the disposal area cannot be irrigated. If funds are sufficient the City will also rehabilitate and enlarge the main lift station. The population is 2,916.
- Yoakum - Collection System Replacement (\$7,500,000 Commitment 09/19/2006)- Remove and replace dilapidated sewers, manholes, and service connections. Re-route lines, in some cases change the direction of flow, and provide lift stations where appropriate. The City has approximately 50 miles of 6 to 21-inch clay tile sewer line, a large portion of which was constructed prior to 1928. A 2004 study identified \$11 million in need. The City cannot afford to undertake the entire project, so will proceed on a priority basis. The population is 5,800.
- Zapata County - WWTP & Collection System Expansion (\$6,415,000 Commitment 05/22/2007) - Rehabilitation and expansion of the Zapata County Waterworks WWTP from 0.8 to 1.6 MGD. Existing treatment units were constructed in 1981 and 1992 and are either undersized or have exceeded their useful life. The project will build a new 49-foot diameter clarifier, rehabilitate the two existing clarifiers, expand the chlorine contact chamber, add a sludge belt press, and replace all of the oxidation ditch brush rotors. Peak capacity will be expanded to 4.5 MGD. The project will also add collection facilities in areas without service in seven areas: Four Seasons, Falcon Lakeshore Estates, Lakefront Lodge, Valento, Falcon Lake Estates East, Ramirez, and Buena Vista. This will include approximately 38,900 feet of 6 to 10-inch line. The population is 14,517.

The Board has continued to make binding commitments for loans through the purchase of municipal bonds. Other authorized forms of financial assistance through the SRF have not been used.

Binding Commitment Revisions FY 2007

During FY 2007, there was one identified change in binding commitments. The City

of Sunset, which had received a commitment through the Rural Community Hardship Program within the CWSRF program, was withdrawn by the TWDB due to the City not actively proceeding with its project as shown in Exhibit 1. The funding has been transferred back into the account within the CWSRF program and is available for a future commitment.

Exhibit 1
CWSRF Project Adjustments in FY 2007

IUP Year	SRF	Project	Commitment Date	Reduction in Commitment
99	4427-01	City of Sunset	2/18/99	-\$295,000
Grand Total of Adjustments in FY 2007				-\$295,000

In addition to the City of Sunset’s change in commitment, there was a minor change shown in the Amended FY 2007 Intended Use Plan in a category classification for the City of Los Fresnos’s project. No other changes were noted.

Cross-Cutters

The Board has made substantial progress toward compliance with the Cross-Cutting requirements on projects assisted with funds directly made available by capitalization grants. In FY 2007 twelve of the thirty-one communities receiving commitments were under the Cross-Cutter Program for a total of \$174,550,000. This brings the total amount committed to Cross-Cutters to \$923,065,000. The FY 2007 Cross-Cutter projects are:

- City of Alamo (\$10,160,000)
- City of Celina (\$4,480,000)
- City of Cleveland (\$5,270,000)
- City of Edinburg (\$4,020,000)
- City of Fort Worth (\$33,560,000)
- City of Harris Co. MUD 50 (\$1,500,000)
- City of Houston (\$61,545,000)
- City of Liberty (\$8,100,000)
- City of Liberty Hill (\$6,785,000)
- City of Mercedes (\$7,530,000)
- City of Palestine (\$30,945,000)
- City of Winters (\$655,000)

Rural Communities Hardship Grants Program

In FY 2007 no communities received commitments under the Rural Communities Hardship Grants Program. The Board obligated all of the Rural Communities

Hardship grant funds through binding commitments made in FY 1999. Five entities received a total of \$3,225,000 in loan commitments and \$3,089,730 in grant commitments for a total of \$6,314,730. Four of the five projects have completed final accounting.

Exhibit 2

SRF #	Project	CWSRF LOAN				RURAL COMMUNITIES HARDSHIP GRANT*			
		Federal Share Disbursed	State Share Disbursed	Total Loans Commitment	Remaining Loan Funds	Federal Share Disbursed	State Share Disbursed	Total Grant Funds	Remaining Grant Funds
4454-01	Angelina Co WCID #3	\$ 481,400	\$ 98,600	\$ 580,000	\$ 0	\$ 552,381	\$ 27,619	\$ 580,000	\$ 0
2341-01	Cranfils Corp.	\$ 504,167	\$ 100,833	\$ 605,000	\$ 0	\$ 533,076	\$ 26,654	\$ 559,730	\$ 0
4453-01	Evadale WCID #1	\$ 1,305,410	\$ 244,590	\$ 1,550,000	\$ 0	\$ 1,476,190	\$ 73,810	\$ 1,550,000	\$ 0
4185-01	High Island ISD	\$ 162,500	\$ 32,500	\$ 195,000	\$ 0	\$ 91,617	\$ 4,581	\$ 105,000	\$ 8,802
4427-01	**Sunset	\$ 0	\$ 0	\$ 295,000	\$ 295,000	\$ 2,619	\$ 131	\$ 295,000	\$ 292,250
	Total	\$ 2,453,477	\$ 476,523	\$ 3,225,000	\$ 295,000	\$ 2,655,883	\$ 132,795	\$ 3,089,730	\$ 301,052

*Represents all Grant disbursements under the Rural Community Hardship Grants Program since the beginning of the program

**Sunset was de-obligated (see paragraph below)

In FY 2007, the funding for the City of Sunset's loan was withdrawn by the Board. The identified project is no longer considered viable by all of the participating funding agencies: the USDA-Rural Development; the Office of Rural Community Affairs; and the Texas Water Development Board.

For the remaining \$295,000 in available funds, Board staff are reviewing a current project for eligibility; we are hoping to either spend these funds or return these funds to EPA by the end of FY2008.

Nonpoint Source Projects

The Board has taken steps to promote the CWSRF as a funding source for Section 319 and 320 projects. Through FY 2007 the Board made loans or commitments to three entities for nonpoint source projects for a total of \$1,890,000. One of these projects received the CWSRF PISCES Award for performance and innovation. The **High Island Independent School District project** is a natural wetlands, marsh-pond-marsh, treatment system that was constructed with CWSRF to replace inadequately sized septic systems that discharged into a drainage ditch. This completed facility serves 300 students, faculty and administrators.

The TWDB includes a short-term goal in its CWSRF Intended Use Plans describing proposed marketing efforts. Nonpoint source (319) and estuary management (320) projects are promoted by providing information in all of the agencies outreach

efforts. Our annual six SRF Workshops include presentations and information about 319 and 320 funding options. Printed marketing information is also distributed to potential applicants at all meetings and trade association conferences in which TWDB staff participate. In addition, the TWDB works closely with the state's primacy and regulatory agency, the Texas Commission on Environmental Quality (TCEQ) to promote these funding options.

Exhibit 3

CWSRF Non-Point Source Projects*							
SRF #	Project	1st FY IUP	Commitment Date	Closing Date	Total Loan Amount	Non-Point Source Equivalency	Total Equity Funds Distributed
4427-01	**Sunset	99	2/18/1999		\$ 295,000	100%	
TOTAL					\$ 295,000		\$0
CWSRF Non-Point Source Projects Completed							
4395-01	Wells Branch MUD	98	4/16/1998	5/6/1999	\$ 1,400,000	100%	\$ 1,400,000.00
4185-01	High Island ISD	99	2/18/1999	8/11/1999	\$ 195,000	100%	\$ 195,000.00
Completed TOTAL					\$ 1,595,000		\$ 1,595,000.00
GRAND TOTAL					\$ 1,890,000		\$ 1,595,000.00

*Represents all CWSRF NonPoint Projects since the beginning of the Program

**Sunset was de-obligated

Actual vs. Binding Commitments

Table 2 shows that the State has exceeded the requirement to enter into binding commitments in an amount equal to 120 percent of the amount of each grant payment within one year after the receipt of such grant payment. In FY 2007 binding commitments required were \$1,572,249,614 and binding commitments made were \$4,812,362,324 (see Exhibit 4). By August 31, 2007, the State had made binding commitments equal to 309.63 percent of grant payments received through the fourth quarter of FY 2006.

Exhibit 4



B. Capacity Model and Source of Funds

The identified average annual target revenue to debt coverage ratio for the CWSRF capacity model is 1.57 times (x) for FY 2007 with a minimum revenue to debt coverage ratio of 1.10x. This meets, or exceeds, prior year coverage ratios. The coverage target is also consistent with rating agency expectations for maintenance of superior bond ratings.

For FY 2008 the Board has run the capacity for CWSRF which includes 30-year loans. With this capacity, the minimum revenue to debt ration is 1.13x, and the average annual coverage ratio is 1.33x. With the introduction of 30 year loans into the CWSRF, the Board will be monitoring the new capacity model closely to ensure that the program maintains appropriate funding levels.

C. Administrative Costs

The Board has used two funding sources to pay the administrative costs of the program: monies from the CWSRF, and administrative cost recovery fees charged to loan recipients. Rules providing for the assessment of cost recovery fees to CWSRF loan recipients in order to raise revenues for administration of the CWSRF were adopted by the Board in FY 1996 with the concurrence of EPA as shown in the following exhibit.

Exhibit 5

<i>CWSRF Administrative Fees</i>					
Source of Funds	State Revolving Fund			Cost Recovery Fund	Total Administration
	Federal	State	Total Funds		
Administration 91	\$2,212,581	"State Banked"	\$2,212,581	0	\$2,212,581
Administration 92	\$1,806,072		\$1,806,072	0	\$1,806,072
Administration 92	\$0	\$1,500,674	\$1,500,674	0	\$1,500,674
Administration 93	\$0	\$4,259,370	\$4,259,370	0	\$4,259,370
Administration 94	\$0	\$4,578,753	\$4,578,753	0	\$4,578,753
Administration 95	\$0	\$5,077,507	\$5,077,507	0	\$5,077,507
Administration 96	\$0	\$4,069,387	\$4,069,387	\$700,000	\$4,769,387
Administration 97	\$0	\$0	\$0	\$5,166,713	\$5,166,713
Administration 98	\$0	\$0	\$0	\$5,157,083	\$5,157,083
Administration 99	\$0	\$0	\$0	\$5,175,910	\$5,175,910
Administration 00	\$0	\$0	\$0	\$5,035,877	\$5,035,877
Administration 01	\$0	\$0	\$0	\$4,795,878	\$4,795,878
Administration 02	\$0	\$0	\$0	\$5,026,804	\$5,026,804
Administration 03	\$0	\$0	\$0	\$4,957,912	\$4,957,912
Administration 04	\$0	\$0	\$0	\$4,513,673	\$4,513,673
Administration 05	\$0	\$0	\$0	\$4,882,643	\$4,882,643
Administration 06	\$0	\$0	\$0	\$5,366,376	\$5,366,376
Administration 07	\$2,645,945	\$0	\$2,645,945	\$2,026,297	\$4,672,243
Total Administration	\$6,664,598	\$19,485,691	\$26,150,289	\$52,805,166	\$78,955,456

The State has banked the Administration Funds that were made available by federal grants from 1997-2006.

Federal legislation which includes the following provision has been enacted:

“That notwithstanding section 603(d)(7) of the Federal Water Pollution Control Act, as amended, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2001 and prior years where such amounts represent costs of administering the fund, to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration.”

Accordingly, cost recovery fees financed in loans through FY 2007 are not subject to Grant Administrative cap per appropriations bill, if deemed reasonable by EPA.

D. EPA Special Appropriations Act Program (SAAP) Grants Matched with CWSRF Program Funds

During FY 2007, three entities maintained active grants using CWSRF program funds to satisfy federal grant match requirements for their individual EPA SAAP grants, as described below:

City of Eagle Pass – This project involves construction of a new 19.0 MGD membrane surface water treatment plant, storage facilities, pumping facilities, transmission line, a 2.0 MGD wastewater treatment plant, sewer collection system, and a 3.0 MGD reclaimed water system. This project will provide first time wastewater service to the El Indio service area and the Kickapoo Reservation. The SAAP portion of this project involves the design and construction of a regional water/wastewater control center and housing facility. The SAAP funding breakdown for the project is: \$867,300 (SAAP grant), and \$709,609 (state contribution), for a total of \$1,576,909.

City of Liberty Hill – This project involves a wastewater collection system to provide first time service within the city limits and extend eastward along US Highway 29 through Seward Junction. Treatment will be provided at the LCRA regional plant. The SAAP funding breakdown for the project is: Two SAAP Grants totaling \$594,900, and \$486,736 (state contributions), for a total of \$1,081,636.

City of Pharr – This project involves the expansion of the City's WWTP from 5.0 to 10.0 MGD by adding new headworks, an oxidation ditch, new clarifiers, sludge handling facilities, a belt press, chlorination equipment and outfall. Collection system improvements include approximately 23 miles of interceptor line to expand capacity and eliminate lift stations. The SAAP funding breakdown for this project is: \$625,500 (SAAP Grant), and \$511,773 (state contribution), for a total of \$1,137,273.

V. OPERATING AGREEMENT & GRANT CONDITION/ASSURANCES

Although Texas does not currently have an operating agreement for its CWSRF program, the Board has agreed to the following administrative and programmatic conditions in all the CWSRF Capitalization Grant Agreements:

- 1. Timely Completion of Project Work.**
- 2. Recipient standards A -87, A-102, A-110, & 40 CFR, Part 31.**
- 3. Purchases containing recycled materials.**
- 4. Uses of recycled paper.**
- 5. Submittal of annual financial status reports to EPA's grant team.**
- 6. Space used for meeting, training, etc. funded with federal funds will comply with the Hotel and Motel Fire Safety Act of 1990.**

7. **Paperwork Reduction Act of 1995.**
8. **Prohibition of using project funds to lobby the Federal Government or in litigation against the United States.**
9. **Single Audit Annual Audits - The Board's complete AFR and the State's CAFR will be submitted upon receipt.**
10. **EPA Program for Utilization of Small, Minority, and Women's Business Enterprises in procurement under assistance agreements.**

The Board has negotiated DBE goals, previously identified as MBE/WBE goals, with EPA, Region 6, as follows:

Exhibit 6

Total 2007 Procurements	DBE Goals	FY 2007 DBE Actual		DBE Goals	FY 2007 DBE Actual	
		Dollar Value	% of Procurement		Dollar Value	% of Procurement
\$ 55,156,328.51		\$ 10,318,404.06	18.71%		\$ 2,988,122.35	5.42%
Construction	34.0%	\$ 4,582,196.39	8.31%	8.0%	\$ -	0.00%
Supplies	18.0%	\$ 3,538,118.86	6.41%	29.0%	\$ 2,083,510.83	3.78%
Equipment	13.0%	\$ -	0.00%	13.0%	\$ -	0.00%
Services	22.0%	\$ 2,198,088.81	3.99%	26.0%	\$ 904,611.52	1.64%
Overall DBE Procurements					24.13%	

The Board has submitted a completed Standard Form 5700-52A within 30 days after each federal fiscal year quarter in which sub-agreements were awarded. In FY 2003, the EPA revised the Standard Form 5700-52A to report on the four procurement categories and not by grant IUP year. These figures may change as additional contracts are awarded in the future.

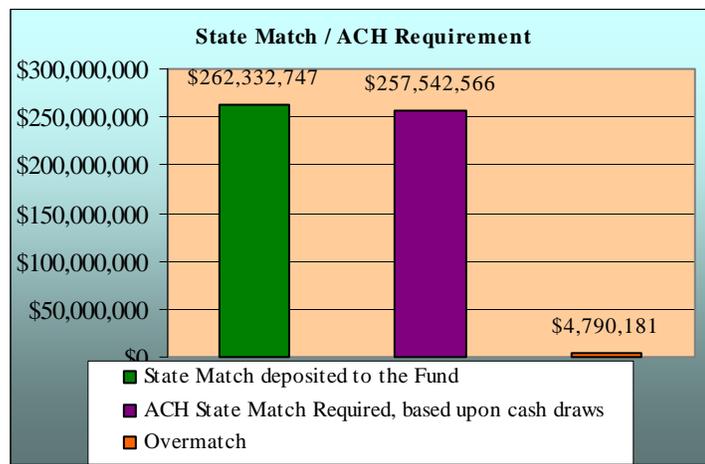
11. Adhere to EPA-ACH accounting and reporting procedures.

- a. Cash draw downs will be made only as actually needed for disbursements. CWSRF projects are funded from various sources at the time of loan closings. Federal funds are drawn as projects designated for federal draws submit outlay reports showing evidence of costs incurred. Table 5 shows that \$169,701,730 in federal funds were drawn from the Automated Standard Application for Payments (ASAP) System in FY 2007. This amount represents 83 percent including state match of all reported costs incurred for designated projects during the year. The Rural Communities Hardship Grant Projects details are shown on Exhibit 2.

- b. Submit Federal Cash Transactions Report (SF-272) in a timely manner.
 - c. Impose same standards of timing and reporting on secondary recipients.
12. **In accordance with 40 CFR 31.36(j)(1), limit EPA’s participation in the salary paid to individual consultants to the maximum hourly rate for a level 4 of the Executive Schedule, which is currently approximately \$64.20 per hour (2003).**
 13. **Accepts grant payments in accordance with a payment schedule and deposit all such payments in the CWSRF in accordance with Title VI.**
 14. **Make binding commitments of bond proceeds and authorize a cash draw of these funds to provide the required state match. [CWA, 602(b) (2)]**

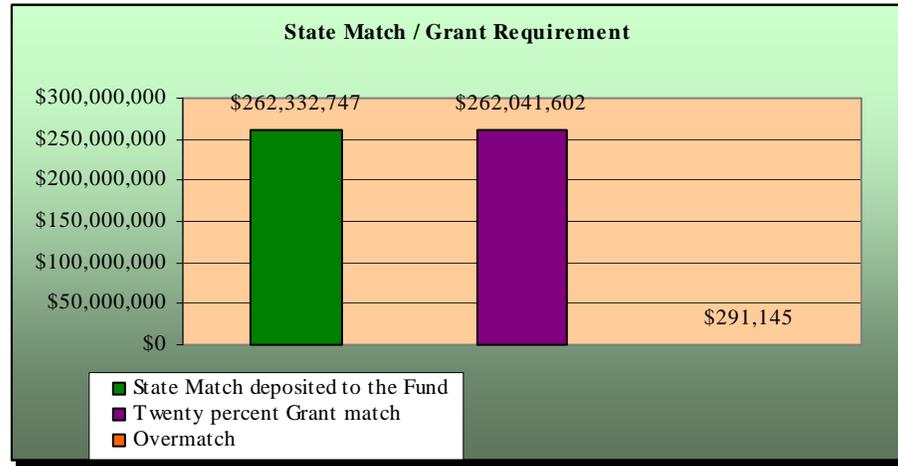
The capitalization grant requires the State to deposit matching funds to the CWSRF in an amount equal to at least 20 percent of each draw on the EPA Automated Standard Application for Payments System on or before the date of the cash draw. The Board transfers state bond proceeds to the CWSRF in sufficient amounts that the Fund remains overmatched. At the end of FY 2007, total State match which had been deposited to the Fund was \$262,332,747 [Table 1]. State match required for cash draws for projects through FY 2007 totaled \$257,542,566 [Table 1], providing an overmatch of \$4,790,181 as shown below.

Exhibit 7



The same \$262,332,747 is also in excess of the match required for all capitalization grants awarded to the State through FY 2007, but not necessarily drawn from the capitalization grants. For the \$1,310,208,012 capitalization grant funds awarded, the 20 percent match is \$262,041,601. The State has \$291,145 to apply against future grants [Table 1].

Exhibit 7a



- 15. Enter into binding commitments to provide assistance in accordance with the requirements of Title VI in an amount equal to 120 percent of the amount of each such grant payment within one year after the receipt of such grant payment. [CWA, 602 (b) (3)]**

The Board has entered into binding commitments to provide CWSRF financial assistance in amounts greater than 120 percent of each quarterly grant payment within one year after receipt of each quarterly payment [Table 2].

- 16. All funds will be expended in an expeditious and timely manner. [CWA 602(b) (4)]**

The Board has disbursed all cash draws in a timely and expeditious manner. The Board monitors all projects to ensure they move as timely and expeditiously as possible to start construction. See Table 5 which shows project status of all 504 CWSRF projects.

In FY 2006, a joint initiative involving the Finance Office, previously known as the Office of Chief Financial Officer (OCFO) and PFCA was implemented to ensure all CWSRF projects designated for federal draws were up-to-date with the required submission of Outlay Reports and invoice documentation.

- 17. All funds will first be used for any major and minor publicly owned treatment works previously identified as part of the National Municipal Policy universe. [CWA 602(b) (5)]**

This requirement was fulfilled in FY 1993 when the last of the 15 NMP projects received a binding commitment.

- 18. All equivalency projects (Tier III) will comply with the National Environmental Policy Act (NEPA). All nonequivalence (Tier II) will comply with NEPA or the alternative State Environmental Review Process. [CWA 602(a)]**

A NEPA-like environmental review or alternative state environmental review was conducted on all CWSRF funded projects. There were no Environmental Impact Statements required. Environmental Assessments were prepared and a Finding of No Significant Impact was issued for each project identified as an equivalency project and alternative environmental review was conducted and a state determination made for all non-equivalency projects.

- 19. Expend quarterly grant payments in accordance with laws and procedures applicable to the commitment or expenditure of revenues of the State. [CWA 602(b) (7)]**

The Board expends each quarterly grant payment in accordance with State laws and procedures.

- 20. State will use accounting, audit, and fiscal procedures conforming to generally accepted government accounting standards.**

The Board uses accounting, audit, and fiscal procedures which conform to generally accepted government accounting standards.

- 21. State will ensure recipients of assistance will maintain project accounts in accordance with generally accepted government accounting standards.**

The Board has required each CWSRF loan recipient to maintain project accounts in accordance with generally accepted accounting principles and standards.

- 22. State will make annual reports.**

The Board files the Annual Report with the EPA as required within 90 days after the end of the state fiscal year.

- 23. All projects receiving CWSRF funds are consistent with plans developed under Sections 205(j), 208, 303(e), 319 and 320 of the Act. [CWA 603(f)]**

- 24. Board agrees to notify the regional Administrator and request concurrence on proposed amendments to any section of its rules which contain provisions**

required by EPA and the CWA.

25. The Board agrees to respond to requests for information and records.
26. There were no delinquent payments of principal and interest to the Fund. Principal and interest from outstanding loans totaled \$390,236,473 in FY 2007. The exhibit below represents the repayment of scheduled principal payments. It does not include the collection of principal payments ahead of their scheduled payment date, (prepayments).

Exhibit 8

<i>Through State Fiscal Year Ending August 31, 2007</i>			
CWSRF Project Loan Repayment and Prepayment and Interest Activity			
Fiscal Year	Principal Paid	Interest Paid	Total Paid
1989-2005	\$1,541,414,323	\$1,045,048,161	\$2,586,462,484
2006	\$ 308,866,000	\$ 81,370,473	\$ 390,236,473
GRAND TOTAL	\$ 1,850,280,323	\$ 1,126,418,634	\$2,976,698,957

27. **Annual Review.** The FY 2006 Annual Performance Review was performed in April 2007.

28. **Title II equivalency requirements.** [CWA 602(b) (6)]

The Board has previously met this requirement whereby binding commitments in an amount equal to capitalization grants awarded for FY 1988 through FY 1994 were made to Title II projects. There are 72 projects, which meet the Title II requirements (contained in Section 602 (b) (6) of the Act) totaling \$668,565,558.

29. **Other federal authorities.**

The Board has amended Chapter 375 of its rules by combining provisions of Chapters 363 and 375. The amended rules include provisions offering a 195 basis point interest rate subsidy to applicants who comply with other federal authorities. The subsidy will be available only for commitments in the amount needed to meet each year's Cross-Cutter requirement. Projects funded under Chapter 375 Subchapter B will meet Cross-Cutter requirements.

VI. CWSRF ENVIRONMENTAL BENEFITS REPORTING

The Board entered applicable CWSRF data on closed SRF loans beginning in FY 2007. Data entry of selected information on seven closed loans was completed. This information is submitted to EPA through the CWSRF Benefits Reporting Online database developed in conjunction with Northbridge Consulting.

VII. OTHER PROGRAM ACCOMPLISHMENTS AND IMPROVEMENTS

A. Five-State SRF Conference

The Texas Water Development Board hosted the Third Five State SRF Conference on July 9-11, 2007, in Austin Texas. As with the two previous meetings, the conference was attended by the five states from EPA Region 6; Arkansas, Louisiana, New Mexico, Oklahoma, and Texas, and focused on issues affecting the management of the SRF programs. One difference from the previous meeting is that representatives from EPA Region 6 were in attendance at the afternoon session of the second day to provide the states with updates and to address any questions regarding impending federal legislative, funding or policy issues that could affect the SRF programs. Topics covered during the conference included additional documentation requirements for SRF projects, managing outlays and the issue of unliquidated obligations, strategies for marketing the DWSRF program and coordination efforts with other state and federal funding sources involved in financing water and wastewater projects.

B. Program Improvements

In general, the Board plans a continuation and expansion of the various CWSRF program process improvement initiatives and activities documented in Section III, Goals and Accomplishments, of this annual report. Many of the process improvements are recent developments and are not expected to result in maximum benefits to the program over the short-term. It is anticipated that with the realignment of Board staff, which was designed to provide for a consolidated focus on the SRF program, many of these process improvements will begin to create a more efficient and effective program.

Two significant and noteworthy initiatives planned for FY 2008 are the implementation of 30-year loans and the comprehensive SRF management information system.

New Loan Structure:

The Board is expanding the CWSRF program to allow for extended financing terms of up to 30 years. This program change will offer Texas customers additional flexibility in financing their infrastructure needs with the use of alternative debt structures. In addition, customers will now be able to match the asset to the liability; most major

components of wastewater infrastructure has a design life of 30 years and with this improvement, the average asset life being financed can now match the term of the debt structure.

TxWise:

The ultimate goal is to develop a water infrastructure improvement project tracking system. This system will not only in some instances automate our project information but where needed it will enhance our automation capability for the tracking and managing construction projects from the initial contact stage through the project close-out stage.

Once this system is in place, the CWSRF program and processes will be operating at a higher level of efficiency than in prior years.

ATTACHMENT A

**TEXAS WATER DEVELOPMENT BOARD
CLEAN WATER STATE REVOLVING FUND
PROJECTED ANNUAL CASH FLOW COVERAGE
AS OF AUGUST 31, 2007**

Fiscal Year Ending 8/31	Funds On Hand Restricted To Debt Service	Projected Revenues To Pay Debt Service	Total Projected Sr. Lien Bonds Debt Service	Senior Debt Coverage (2)	Total Current Projected Sub. Lien Bonds Debt Service	Combined Sr. & Sub. Debt Coverage (2)	Total Projected Match Bond Debt Service	Coverage on Total Debt Service (2)	Total Projected Debt Service Requirements	Net Balance After Debt Service (3)	Projected Fee Income (4)	Projected Operating Expenses
2008 (1)	\$73,360,700	\$146,780,281	\$42,267,043	5.21	\$41,347,886	2.63	\$19,354,978	2.14	\$102,969,907	\$117,171,075	\$5,596,136	\$5,859,146
2009	-	186,625,451	43,947,550	4.25	\$42,769,791	2.15	19,526,777	1.76	106,244,119	80,381,332	5,596,136	5,859,146
2010	-	191,930,921	45,026,825	4.26	\$43,679,532	2.16	19,860,614	1.77	108,566,972	83,363,950	5,596,136	6,034,921
2011	-	219,313,345	45,729,013	4.80	\$48,803,626	2.32	20,012,078	1.91	114,544,716	104,768,629	5,596,136	6,215,968
2012	-	244,690,396	45,342,913	5.40	\$50,836,333	2.54	16,116,521	2.18	112,295,766	132,394,629	5,596,136	6,402,447
2013	-	253,311,476	46,893,288	5.40	\$50,808,019	2.59	13,497,853	2.28	111,199,159	142,112,316	5,596,136	6,402,447
2014	-	268,179,381	54,520,688	4.92	\$48,011,613	2.62	13,615,739	2.31	116,148,040	152,031,341	5,596,136	6,402,447
2015	-	279,665,830	61,685,450	4.53	\$40,791,698	2.73	12,238,015	2.44	114,715,163	164,950,667	5,596,136	6,402,447
2016	-	283,437,579	52,537,894	5.39	\$49,155,519	2.79	9,916,108	2.54	111,609,521	171,828,058	5,596,136	6,402,447
2017	-	297,411,234	48,888,831	6.08	\$64,134,222	2.63	9,958,671	2.42	122,981,723	174,429,510	5,596,136	6,402,447
2018	-	301,867,652	24,624,071	12.26	\$23,489,270	6.27	10,011,641	5.19	58,124,981	243,742,670	5,596,136	6,402,447
2019	-	389,183,868	8,891,361	43.77	\$142,028,664	2.58	8,044,118	2.45	158,964,143	230,219,725	5,596,136	6,402,447
2020	-	271,079,809	54,249,366	5.00	\$8,546,650	4.32	5,909,594	3.95	68,705,611	202,374,198	5,596,136	6,402,447
2021	-	263,932,925	37,031,135	7.13	\$8,549,050	5.79	5,921,577	5.12	51,501,762	212,431,164	5,596,136	6,402,447
2022	-	264,781,417	-	-	\$8,548,625	30.97	5,948,529	18.26	14,497,154	250,284,263	5,596,136	6,402,447
2023	-	264,225,777	-	-	\$8,549,925	30.90	3,994,651	21.06	12,544,576	251,681,201	5,596,136	6,402,447
2024	-	275,630,699	-	-	\$8,547,275	32.25	4,007,929	21.95	12,555,204	263,075,495	5,596,136	6,402,447
2025	-	282,946,209	-	-	\$8,545,225	33.11	3,070,534	24.36	11,615,759	271,330,450	5,596,136	6,402,447
2026	-	277,174,968	-	-	\$8,548,100	32.43	3,104,886	23.79	11,652,986	265,521,982	5,596,136	6,402,447
2027	-	278,876,006	-	-	-	-	2,053,974	135.77	2,053,974	276,822,032	5,596,136	6,402,447
2028	-	292,729,491	-	-	-	-	304,845	960.26	304,845	292,424,647	5,596,136	6,402,447
2029	-	284,812,948	-	-	-	-	310,517	917.22	310,517	284,502,431	5,596,136	6,402,447
2030	-	304,322,256	-	-	-	-	-	-	-	304,322,256	5,596,136	6,402,447
2031	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2032	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2033	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2034	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2035	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2036	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2037	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2038	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2039	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2040	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2041	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2042	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
2043	-	-	-	-	-	-	-	-	-	-	5,596,136	6,402,447
		\$6,122,909,919	\$611,635,426		\$705,691,023		\$206,780,147		\$1,524,106,597			

(1) Represents projected cash flows for the fiscal year ending August 31, 2008.

(2) Debt service coverage is related to cumulative debt service requirements from left to right.

(3) These funds available after payment of operating expenses are assumed to be used for new loans.

(4) The service charges are fees charged to borrowers to cover the administrative costs of the program. The fees in all years are based upon the assumption that \$302,493,824 in principal amount Fees are collected outside of the State Revolving Fund based upon state law. Borrowers are being provided an additional

of loans are made per year with charges of 1.85% of the loan amount. This is reflected in the cash flow loan rate assumptions. reduction in loan rates to offset the charges.

**TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 PROJECTED SOURCES OF REVENUES
 AS OF AUGUST 31, 2007**

Fiscal Year Ending 8/31	Scheduled Income from Existing Political Subdivision Bonds (2)	Projected Income from Committed Political Subdivision Bonds (3)	Projected Income from Loans Funded with Excess Cash (4)	Investment Income (5)	Projected Revenue To Pay Debt Service
2008 (1)	\$127,598,055	-	-	\$19,182,226	\$146,780,281
2009	\$167,653,528	-	-	\$18,971,923	186,625,451
2010	\$174,094,062	7,769,183	7,954,026	\$2,113,651	191,930,921
2011	\$179,530,916	23,993,775	13,675,003	\$2,113,651	219,313,345
2012	\$199,232,972	24,016,825	19,326,948	\$2,113,651	244,690,396
2013	\$200,734,598	24,040,350	26,422,877	\$2,113,651	253,311,476
2014	\$206,616,209	24,063,825	35,385,697	\$2,113,651	268,179,381
2015	\$208,455,605	24,086,900	45,009,675	\$2,113,651	279,665,830
2016	\$201,911,544	24,103,875	55,308,510	\$2,113,651	283,437,579
2017	\$204,676,676	24,129,575	66,491,332	\$2,113,651	297,411,234
2018	\$197,463,984	24,152,950	78,137,067	\$2,113,651	301,867,652
2019	\$272,931,770	24,178,650	89,959,797	\$2,113,651	389,183,868
2020	\$138,251,825	24,210,975	106,503,358	\$2,113,651	271,079,809
2021	\$115,463,186	24,234,225	122,121,864	\$2,113,651	263,932,925
2022	\$102,554,037	24,262,875	135,850,855	\$2,113,651	264,781,417
2023	\$87,556,814	24,291,225	150,264,087	\$2,113,651	264,225,777
2024	\$81,945,758	24,318,575	167,252,716	\$2,113,651	275,630,699
2025	\$72,141,947	24,354,225	184,336,387	\$2,113,651	282,946,209
2026	\$48,483,905	24,382,125	202,195,287	\$2,113,651	277,174,968
2027	\$31,729,779	24,416,750	220,615,826	\$2,113,651	278,876,006
2028	\$27,522,439	24,452,225	238,641,177	\$2,113,651	292,729,491
2029	\$771,278	24,487,675	257,440,344	\$2,113,651	284,812,948
2030	\$385,320	24,527,225	277,296,061	\$2,113,651	304,322,256
2031	-	-	-	-	-
2032	-	-	-	-	-
2033	-	-	-	-	-
2034	-	-	-	-	-
2035	-	-	-	-	-
2036	-	-	-	-	-
2037	-	-	-	-	-
2038	-	-	-	-	-
2039	-	-	-	-	-
2040	-	-	-	-	-
2041	-	-	-	-	-
2042	-	-	-	-	-
2043	-	-	-	-	-
	<u>\$3,047,706,204</u>	<u>\$492,474,008</u>	<u>\$2,500,188,892</u>	<u>\$82,540,814</u>	<u>\$6,122,909,919</u>

- (1) Represents revenues projected for the fiscal year ending August 31, 2008.
- (2) Represents scheduled repayments of \$2,274,968,766 in outstanding principal amount of Political Subdivision Bonds as of August 31, 2007.
- (3) Funding for these committed political subdivision bonds would be derived from available federal funds, cash flows and other available funds of the State Revolving Fund.
 These political subdivision bonds are not dependant upon any future bond sale. The assumed lending rate used for cash flow purposes is 3.50%
- (4) Funding for these loans is derived from uncommitted funds or excess cash flows.
- (5) Assumes investment income from funds on hand but not committed at 4.94% per annum and from reserve funds as follows:

	Amount	Rate
Existing Senior Lien Reserve	\$42,786,452	4.94%
	<u>\$42,786,452</u>	

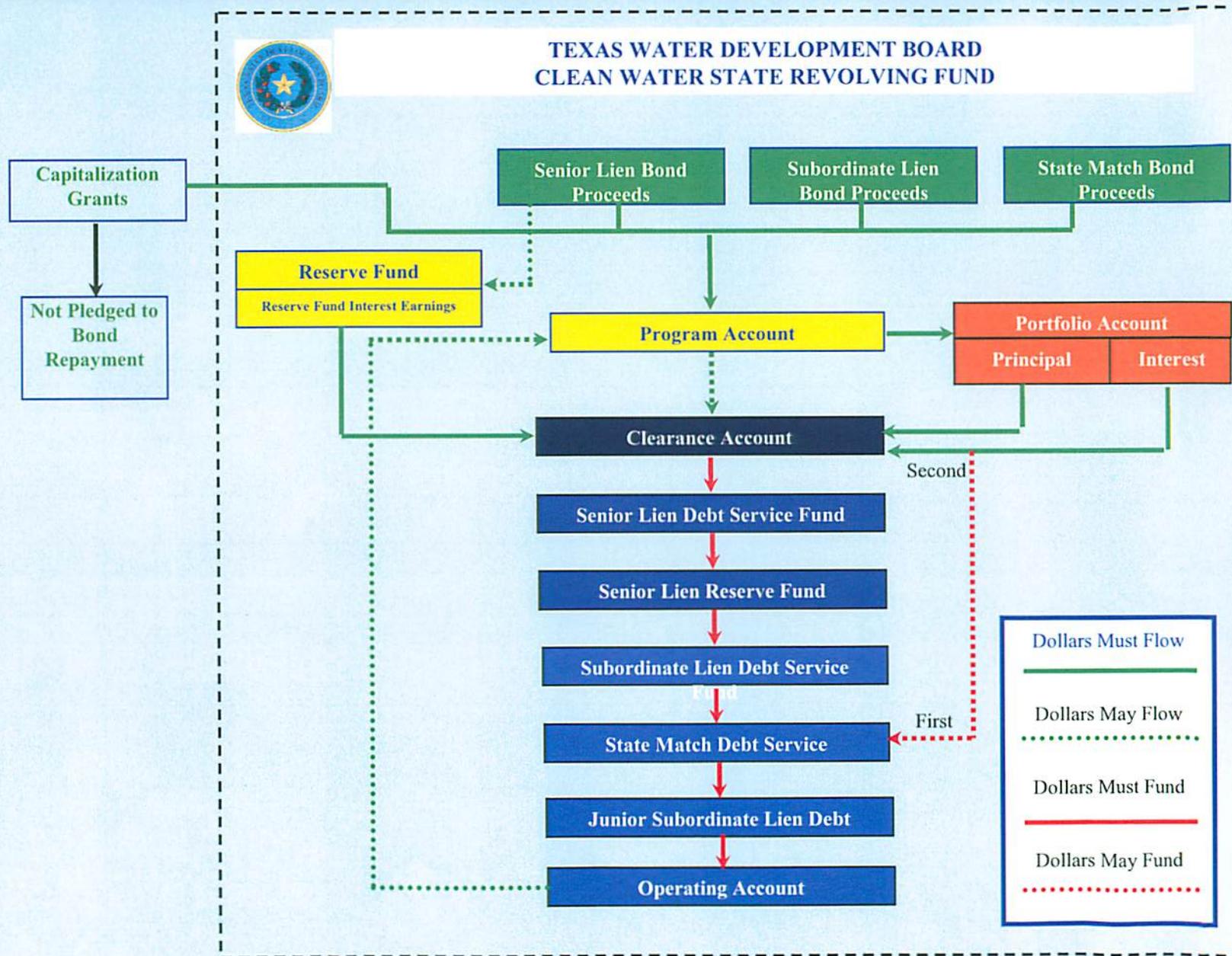
**TEXAS WATER DEVELOPMENT BOARD
 CLEAN WATER STATE REVOLVING FUND
 DEBT SERVICE ON OUTSTANDING BONDS
 AS OF AUGUST 31, 2007**

Fiscal Year Ending 8/31	Senior Lien Bonds (2)			Subordinate Lien Bonds - Variable Rate (3)			Subordinate Lien Bonds - Fixed Rate (4)			Subordinate Lien	Principal
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Grand Total	
2008 (1)	\$19,125,000	\$23,142,043	\$42,267,043	\$13,440,000	\$11,821,891	\$25,261,891	\$3,915,000	\$12,170,995	\$16,085,995	\$41,347,886	\$11,959,675
2009	\$21,810,000	\$22,137,550	\$43,947,550	\$15,410,000	\$11,285,635	\$26,695,635	\$6,135,000	\$9,939,156	\$16,074,156	\$42,769,791	\$12,769,675
2010	\$24,030,000	\$20,996,825	\$45,026,825	\$16,935,000	\$10,670,776	\$27,605,776	\$6,380,000	\$9,693,756	\$16,073,756	\$43,679,532	\$13,799,675
2011	\$26,015,000	\$19,714,013	\$45,729,013	\$23,070,000	\$9,995,070	\$33,065,070	\$6,300,000	\$9,438,556	\$15,738,556	\$48,803,626	\$14,706,231
2012	\$27,065,000	\$18,277,913	\$45,342,913	\$17,558,000	\$9,074,577	\$26,632,577	\$15,045,000	\$9,158,756	\$24,203,756	\$50,836,333	\$11,624,675
2013	\$30,120,000	\$16,773,288	\$46,893,288	\$16,445,000	\$8,374,013	\$24,819,013	\$17,545,000	\$8,444,006	\$25,989,006	\$50,808,019	\$9,469,675
2014	\$39,425,000	\$15,095,688	\$54,520,688	\$13,910,000	\$7,717,857	\$21,627,857	\$18,810,000	\$7,573,756	\$26,383,756	\$48,011,613	\$9,982,249
2015	\$48,785,000	\$12,900,450	\$61,685,450	\$12,210,000	\$7,162,848	\$19,372,848	\$14,880,000	\$6,538,850	\$21,418,850	\$40,791,698	\$9,024,675
2016	\$42,300,000	\$10,237,894	\$52,537,894	\$14,525,000	\$6,675,669	\$21,200,669	\$22,135,000	\$5,819,850	\$27,954,850	\$49,155,519	\$7,094,675
2017	\$40,920,000	\$7,968,831	\$48,888,831	\$14,980,000	\$6,096,122	\$21,076,122	\$38,345,000	\$4,713,100	\$43,058,100	\$64,134,222	\$7,469,675
2018	\$18,830,000	\$5,794,071	\$24,624,071	\$9,445,000	\$5,498,420	\$14,943,420	\$5,750,000	\$2,795,850	\$8,545,850	\$23,489,270	\$7,874,675
2019	\$4,110,000	\$4,781,361	\$8,891,361	\$128,360,000	\$5,121,564	\$133,481,564	\$6,010,000	\$2,537,100	\$8,547,100	\$142,028,664	\$6,279,675
2020	\$49,685,000	\$4,564,366	\$54,249,366				\$6,280,000	\$2,266,650	\$8,546,650	\$8,546,650	\$4,430,000
2021	\$35,090,000	\$1,941,135	\$37,031,135				\$6,565,000	\$1,984,050	\$8,549,050	\$8,549,050	\$4,670,000
2022							\$6,860,000	\$1,688,625	\$8,548,625	\$8,548,625	\$4,940,000
2023							\$7,170,000	\$1,379,925	\$8,549,925	\$8,549,925	\$3,245,000
2024							\$7,490,000	\$1,057,275	\$8,547,275	\$8,547,275	\$3,425,000
2025							\$7,825,000	\$720,225	\$8,545,225	\$8,545,225	\$2,665,000
2026							\$8,180,000	\$368,100	\$8,548,100	\$8,548,100	\$2,835,000
2027											\$1,930,000
2028											\$275,000
2029											\$295,000
2030											
2031											
2032											
2033											
2034											
2035											
2036											
2037											
2038											
2039											
2040											
2041											
2042											
2043											
	\$427,310,000	\$184,325,426	\$611,635,426	\$296,288,000	\$99,494,441	\$395,782,441	\$211,620,000	\$98,288,583	\$309,908,583	\$705,691,023	\$150,765,230

- (1) Represents scheduled debt service for remaining 12 months of the fiscal year ending August 31, 2008.
- (2) Reflects debt service on Senior Lien Bonds outstanding as of August 31, 2007.
- (3) Reflects debt service on Subordinate Lien Bonds outstanding as of August 31, 2007. (Assumes an interest rate of 3.99% for variable rate bonds.)
- (4) Reflects debt service on Subordinate Lien Bonds outstanding as of August 31, 2007. (Fixed Rate Bonds.)
- (5) Reflects debt service on Match Bonds outstanding as of August 31, 2007.



Current Flow of Funds



ATTACHMENT B

CWSRF Benefits Reporting

Loan: 40 of 62	<input type="checkbox"/> Entry Complete		
Borrower: City of Littlefield	Loan Execution Date: 10/26/2006	Tracking #: L060035	Other #: 72053
Assistance Type: Loan	Loan Interest Rate: 3.44%	Incremental Funding: N	Phase #: 0
Loan Amount \$: \$1,910,000.00	Repayment Period: 21	Original Tracking #:	
<input type="checkbox"/> Final Amount	% Funded by CWSRF:	Same Environmental Results:	<input type="checkbox"/>
Total from all Projects \$: 1,910,000.00	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: Collection Facilities-Unserved Areas

Facility Name: Littlefield WWTP

Population Served (Current):

by the Project: 60
by the Facility: 6,507

Wastewater Volume (Design Flow)

by the Project: 0.0000mgd Volume 0.0000mgd
by the Facility: 1.7500mgd

Needs Categories:

IV-B New Interceptors \$1,910,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 NPDES Permit Number: No NPDES Permit
 Other Permit Type: TCEQ Other Permit Number: TCEQ 10207-002

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Double Mountain Fork Brazos		1241	<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Maintenance.
- b. Allows the system to Maintain Compliance.
- c. Affected waterbody is Meeting Standards.
- d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
1.a. Contact recreation waters	Primary	
1.b. Noncontact recreation waters	Primary	
3.c. Aquatic life: high	Primary	
4.b. Fish Consumption	Primary	

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Other Public Health/Pathogen Reduction	Primary	

Comments: Please see last page of Attachment B for comprehensive project description.

CWSRF Benefits Reporting

Loan: 38 of 62	<input type="checkbox"/> Entry Complete		
Borrower: City of Palestine	Loan Execution Date: 09/22/2006	Tracking #: 130300	Other #: 71573
Assistance Type: Loan	Loan Interest Rate: 2.99%	Incremental Funding: Y	Phase #: 0
Loan Amount \$: \$860,000.00	Repayment Period: 19	Original Tracking #:	
<input type="checkbox"/> Final Amount	% Funded by CWSRF:	Same Environmental Results:	<input type="checkbox"/>
Total from all Projects \$:	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: Collection System Rehab/Overflow Control

Facility Name: Town Creek WWTP

Population Served (Current):

by the Project: 17,589
by the Facility: 17,589

Wastewater Volume (Design Flow)

by the Project: 4.7000mgd Volume 0.0000mgd
by the Facility: 4.7000mgd

Needs Categories:

III-A Infiltration/Inflow \$0.00 0 %
III-B Sewer System Rehabilitation \$0.00 0%

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 NPDES Permit Number: TX0025453 No NPDES Permit
 Other Permit Type: Other Permit Number:

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Trinity River	0804		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Maintenance.
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Meeting Standards.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

1.a. Contact recreation waters	<u>Protection:</u> Primary	<u>Restoration:</u>
1.b. Noncontact recreation waters	Primary	
4.b. Fish Consumption	Primary	
3.c. Aquatic life: high	Primary	

Other Uses and Outcomes (Selected):

Other Public Health/Pathogen Reduction	<u>Protection:</u> Secondary	<u>Restoration:</u>
--	------------------------------	---------------------

Comments: Please see last page of Attachment B for comprehensive project description.

CWSRF Benefits Reporting

Loan: 44 of 62	<input type="checkbox"/> Entry Complete		
Borrower: City of Pharr	Loan Execution Date: 07/20/2007	Tracking #: L060006	Other #: 72021
Assistance Type: Loan	Loan Interest Rate: 3.39%	Incremental Funding: N	Phase #: 0
Loan Amount \$: \$29,000,000.00	Repayment Period: 20	Original Tracking #:	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 64.00%	Same Environmental Results:	<input type="checkbox"/>
Total from all Projects \$: 29,000,000.00	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: Pharr WWTP Expansion and Interceptors

Facility Name: Pharr WWTP

Population Served (Current):

by the Project: 46,600
by the Facility: 53,000

Wastewater Volume (Design Flow)

by the Project: 5.0000mgd Volume 0.0000mgd
by the Facility: 5.0000mgd

Needs Categories:

II Advanced Treatment	\$22,620,000.00	78 %
IV-B New Interceptors	\$6,380,000.00	22%

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 NPDES Permit Number: TX0062219 No NPDES Permit
 Other Permit Type: TCEQ Other Permit Number: 10596-001

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :			TX 2202	<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Improvement.
- b. Allows the system to Maintain Compliance.
- c. Affected waterbody is Threatened.
- d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
1.a. Contact recreation waters		Primary
1.b. Noncontact recreation waters		Primary
3.b. Aquatic life: intermediate	Primary	
4.b. Fish Consumption		Primary
4.a. General	Secondary	

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Secondary	

Comments: Please see last page of Attachment B for comprehensive project description.

CWSRF Benefits Reporting

Loan: 43 of 62	<input type="checkbox"/> Entry Complete		
Borrower: City of Winters	Loan Execution Date: 07/24/2007	Tracking #: L070064	Other #: 72108
Assistance Type: Loan	Loan Interest Rate: 5.40%	Incremental Funding: N	Phase #: 0
Loan Amount \$: \$655,000.00	Repayment Period: 20	Original Tracking #:	
<input type="checkbox"/> Final Amount	% Funded by CWSRF: 65.00%	Same Environmental Results:	<input type="checkbox"/>
Total from all Projects \$: 655,000.00	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: Lagoon Rehabilitation - Winters WWTP

Facility Name: Winters WWTP

Population Served (Current):

by the Project: 2,920
by the Facility: 2,920

Wastewater Volume (Design Flow)

by the Project: 0.5300mgd Volume 0.0000mgd
by the Facility: 0.5300mgd

Needs Categories:

III-B Sewer System Rehabilitation	\$327,500.00	50 %
IV-B New Interceptors	\$327,500.00	50%

Discharge Information:

Ocean Outfall
 Estuary/Coastal Bay
 Wetland
 Surface Water
 Groundwater
 Land
 Other/Reuse
 Eliminates Discharge
 No Change / No Discharge
 NEP Study
 Seasonal Discharge
 NPDES Permit Number: No NPDES Permit
 Other Permit Type: TCEQ Other Permit Number: 10320-001

Affected Waterbodies:

<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :		TX 1426	<input checked="" type="checkbox"/>
Other Impacted :			<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

a. Contributes to water quality Improvement.
 b. Allows the system to Maintain Compliance.
 c. Affected waterbody is Threatened.
 d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
1.a. Contact recreation waters	Secondary	
1.b. Noncontact recreation waters	Secondary	
3.c. Aquatic life: high	Secondary	
4.b. Fish Consumption	Secondary	
4.a. General		Primary

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement	Secondary	
Drinking Water Supply (e.g., groundwater source)	Secondary	

Comments: Please see last page of Attachment B for comprehensive project description.

CWSRF Benefits Reporting

Loan: 42 of 62	<input type="checkbox"/> Entry Complete	Tracking #: L070004	Other #: 72020
Borrower: City of Yoakum	Loan Execution Date: 12/14/2006	Incremental Funding: N	Phase #: 0
Assistance Type: Loan	Loan Interest Rate: 0.13%	Original Tracking #:	
Loan Amount \$: \$5,000,000.00	Repayment Period: 22	Same Environmental Results:	<input type="checkbox"/>
<input type="checkbox"/> Final Amount	% Funded by CWSRF:		
Total from all Projects \$: 5,000,000.00	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: Collection System Rehabilitation

Facility Name: Yoakum WWTP

Population Served (Current):

by the Project: 5,730
by the Facility: 5,730

Wastewater Volume (Design Flow)

by the Project: 0.9500mgd Volume 0.0000mgd
by the Facility: 0.9500mgd

Needs Categories:

III-B Sewer System Rehabilitation \$5,000,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 NPDES Permit Number: TX0026034 No NPDES Permit
 Other Permit Type: Other Permit Number:

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :			TX 1602	<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Improvement.
- b. Allows the system to Maintain Compliance.
- c. Affected waterbody is Impaired.
- d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
1.a. Contact recreation waters	Secondary	
1.b. Noncontact recreation waters	Secondary	
3.c. Aquatic life: high	Primary	
2.a. Public water supply	Primary	
4.b. Fish Consumption	Primary	

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Infrastructure Improvement		Primary
Other Public Health/Pathogen Reduction	Primary	

Comments: Please see last page of Attachment B for comprehensive project description.

CWSRF Benefits Reporting

Loan: 39 of 62	<input type="checkbox"/> Entry Complete		
Borrower: Fort Bend Co. FWSD	Loan Execution Date: 10/02/2006	Tracking #: 132800	Other #: 21524
Assistance Type: Loan	Loan Interest Rate: 2.81%	Incremental Funding: N	Phase #: 0
Loan Amount \$: \$6,935,000.00	Repayment Period: 21	Original Tracking #:	
<input type="checkbox"/> Final Amount	% Funded by CWSRF:	Same Environmental Results:	<input type="checkbox"/>
Total from all Projects \$: 6,241,500.00	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: New WWTP - Centralized (Fort Bend Co. FWSD #1)

Facility Name: Fresno WWTP

Population Served (Current):

by the Project: 5,000
by the Facility: 5,000

Wastewater Volume (Design Flow)

by the Project: 1.2000mgd Volume 0.0000mgd
by the Facility: 1.2000mgd

Needs Categories:

II Advanced Treatment	\$2,080,500.00	30 %
IV-A New Collector Sewers	\$4,161,000.00	60%

Discharge Information:

Ocean Outfall
 Estuary/Coastal Bay
 Wetland
 Surface Water
 Groundwater
 Land
 Other/Reuse
 Eliminates Discharge
 No Change / No Discharge
 NEP Study
 Seasonal Discharge
 NPDES Permit Number: No NPDES Permit
 Other Permit Type: Other Permit Number:

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :				<input type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality
- b. Allows the system to
- c. Affected waterbody is
- d. Allows the system to address..... Existing TMDL
 Projected TMDL
 Watershed Management Plan

Comments: Please see last page of Attachment B for comprehensive project description.

CWSRF Benefits Reporting

Loan: 41 of 62	<input type="checkbox"/> Entry Complete		
Borrower: Greater Texoma UA	Loan Execution Date: 11/01/2006	Tracking #: L060048	Other #: 72055
Assistance Type: Loan	Loan Interest Rate: 3.79%	Incremental Funding: N	Phase #: 0
Loan Amount \$: \$3,870,000.00	Repayment Period: 20	Original Tracking #:	
<input type="checkbox"/> Final Amount	% Funded by CWSRF:	Same Environmental Results:	<input type="checkbox"/>
Total from all Projects \$: 3,870,000.00	Multiple nonpoint source projects with similar Environmental Results:	<input type="checkbox"/>	Total NPS Projects: 0

Project: 1 of 1 CW Needs Survey Number : # of NPS Projects: 0

Project Description: Trunk Sewer - Developing Areas (Melissa/Anna)

Facility Name: Wilson Creek WWTP, Anna WWTP

Population Served (Current):

by the Project: 8,000
by the Facility: 4,500

Wastewater Volume (Design Flow)

by the Project: 48.5000mgd Volume 0.0000mgd
by the Facility: 48.5000mgd

Needs Categories:

IV-B New Interceptors \$3,870,000.00 100 %

Discharge Information:

Ocean Outfall Estuary/Coastal Bay Wetland Surface Water Groundwater Land
 Other/Reuse Eliminates Discharge No Change / No Discharge NEP Study Seasonal Discharge
 NPDES Permit Number: TX0088633 No NPDES Permit
 Other Permit Type: Other Permit Number:

Affected Waterbodies:

	<u>Waterbody Name</u>	<u>Waterbody ID</u>	<u>State Waterbody ID</u>	<u>Receiving Waterbody</u>
Primary Impacted :	Lavon Lake	0821		<input checked="" type="checkbox"/>
Other Impacted :				<input type="checkbox"/>

Project Improvement/Maintenance of Water Quality:

- a. Contributes to water quality Maintenance.
- b. Allows the system to Maintain Compliance.
- c. Affected waterbody is Meeting Standards.
- d. Allows the system to address..... Existing TMDL Projected TMDL Watershed Management Plan

Designated Surface Water Uses (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
1.a. Contact recreation waters	Primary	
3.c. Aquatic life: high	Primary	
4.b. Fish Consumption	Primary	
4.a. General	Secondary	

Other Uses and Outcomes (Selected):

	<u>Protection:</u>	<u>Restoration:</u>
Drinking Water Supply (e.g., groundwater source)	Primary	

Comments: Please see last page of Attachment B for comprehensive project description.

ATTACHMENT C

Texas Water Development Board

**CLEAN WATER
STATE REVOLVING FUND**

Annual Financial Report

For the Year Ended
August 31, 2007

Table of Contents

General Purpose Financial Statements:

- Exhibit I – Combined Statement of Net Assets
- Exhibit II – Combined Statement of Revenues, Expenses, and Changes in Net Assets
- Exhibit III – Combined Statement of Cash Flows

Notes to the Financial Statements

Combining Statements:

- Exhibit F-1 – Combining Statement of Net Assets
- Exhibit F-2 – Combining Statement of Revenues, Expenses, and Changes in Net Assets

Schedule 1 – Loans and Contracts

General Purpose Financial Statements

UNAUDITED

Clean Water State Revolving Fund

Exhibit I - Combined Statement of Net Assets - Proprietary Funds

August 31, 2007

	Total Enterprise Funds (Exhibit F-1)
ASSETS	
Current Assets:	
Short Term Investments	\$ 462,969,692.78
Receivables from:	
Federal	231,990.68
Interest and Dividends	22,357,463.67
Loans and Contracts	81,939,000.00
Total Current Assets	567,498,147.13
Non-Current Assets:	
Loans and Contracts	2,197,544,765.65
Total Non-Current Assets	2,197,544,765.65
Total Assets	2,765,042,912.78
LIABILITIES	
Current Liabilities:	
Payables from:	
Accounts Payable	2,704.41
Interest Payable	7,358,081.23
Interfund Payables	11,959,675.00
Due to Other Funds	1,363,824.65
Deferred Revenue	29,712,269.46
Revenue Bonds Payable	36,480,000.00
Total Current Liabilities	86,876,554.75
Non-Current Liabilities:	
Interfund Payable	138,805,555.00
Revenue Bonds Payable	898,738,000.00
Total Non-Current Liabilities	1,037,543,555.00
Total Liabilities	1,124,420,109.75
NET ASSETS	
Unrestricted	1,640,622,803.03
Total Net Assets	\$ 1,640,622,803.03

UNAUDITED

Clean Water State Revolving Fund

**Exhibit II - Combined Statement of Revenues, Expenses, and
Changes in Fund Net Assets - Proprietary Funds**

For the Fiscal Year Ended August 31, 2007

	Total Enterprise Funds (Exhibit F-2)
OPERATING REVENUES:	
Interest and Investment Income	\$ 121,420,246.79
Net Increase (Decrease) Fair Market Value	10,143.96
Other Operating Revenue	5,159,765.98
Total Operating Revenues	126,590,156.73
OPERATING EXPENSES:	
Salaries and Wages	4,164,596.33
Payroll Related Costs	490,455.79
Professional Fees and Services	992,537.12
Travel	39,035.84
Materials and Supplies	89,746.95
Communication and Utilities	26,811.67
Repairs and Maintenance	29,422.65
Rentals and Leases	36,590.73
Interest	65,210,393.22
Other Operating Expenses	2,352,489.52
Total Operating Expenses	73,432,079.82
Operating Income (Loss)	53,158,076.91
NONOPERATING REVENUES (EXPENSES):	
Federal Revenue	169,933,720.26
Total Nonoperating Revenue (Expenses)	169,933,720.26
Income/(Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers	223,091,797.17
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:	
Transfers In	-
Transfers Out	-
Total Other Revenue, Expenses, Gain/Losses and Transfers	-
Change in Net Assets	223,091,797.17
Total Net Assets - Beginning	1,417,531,005.86
Total Net Assets, August 31, 2007	\$ 1,640,622,803.03

UNAUDITED

Clean Water State Revolving Fund

Exhibit III - Combined Statement of Cash Flows - Proprietary Funds

For the Fiscal Year Ended August 31, 2007

	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments to Suppliers for Goods and Services	\$ (1,333,762.73)
Payments to Employees for Salaries	(4,200,980.21)
Payments to Employees for Benefits	(505,948.17)
Payments to Employees for Other (Travel)	(34,073.23)
Payments for Other Expenses	(3,360.02)
Net Cash Provided by Operating Activities	(6,078,124.36)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Proceeds from Debt Issuance	669,887.77
Proceeds from Federal Grants	169,701,729.58
Proceeds from Advances from Other Funds	4,000,000.00
Payments of Principal on Debt Issuance	(291,694,476.74)
Payments of Interest	(67,481,320.10)
Repayments of Advances from Other Funds	(11,504,675.00)
Net Cash Provided by Noncapital Financing Activities	(196,308,854.49)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sales of Investments	35,994,053.55
Proceeds from Interest Income	33,221,779.96
Proceeds from Investment Income	81,640,536.80
Proceeds from Principal Payments on Non-Program Loans	304,221,000.00
Payments for Non-program Loans Provided	(248,723,613.00)
Payments to Acquire Investments	(3,966,778.46)
Net Cash Provided by Investing Activities	202,386,978.85
Net (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents—September 1, 2006	-
Cash and Cash Equivalents—August 31, 2007	\$ -

UNAUDITED

Clean Water State Revolving Fund

Exhibit III - Combined Statement of Cash Flows - Proprietary Funds (cont.)
 For the Fiscal Year Ended August 31, 2007

	<u>Total Enterprise Funds</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ 53,158,076.91
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Operating Income and Cash Flow Categories:	
Classification Differences	(58,666,387.37)
Changes in Assets and Liabilities:	
Increase (Decrease) in Payables	(461,045.29)
Increase (Decrease) in Due to Other Funds	(108,768.61)
Total Adjustments	<u>(59,236,201.27)</u>
Net Cash Provided by Operating Activities	<u>\$ (6,078,124.36)</u>
Non-Cash Transactions	
Net Increase (Decrease) in Fair Value of Investments	10,143.96

Notes to the Financial Statements

Notes to the Financial Statements

NOTE 1: Summary of Significant Accounting Policies

Entity

The Texas Water Development Board (the Board) is an agency of the state of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' Reporting Requirements for State Agencies.

The Board was created as an agency of the state in 1957, when the voters of the state approved an amendment adding Section 49-c to Article 3 of the Texas Constitution. The Board is primarily responsible for administering state and federally funded financing programs for water-related projects, water resource planning, data collection, and studies relative to the surface and ground water resources of Texas.

The Texas Water Development Board includes within this report all components as determined by an analysis of their relationship to the Board as listed below.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Proprietary Fund Types

Enterprise Funds

Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services. Activities must be reported as enterprise funds if any one of the following criteria is met.

1. The activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity.
2. Laws or regulations require that the activity's costs of providing services including capital costs (such as depreciation or debt service), be recovered with fees and charges.
3. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

UNAUDITED

Clean Water State Revolving Fund

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Proprietary funds are accounted for on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time liabilities are incurred. Proprietary funds distinguish operating from non-operating items. Operating revenues and expenses result from providing services or producing and delivering goods in connection with the proprietary fund's principal ongoing operations. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

Restricted Net Assets

When both restricted and unrestricted net assets are available for use, restricted resources are used first, then unrestricted resources are used as they are needed.

Assets, Liabilities, and Fund Balances / Net Assets

Assets

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents, with the exception of repurchase agreements which are classified as Short-Term Investments.

Investments

Investments of the Board in authorized securities are reported at fair value in accordance with GASB 31 requirements. Any short-term securities that are exchanged for other short-term securities are accounted for using the completed transaction method. This method treats the exchanges as separate sales, purchase transactions, and includes gains and losses on the sales in current revenue.

Interest and Dividends Receivable

Accrued interest receivable on loans and contracts as of the balance sheet date is included in the proprietary funds.

Notes / Loans and Contracts Receivable

Although collateralized by bonds of the receiving entity, loans made to political subdivisions are presented as Notes/Loans and Contracts Receivable at par. The portion due within the next year is shown separately as a current asset with the remainder as noncurrent.

Liabilities

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

UNAUDITED

Clean Water State Revolving Fund

Current Payables - Other

Other payables are the accrual at year-end of expenditure transactions not included in any of the other payable descriptions. The only significant other payable is the accrued interest due as of the balance sheet date on bonds payable in the proprietary funds.

Bonds Payable – Revenue Bonds

Revenue bonds are generally accounted for in the proprietary funds. The bonds payable are reported at par less unamortized discount or plus unamortized premium. Interest expense is reported on the accrual basis, with amortization of discount or premium. Bonds Payable are reported separately as either current – the amount due within the next year – or noncurrent in the statement of net assets.

Fund Balance / Net Assets

The difference between fund assets and liabilities is ‘Net Assets’ proprietary fund statements.

Restricted Net Assets

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets

Unrestricted net assets consist of net assets, which do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources, which are imposed by management, but can be removed or modified.

Interfund Activities and Balances

The agency has the following types of transactions among funds:

- (1) Transfers: Legally required transfers that are reported when incurred as ‘Transfers In’ by the recipient fund and as ‘Transfers Out’ by the disbursing fund.
- (2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.
- (3) Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as “Current”, repayment for two (or more) years is classified as “Non-Current”.

Statement of Cash Flows

Cash Flows from Investing Activities

Non-program Loans

The loans that the Board makes to entities such as cities, counties, and other political subdivisions do not meet the criteria established by GASB for inclusion as Cash Flows from Operating Activities on the Statement of Cash Flows. Only certain types of loans to individuals are includable as Cash Flows from Operating Activities. Since GASB refers

UNAUDITED

Clean Water State Revolving Fund

to these loans generically as “program” loans, the loans made by the Board are referred to on the Statement of Cash Flows as “non-program” loans to distinguish them from loans made to individuals, and their cash flows are included as Cash Flows from Investing Activities.

Classification Differences

Although the primary operation of the Board’s enterprise funds is the borrowing and lending of money for water related projects, the major components of the Operating Income or Loss on the Statement of Revenues, Expenses, and Changes in Fund Net Assets are classified on the Statement of Cash Flows as either Cash Flows from Investing Activities (Interest and Investment Income) or Cash Flows from Noncapital Financing Activities (Interest Expense).

NOTE 2: Deposits, Investments & Repurchase Agreements

The agency is authorized by statute to make investments, and does so in accordance with Chapter 365 of the Texas Water Development Board rules. There were no violations of legal provisions during the period.

Investments

As of August 31, 2007, the fair value of investments is as presented below.

Governmental and Business-Type Activities	Fair Value
Commercial Paper (Texas Treasury Safekeeping Trust Co)	\$ 68,066,308.36
Repurchase Agreement (Texas Treasury Safekeeping Trust Co)	349,323,137.33
U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	45,580,247.09
Total	\$462,969,692.78

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the agency will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The agency will only make payment for and accept delivery of securities on a delivery versus payment basis, and securities are held in the name of the agency. As of August 31, 2007, investments were not exposed to custodial credit risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As required by the agency’s investment policy, investments purchased must be rated as to investment quality by a nationally recognized investment rating firm with a minimum of an ‘A’ rating. Furthermore, our investment policy requires that our repurchase agreements be collateralized by obligations of the U.S. Government or U.S. Government Agencies. As of August 31, 2007, the agency’s credit quality distribution of securities and repurchase agreements with credit risk exposure was as follows.

UNAUDITED

Clean Water State Revolving Fund

Standard and Poor's

Fund Type	GAAP Fund	Investment Type	Amount	Rating
05	3050	Commercial Paper (Texas Treasury Safekeeping Trust Co)	\$68,066,308.36	A-1
05	3050	U.S. Government Agency Obligations (Texas Treasury Safekeeping Trust Co)	\$45,580,247.09	AAA

NOTE 3: Summary of Long-Term Liabilities

Changes in Long-Term Liabilities

During the year ended August 31, 2007, the following changes occurred in liabilities:

Business-Type Activities	Balance 09-01-06	Additions	Deductions	Balance 08-31-07	Amts Due within 1 year	Amounts Due Thereafter
Notes and Loans Payable (Interfund)	\$158,269,905.00	\$4,000,000.00	\$11,504,675.00	\$150,765,230.00	\$11,959,675.00	\$138,805,555.00
Revenue Bonds Payable	1,234,300,000.00	520,860,000.00	819,942,000.00	935,218,000.00	36,480,000.00	898,738,000.00
Total Business-Type Activities	\$1,392,569,905.00	\$524,860,000.00	\$831,446,675.00	\$1,085,983,230.00	\$48,439,675.00	\$1,037,543,555.00

Notes and Loans Payable (Interfund Payable)

Notes and Loans Payable represent advances to the Clean Water and Drinking Water State Revolving Funds for the State Match portion of these programs, as well as advances to the Rural Water Assistance Fund for loans to political subdivisions. The Debt Service requirements are as follows:

Notes Payable (Interfund Payable) Debt Service Requirements	Business-Type Activities	
	Principal	Interest
2008	\$11,959,675.00	\$7,395,302.81
2009	12,769,675.00	6,757,102.26
2010	13,799,675.00	6,060,939.02
2011	14,706,231.00	5,305,846.57
2012	11,624,675.00	4,491,845.75
2013-2017	43,040,949.00	16,185,437.00
2018-2022	28,194,350.00	7,641,108.46
2023-2027	14,100,000.00	2,131,973.80
2028-2032	570,000.00	45,361.50
Total Requirements	\$150,765,230.00	\$56,014,917.17

UNAUDITED

Clean Water State Revolving Fund

NOTE 4: Interfund Balances / Activities

As explained in Note 1 on Interfund Activities and Balances there are numerous transactions between funds and agencies. At year-end amounts to be received or paid are reported as:

- Interfund Receivables or Interfund Payables
- Due From Other Funds or Due To Other Funds
- Transfers In or Transfers Out

Repayment of current interfund balances will occur within one year from the date of the financial statement. Individual balances and activity at August 31, 2007, follows:

Interfund Receivables and Payables – Current			
Current Portion	Interfund Receivable	Interfund Payable	Purpose
ENTERPRISE (05)			
Appd Fund 0371, D23 Fund 0371			
Appd Fund 9999, D23 Fund 0651	\$ 11,959,675.00		Match Bonds
Appd Fund 9999, D23 Fund 0651			
Appd Fund 0371, D23 Fund 0371		\$ 11,959,675.00	Match Bonds
Total Interfund Receivable/Payable	\$ 11,959,675.00	\$ 11,959,675.00	

Interfund Receivables and Payables – Non-current			
Non-current Portion	Interfund Receivable	Interfund Payable	Purpose
ENTERPRISE (05)			
Appd Fund 0371, D23 Fund 0371			
Appd Fund 9999, D23 Fund 0651	\$ 138,805,555.00		Match Bonds
Appd Fund 9999, D23 Fund 0651			
Appd Fund 0371, D23 Fund 0371		\$ 138,805,555.00	Match Bonds
Total Interfund Receivable/Payable	\$ 138,805,555.00	\$ 138,805,555.00	

NOTE 5: Contingent Liabilities

Rebatable Arbitrage

Rebatable arbitrage is defined by Internal Revenue Code Section 148 as earnings on investments purchased with the gross proceeds of a bond issue in excess of the amount that would have been earned if the investments were invested at a yield equal to the yield on the bond issue. This rebatable arbitrage must be paid to the federal government. The Board is entitled to invest its

UNAUDITED

Clean Water State Revolving Fund

bond proceeds at an unrestricted yield for various temporary periods ranging from six months to three years. This unrestricted earnings period begins on the date of delivery of the bond issue. Earnings on any funds held by the Board after this period ends must be restricted to the yield of the Board's bond issue. The amount of rebate due the federal government is determined and payable during each five-year period and upon final payment of the tax-exempt bonds.

Arbitrage funds have been established within various Texas Water Development Board programs. Deposits into these funds are made according to the verification agent's final report received around January following the close of each fiscal year. The final determination of rebate requirements as established for FY 2006 was \$376,707.98. For Fiscal Year 2007, a preliminary determination of rebatable arbitrage indicates a liability of \$1,236,344.35. Any necessary increase in deposit will be made after the final determination is received.

Outstanding Loan and Grant Commitments

At August 31, 2007, the Board had made commitments to provide political subdivisions and not-for-profit entities financing from the proceeds remaining from current bond issues, and from the proceeds of future bond issues, from the federal draw downs, or from appropriations as follows:

	For Loans	For Grants	Total
Water Pollution Control Revolving Fund	701,280,000	-	701,280,000

Federal Costs

As a prime contractor with a federal granting agency, the Board is contingently liable to refund any disallowed costs to the granting agency. The amount of disallowed cost, if any, was undeterminable at August 31, 2007.

NOTE 6: Bonded Indebtedness

Bonds Payable

Description of Issues

In 1987, the Board received legislative authorization to issue an unlimited amount of revenue bonds to fund certain eligible projects. Currently, the Board has six revenue bond series outstanding. The Board has authority to sell revenue bonds for the following purposes:

- (1) To finance the construction of water and wastewater projects of political subdivisions and non-profit water supply corporations;
- (2) To provide interim financing to political subdivisions that are also receiving long-term financing from the Board;
- (3) To provide the state matching funds for federal grants under the Federal Water Pollution Control Act and the Safe Drinking Water Act.

The Board's revenue bonds do not constitute a debt of the state and neither the full faith nor credit, nor the taxing authority of the state is in any manner pledged, given, or loaned for the payment of the Board's revenue bonds. Further, the Board's revenue bonds are not secured by or payable from money in Development Fund II. As of this date, the Board has issued revenue bonds only for the purpose of providing funds for the Clean Water State Revolving Fund.

UNAUDITED

Clean Water State Revolving Fund

Description of Issue	Amount Issued	Purpose of Issue	Issue Date
TWDB Revenue Bonds			
W Dev SRF Rev Bds Ser '98-A	\$150,000,000	Provide financial assistance for water quality enhancement purposes	08/01/1998
W Dev SRF Rev Bds Ser '99-A	\$100,000,000	Provide financial assistance for water quality enhancement purposes	09/01/1999
W Dev SRF Rev Bds Ser '99-B	\$150,000,000	Provide financial assistance for water quality enhancement purposes	11/15/1999
W Dev SRF Rev Bds Ser '00-A	\$100,000,000	Provide financial assistance for water quality enhancement purposes	08/15/2000
W Dev SRF Rev Bds Ser '07-A	\$309,240,000	Refund, in advance of their maturities, certain outstanding TWDB revenue bonds	05/01/2007
W Dev SRF Rev Bds Ser '07-B	\$211,620,000	Refund, in advance of their maturities, certain outstanding TWDB revenue bonds	05/01/2007

Refunding Bonds

Revenue Bonds – Refunding Bonds

In fiscal year 2007, the Board issued \$520,860,000 State Revolving Fund Subordinate Lien Revenue Bonds, \$309,240,000 in Variable Rate Refunding Series 2007-A and \$211,620,000 in Fixed Rate Refunding Series 2007-B. The net proceeds from the sale were used to refund State Revolving Fund Senior Lien Revenue Bonds, Series 1996-A, 1996-B, 1997-A and 1997-B; also, the Subordinate Lien Variable Bonds, Series 2005.

The difference between the cash flows required to service the new debt of \$410,579,450.92 and the old debt of \$550,146,524.33 for series 2007-A resulted in a proposed \$139,567,073.41 decrease in debt service. The gross present value of this decrease, or the economic gain, is \$130,881,216.64 which represents a savings of 3.890% on the amount of refunded principal, assuming the 2007-A bonds maintain an average interest rate of 3.70% over the life of the variable rate bonds. The net present value savings related to the Series 2007-A bonds equates to \$25,517,217.66 or 6.337% of refunded par.

The difference between the cash flows required to service the new debt of \$309,908,582.60 and the old debt of \$320,865,810.52 for series 2007-B resulted in a \$10,957,227.92 decrease in debt service. The gross present value of this decrease, or the economic gain, is \$12,049,922.10 which represents a savings of 4.318% on the amount of refunded principal. The net present value savings related to the Series 2007-B bonds equates to \$4,557,849.38 or 2.015% of refunded par.

Defeased Bonds Outstanding

The total amount of defeased SRF revenue bonds outstanding at August 31, 2007, is \$17,425,000.

NOTE 7: Loans and Contracts

The Board purchases bonds from political subdivisions (including private water supply corporations). As of August 31, 2007, the balance of these bonds owned by the Board was

UNAUDITED

Clean Water State Revolving Fund

\$2,279,483,765.65. In general, the majority of these bonds pay interest semi-annually and principal annually and allow for early redemption ten years after the original date of issuance. All bonds are secured by either pledged revenue or taxes. Interest rates on the bonds range from 0.00% to 7.17% maturing through the year 2029. It is the opinion of management that all bonds are fully collectible; therefore, no provision for uncollectible amounts is included in these financial statements.

NOTE 8: Available Federal Funds

As of August 31, 2007, the amount of Federal Funds available through the Automated Standard Application for Payments that remains undrawn for the State Revolving Fund is \$17,105,448.

NOTE 9: Status of Available Administrative Funding

Cost-recovery loan origination and servicing charges are imposed to cover administrative costs of operating the State Revolving Fund, but an interest rate subsidy is offered to offset the charges. Since the implementation of State Revolving Fund cost-recovery charges in October, 1995, the Texas Water Development Board has collected \$54,996,887.87 in service charges from SRF loan recipients; \$4,601,387 was collected on loans made during the fiscal year ending August 31, 2007. The administrative account had expenses totaling \$5,517,780.47 in Fiscal Year 2007.

NOTE 10: State Match Requirement

As of August 31, 2007, \$262,332,747 had been provided for state match. Also, as of August 31, 2007, the total amount of federal capitalization grants awarded was \$1,310,208,012. The state match required for all capitalization grants awarded as of that date was \$262,041,602 leaving \$291,145 to match future capitalization grants.

Combining Statements

UNAUDITED

Clean Water State Revolving Fund

Exhibit F-1 - Combining Statement of Net Assets - Enterprise Funds

August 31, 2007

	Clean Water Loan Program	Administration (Federal)	Administration (Fees)	Rural Hardship	Totals (Exhibit I)
ASSETS					
Current Assets:					
Short Term Investments	\$ 457,359,081.14	\$ -	\$ 5,610,611.64		\$ 462,969,692.78
Receivables from:					
Federal	-	231,990.68			231,990.68
Interest and Dividends	22,353,923.19		3,540.48		22,357,463.67
Loans and Contracts	81,939,000.00				81,939,000.00
Total Current Assets	561,652,004.33	231,990.68	5,614,152.12	-	567,498,147.13
Non-Current Assets:					
Loans and Contracts	2,197,544,765.65				2,197,544,765.65
Total Non-Current Assets	2,197,544,765.65	-	-	-	2,197,544,765.65
Total Assets	2,759,196,769.98	231,990.68	5,614,152.12	-	2,765,042,912.78
LIABILITIES					
Current Liabilities:					
Payables from:					
Accounts Payable		2,704.41			2,704.41
Interest Payable	7,358,081.23				7,358,081.23
Interfund Payables	11,959,675.00				11,959,675.00
Due to Other Funds	953,086.33	229,286.27	181,452.05		1,363,824.65
Deferred Revenue	-		29,712,269.46		29,712,269.46
Revenue Bonds Payable	36,480,000.00				36,480,000.00
Total Current Liabilities	56,750,842.56	231,990.68	29,893,721.51	-	86,876,554.75
Non-Current Liabilities:					
Interfund Payables	138,805,555.00				138,805,555.00
Revenue Bonds Payable	898,738,000.00				898,738,000.00
Total Non-Current Liabilities	1,037,543,555.00	-	-	-	1,037,543,555.00
Total Liabilities	1,094,294,397.56	231,990.68	29,893,721.51	-	1,124,420,109.75
NET ASSETS					
Unrestricted	1,664,902,372.42	-	(24,279,569.39)	-	1,640,622,803.03
Total Net Assets	\$ 1,664,902,372.42	\$ -	\$ (24,279,569.39)	\$ -	\$ 1,640,622,803.03

UNAUDITED

Clean Water State Revolving Fund

Exhibit F-2 - Combining Statement of Revenues, Expenses,
and Changes in Fund Net Assets - Enterprise Funds

for the Fiscal Year Ended August 31, 2007

	Clean Water Loan Program	Administration (Federal)	Administration (Fees)	Rural Hardship	Totals (Exhibit II)
OPERATING REVENUES:					
Interest and Investment Income	\$ 121,261,471.80		\$ 158,774.99		\$ 121,420,246.79
Net Increase (Decrease) Fair Market Value	10,022.23		121.73		10,143.96
Other Operating Revenue	-		5,159,765.98		5,159,765.98
Total Operating Revenues	121,271,494.03	-	5,318,662.70	-	126,590,156.73
OPERATING EXPENSES:					
Salaries and Wages	-	2,492,508.35	1,672,087.98		4,164,596.33
Payroll Related Costs	-	293,818.54	196,637.25		490,455.79
Professional Fees and Services	753,391.95	12,739.67	226,405.50		992,537.12
Travel	-	14,708.69	24,327.15		39,035.84
Materials and Supplies	-	17,241.55	72,505.40		89,746.95
Communication and Utilities	-	15,063.41	11,748.26		26,811.67
Repairs and Maintenance	-	2,821.50	26,601.15		29,422.65
Rentals and Leases	-	29,034.44	7,556.29		36,590.73
Interest	65,210,393.22	-	-		65,210,393.22
Other Operating Expenses	2,240,145.04		112,344.48		2,352,489.52
Total Operating Expenses	68,203,930.21	2,877,936.15	2,350,213.46	-	73,432,079.82
Operating Income (Loss)	53,067,563.82	(2,877,936.15)	2,968,449.24	-	53,158,076.91
NONOPERATING REVENUE (EXPENSES):					
Federal Revenue	167,055,784.11	2,877,936.15			169,933,720.26
Federal Grant Pass-Through Revenue (Expense)					-
Other Benefit Payments					-
Other Nonoperating Revenue (Expenses)					-
Total Nonoperating Revenue (Expenses)	167,055,784.11	2,877,936.15	-	-	169,933,720.26
Income/(Loss) Before Other Revenues, Expenses, Gains/Losses and Transfers	220,123,347.93	-	2,968,449.24	-	223,091,797.17
OTHER REVENUES, EXPENSES, GAINS/LOSSES AND TRANSFERS:					
Transfers In		-	-	-	-
Transfers Out					-
Total Other Revenue, Expenses, Gain/Losses and Transfers	-	-	-	-	-
Change in Net Assets	220,123,347.93	-	2,968,449.24	-	223,091,797.17
Total Net Assets - Beginning	1,444,779,024.49	-	(27,248,018.63)	-	1,417,531,005.86
Total Net Assets, August 31, 2007	\$ 1,664,902,372.42	\$ -	\$ (24,279,569.39)	\$ -	\$ 1,640,622,803.03

Schedules

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)

Schedule 6 - Loans and Contracts

For the Fiscal Year Ended August 31, 2007

Recipient	Original Amount	Outstanding Balance	Due From	Due To
Clean Water State Revolving Fund:				
ALTO, CITY OF	425,000.00	260,000.00	7/15/1998	7/15/2017
ALVARADO, CITY OF	1,000,000.00	545,000.00	7/10/2001	7/10/2013
ALVIN, CITY OF	6,650,000.00	6,635,000.00	11/1/2004	11/1/2023
ALVORD, CITY OF	420,000.00	390,000.00	10/1/2005	10/1/2024
ALVORD, CITY OF	390,000.00	240,000.00	10/1/1997	10/1/2016
ANAHUAC, CITY OF	1,465,000.00	1,140,000.00	8/1/2001	8/1/2020
ANGELINA NECHES RA	3,100,000.00	2,725,000.00	4/1/2003	4/1/2021
ANGELINA NECHES RA	330,000.00	280,000.00	9/1/1997	9/1/2016
ANGELINA NECHES RA	620,000.00	430,000.00	2/1/2000	2/1/2018
ANGLETON, CITY OF	540,000.00	320,000.00	8/15/1998	8/15/2017
ANGLETON, CITY OF	640,000.00	440,000.00	2/15/2000	2/15/2019
ANGLETON, CITY OF	655,000.00	500,000.00	8/15/2001	8/15/2020
ANGLETON, CITY OF	645,000.00	535,000.00	8/15/2003	8/15/2022
ARANSAS PASS CITY OF	1,115,000.00	1,035,000.00	2/1/2006	2/1/2025
AUBREY, CITY OF	1,740,000.00	1,480,000.00	8/15/2004	8/15/2023
AUSTIN, CITY OF	10,000,000.00	6,950,000.00	11/15/2000	11/15/2017
BACLIFF MUD	4,890,000.00	4,275,000.00	9/1/2004	9/1/2023
BACLIFF MUD	4,890,000.00	4,690,000.00	9/1/2006	9/1/2025
BARDWELL, CITY OF	200,000.00	174,000.00	8/1/1998	8/1/2017
BAYTOWN, CITY OF	6,820,000.00	4,435,000.00	2/1/1999	2/1/2018
BAYTOWN, CITY OF	13,370,000.00	12,595,000.00	2/1/2006	2/1/2025
BAYTOWN, CITY OF	19,700,000.00	19,105,000.00	2/1/2007	2/1/2026
BAYTOWN, CITY OF	4,680,000.00	3,005,000.00	2/1/1998	2/1/2017
BAYVIEW MUD	490,000.00	320,000.00	9/1/1998	9/1/2016
BELL CO WCID #1	34,310,000.00	33,410,000.00	7/10/2005	7/10/2024
BELL CO WCID #1	5,215,000.00	4,690,000.00	7/10/2005	7/10/2024
BELLS, CITY OF	130,000.00	90,000.00	2/15/2000	2/15/2018
BENBROOK WSA	1,200,000.00	1,000,000.00	12/1/1999	12/1/2018
BLOSSOM, CITY OF	275,000.00	200,000.00	1/1/2000	1/1/2019
BOERNE, CITY OF	2,250,000.00	1,495,000.00	3/1/1998	3/1/2016
BONHAM, CITY OF	1,675,000.00	1,590,000.00	2/15/2007	2/15/2026
BRAZOS RA	1,615,000.00	1,000,000.00	1/1/1998	1/1/2017
BRIDGEPORT, CITY OF	1,200,000.00	910,000.00	8/15/2002	8/15/2021
BRIDGEPORT, CITY OF	2,365,000.00	1,950,000.00	8/15/2004	8/15/2023
BRIDGEPORT, CITY OF	2,200,000.00	925,000.00	7/1/1994	7/1/2013
BROWNSBORO, CITY OF	700,000.00	610,000.00	8/15/2005	8/15/2024
BROWNSVILLE, CITY OF	9,920,000.00	8,780,000.00	9/1/2005	9/1/2018
BROWNSVILLE, CITY OF	8,835,000.00	7,960,000.00	9/1/2005	9/1/2019
CAMERON, CITY OF	710,000.00	635,000.00	2/1/2005	2/1/2024
CAMERON, CITY OF	1,800,000.00	1,660,000.00	2/1/2006	2/1/2024
CAMPBELL, CITY OF	240,000.00	165,000.00	8/15/2000	8/15/2019
CARTHAGE, CITY OF	3,910,000.00	2,350,000.00	4/10/1996	4/10/2015
CIBOLO CREEK MA	2,250,000.00	1,650,000.00	2/1/1999	2/1/2019
CIBOLO CREEK MA	1,500,000.00	1,160,000.00	7/10/2003	7/10/2022
CIBOLO CREEK MA	6,415,000.00	5,650,000.00	7/10/2005	7/10/2024
CLEAR LAKE CITY WA	6,900,000.00	4,740,000.00	3/1/2000	3/1/2019
CLEAR LAKE CITY WA	4,485,000.00	3,470,000.00	3/1/2002	3/1/2021
CLEVELAND, CITY OF	2,250,000.00	1,420,000.00	2/1/1998	2/1/2017

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)
Schedule 6 - Loans and Contracts
 For the Fiscal Year Ended August 31, 2007

<u>Recipient</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Due From</u>	<u>Due To</u>
CLEVELAND, CITY OF	1,960,000.00	1,700,000.00	8/1/2001	8/1/2020
COLDSRING, CITY OF	300,000.00	125,000.00	8/1/1994	8/1/2013
COMMODORE COVE ID	490,000.00	290,000.00	2/15/1998	2/15/2016
CORINTHIAN POINT MUD #2	1,310,000.00	1,210,000.00	2/1/1998	2/1/2017
CORPUS CHRISTI, CITY OF	15,750,000.00	10,825,000.00	7/15/2000	7/15/2019
CORSICANA, CITY OF	10,075,000.00	3,350,000.00	8/15/1998	8/15/2017
CRANE, CITY OF	2,630,000.00	1,140,000.00	2/1/1999	2/1/2013
CRANFILLS GAP, CITY OF	605,000.00	500,000.00	9/1/2002	9/1/2021
CROCKETT, CITY OF	4,275,000.00	3,385,000.00	9/15/1997	9/15/2016
CROSBY MUD	935,000.00	665,000.00	1/1/1996	1/1/2014
DALHART, CITY OF	5,870,000.00	4,715,000.00	2/15/2003	2/15/2022
DALLAS CO WCID #6	3,865,000.00	2,650,000.00	9/1/1999	9/1/2018
DAVENPORT RANCH MUD #1	3,665,000.00	2,490,000.00	9/1/1998	9/1/2017
DAYTON, CITY OF	8,500,000.00	8,500,000.00	2/1/2009	2/1/2028
DEER PARK, CITY OF	3,000,000.00	1,950,000.00	3/1/2001	3/1/2020
DEER PARK, CITY OF	5,000,000.00	4,000,000.00	3/1/2004	3/1/2023
DEER PARK, CITY OF	3,000,000.00	1,500,000.00	3/1/1998	3/1/2017
DEKALB, CITY OF	565,000.00	525,000.00	12/1/2004	12/1/2019
DEL RIO, CITY OF	2,190,000.00	1,935,000.00	7/1/2005	7/1/2024
DETROIT, CITY OF	925,000.00	745,000.00	7/1/2002	7/1/2020
DIBOLL, CITY OF	4,635,000.00	3,930,000.00	2/1/2000	2/1/2019
DONNA, CITY OF	2,775,000.00	2,030,000.00	2/1/2001	2/1/2018
DRIPPING SPRINGS, CITY OF	9,430,000.00	9,370,000.00	6/1/2007	6/1/2026
EAGLE PASS, CITY OF	10,110,000.00	9,250,000.00	12/1/2005	12/1/2024
EAGLE PASS, CITY OF	700,000.00	85,000.00	12/1/2004	12/1/2023
EAGLE PASS, CITY OF	2,795,000.00	1,275,000.00	12/1/1993	12/1/2012
EAST CEDAR CREEK FWSD	2,075,000.00	1,475,000.00	1/1/2000	1/1/2019
EAST CEDAR CREEK FWSD	1,500,000.00	1,390,000.00	1/1/2006	1/1/2025
EAST CEDAR CREEK FWSD	415,000.00	175,000.00	1/1/1995	1/1/2014
EL PASO, CITY OF	16,265,000.00	13,275,000.00	3/1/2003	3/1/2022
EL PASO, CITY OF	7,520,000.00	5,965,000.00	3/1/2003	3/1/2022
EL PASO, CITY OF	10,000,000.00	9,990,000.00	3/1/2006	3/1/2024
EL PASO, CITY OF	10,000,000.00	9,620,000.00	3/1/2007	3/1/2026
EVADALE WCID #1	1,550,000.00	1,270,000.00	7/1/2003	7/1/2022
FAIRFIELD, CITY OF	4,415,000.00	3,665,000.00	9/1/2003	9/1/2022
FIRST COLONY MUD #9	4,000,000.00	3,505,000.00	10/1/1999	10/1/2018
FLATONIA, CITY OF	665,000.00	425,000.00	2/15/1999	2/15/2018
FORT BEND CO FWSD #1	6,935,000.00	6,935,000.00	8/15/2008	8/15/2027
FORT BEND CO WCID #2	4,740,000.00	3,015,000.00	9/1/1998	9/1/2017
FORT WORTH, CITY OF	60,980,000.00	39,380,000.00	3/1/1999	3/1/2018
FORT WORTH, CITY OF	38,000,000.00	26,350,000.00	3/1/2000	3/1/2019
FORT WORTH, CITY OF	61,750,000.00	45,735,000.00	3/1/2001	3/1/2020
FORT WORTH, CITY OF	8,080,000.00	6,205,000.00	3/1/2002	3/1/2021
FORT WORTH, CITY OF	34,310,000.00	27,705,000.00	3/1/2003	3/1/2022
FORT WORTH, CITY OF	7,890,000.00	7,190,000.00	3/1/2006	3/1/2025
FORT WORTH, CITY OF	11,500,000.00	11,035,000.00	3/1/2007	3/1/2025
FORT WORTH, CITY OF	17,120,000.00	890,000.00	3/1/1997	3/1/2016
GALVESTON CO MUD #12	1,820,000.00	1,355,000.00	9/1/1997	9/1/2015
GALVESTON CO WCID #1	6,395,000.00	5,345,000.00	3/1/2004	3/1/2022

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)

Schedule 6 - Loans and Contracts

For the Fiscal Year Ended August 31, 2007

<u>Recipient</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Due From</u>	<u>Due To</u>
GALVESTON CO WCID #12	515,000.00	350,000.00	9/1/1999	9/1/2018
GALVESTON CO WCID #12	1,920,000.00	1,235,000.00	9/1/1999	9/1/2016
GARLAND, CITY OF	38,485,000.00	36,800,000.00	3/1/2007	3/1/2024
GIDDINGS, CITY OF	4,000,000.00	550,000.00	9/1/1997	9/1/2016
GREATER TEXOMA UA	250,000.00	165,000.00	11/1/1998	11/1/2017
GREATER TEXOMA UA	300,000.00	185,000.00	4/1/1998	4/1/2017
GREATER TEXOMA UA	1,500,000.00	1,345,000.00	10/1/1999	10/1/2012
GREATER TEXOMA UA	155,000.00	110,000.00	4/1/1999	4/1/2018
GREATER TEXOMA UA	440,000.00	210,000.00	6/1/1999	6/1/2013
GREATER TEXOMA UA	500,000.00	465,000.00	7/1/2001	7/1/2020
GREATER TEXOMA UA	900,000.00	675,000.00	6/1/2001	6/1/2020
GREATER TEXOMA UA	150,000.00	120,000.00	4/1/2002	4/1/2021
GREATER TEXOMA UA	150,000.00	110,000.00	6/1/2000	6/1/2019
GREATER TEXOMA UA	150,000.00	120,000.00	10/1/2001	10/1/2020
GREATER TEXOMA UA	955,000.00	815,000.00	6/1/2003	6/1/2022
GREATER TEXOMA UA	3,440,000.00	2,975,000.00	10/1/2003	10/1/2021
GREATER TEXOMA UA	865,000.00	725,000.00	10/1/2003	10/1/2021
GREATER TEXOMA UA	1,035,000.00	1,005,000.00	10/1/2003	10/1/2022
GREATER TEXOMA UA	995,000.00	335,000.00	4/1/1992	4/1/2011
GREATER TEXOMA UA	155,000.00	45,000.00	10/1/1993	10/1/2010
GREATER TEXOMA UA	765,000.00	235,000.00	10/1/1993	10/1/2010
GREATER TEXOMA UA	290,000.00	210,000.00	1/1/2007	1/1/2014
GREATER TEXOMA UA	350,000.00	150,000.00	4/1/1994	4/1/2013
GREATER TEXOMA UA	1,090,000.00	650,000.00	10/1/1996	10/1/2015
GREATER TEXOMA UA	400,000.00	390,000.00	6/1/2007	6/1/2026
GREATER TEXOMA UA	3,870,000.00	3,735,000.00	6/1/2007	6/1/2026
GREENWOOD UD	2,465,000.00	1,820,000.00	8/1/1999	8/1/2017
GROESBECK, CITY OF	2,000,000.00	2,000,000.00	2/15/2008	2/15/2027
GROVES, CITY OF	715,000.00	715,000.00	9/1/2007	9/1/2026
GROVES, CITY OF	5,000,000.00	5,000,000.00	9/1/2008	9/1/2027
GUADALUPE BLANCO RA	5,480,000.00	5,095,000.00	2/1/1998	2/1/2017
GUADALUPE BLANCO RA	3,750,000.00	1,295,000.00	10/1/1997	10/1/2010
HALLSVILLE, CITY OF	2,250,000.00	1,655,000.00	5/1/2000	5/1/2019
HALTOM CITY, CITY OF	8,600,000.00	6,015,000.00	2/1/2000	2/1/2019
HALTOM CITY, CITY OF	3,120,000.00	1,965,000.00	2/1/2003	2/1/2022
HARDIN CO WCID #1	2,100,000.00	1,480,000.00	8/15/1998	8/15/2017
HARLINGEN, CITY OF	1,845,000.00	1,455,000.00	11/1/2001	11/1/2020
HARRIS CO FWSD #6	2,300,000.00	1,580,000.00	7/10/1998	7/10/2017
HARRIS CO MUD #50	1,500,000.00	1,500,000.00	3/1/2009	3/1/2028
HARRIS CO WCID #136	565,000.00	350,000.00	4/1/1998	4/1/2017
HARRIS CO WCID #36	5,000,000.00	4,190,000.00	9/15/2002	9/15/2021
HARRIS CO WCID #84	2,075,000.00	850,000.00	8/1/1993	8/1/2012
HIGH ISLAND ISD	195,000.00	60,000.00	8/15/2000	8/15/2010
HILLCREST VILLAGE, CITY OF	300,000.00	210,000.00	3/15/2001	3/15/2019
HITCHCOCK, CITY OF	700,000.00	105,000.00	5/1/1990	5/1/2009
HONDO, CITY OF	1,310,000.00	340,000.00	2/1/1994	2/1/2011
HONDO, CITY OF	285,000.00	95,000.00	2/1/1994	2/1/2011
HONEY GROVE, CITY OF	1,000,000.00	740,000.00	9/1/2000	9/1/2019
HOOKS, CITY OF	915,000.00	255,000.00	8/15/1992	8/15/2011

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)

Schedule 6 - Loans and Contracts

For the Fiscal Year Ended August 31, 2007

Recipient	Original Amount	Outstanding Balance	Due From	Due To
HOOKS, CITY OF	190,000.00	60,000.00	8/15/1992	8/15/2011
HOUSTON, CITY OF	175,000,000.00	173,975,000.00	12/1/1999	12/1/2018
HOUSTON, CITY OF	47,500,000.00	40,810,000.00	12/1/2000	12/1/2019
HOUSTON, CITY OF	6,130,000.00	5,210,000.00	12/1/2000	12/1/2019
HOUSTON, CITY OF	67,660,000.00	64,085,000.00	12/1/2000	12/1/2019
HOUSTON, CITY OF	96,705,000.00	96,255,000.00	12/1/2005	12/1/2024
HOUSTON, CITY OF	84,385,000.00	83,885,000.00	12/1/2005	12/1/2024
HOUSTON, CITY OF	69,595,000.00	69,095,000.00	5/15/2007	5/15/2026
HOUSTON, CITY OF	61,545,000.00	61,045,000.00	5/15/2007	5/15/2026
HUBBARD, CITY OF	670,000.00	455,000.00	2/15/2000	2/15/2018
HULL FWSD	450,000.00	210,000.00	3/1/1996	3/1/2013
HUMBLE, CITY OF	4,800,000.00	3,330,000.00	3/1/2000	3/1/2019
HUNTERS GLEN MUD	1,885,000.00	1,560,000.00	4/1/2000	4/1/2015
HUNTSVILLE, CITY OF	14,395,000.00	8,040,000.00	8/15/1997	8/15/2016
IDALOU, CITY OF	160,000.00	85,000.00	2/15/1993	2/15/2012
INGLESIDE, CITY OF	2,915,000.00	2,170,000.00	2/1/2003	2/1/2022
ISAACSON MUD	275,000.00	85,000.00	3/1/1994	3/1/2013
JACINTO CITY, CITY OF	7,255,000.00	6,925,000.00	5/1/2005	5/1/2024
JACKSBORO, CITY OF	2,550,000.00	1,725,000.00	7/10/1999	7/10/2017
JACKSONVILLE, CITY OF	8,000,000.00	6,760,000.00	8/15/2001	8/15/2020
JARRELL, CITY OF	7,895,000.00	7,845,000.00	7/1/2007	7/1/2026
JASPER, CITY OF	2,495,000.00	1,620,000.00	2/15/1999	2/15/2018
JEFFERSON CO WCID #10	2,890,000.00	1,175,000.00	8/15/1996	8/15/2012
JOHNSON CO SUD (FORMERLY JOHNSON CO FWSD NO. 1)	1,640,000.00	995,000.00	5/15/1997	5/15/2016
KAUFMAN, CITY OF	2,455,000.00	1,990,000.00	2/15/2003	2/15/2022
KAUFMAN, CITY OF	1,325,000.00	1,240,000.00	8/15/2006	8/15/2025
KENDALL CO WCID #1	2,500,000.00	1,885,000.00	1/1/2001	1/1/2020
KINGSVILLE, CITY OF	2,000,000.00	845,000.00	4/15/1995	4/15/2012
LA COSTE, CITY OF	665,000.00	285,000.00	2/1/1994	2/1/2013
LA FERIA, CITY OF	385,000.00	375,000.00	9/15/2006	9/15/2025
LA GRANGE, CITY OF	2,155,000.00	860,000.00	8/15/1998	8/15/2012
LA JOYA, CITY OF	2,155,000.00	2,155,000.00	3/1/2008	3/1/2027
LA MARQUE, CITY OF	4,600,000.00	3,835,000.00	9/1/2000	9/1/2018
LA MARQUE, CITY OF	4,440,000.00	3,230,000.00	9/1/1998	9/1/2016
LAKE JACKSON, CITY OF	16,000,000.00	11,200,000.00	4/15/2002	4/15/2021
LAKE JACKSON, CITY OF	1,410,000.00	430,000.00	4/15/1994	4/15/2013
LAKE WORTH, CITY OF	1,500,000.00	920,000.00	3/1/1998	3/1/2017
LAKEWAY MUD	3,040,000.00	1,985,000.00	9/1/1998	9/1/2017
LAMPASAS, CITY OF	1,040,000.00	695,000.00	8/15/1999	8/15/2018
LAREDO, CITY OF	1,415,000.00	415,000.00	3/1/1992	3/1/2011
LAREDO, CITY OF	285,000.00	85,000.00	3/1/1992	3/1/2011
LEWISVILLE, CITY OF	9,950,000.00	6,790,000.00	8/15/2000	8/15/2019
LIBERTY HILL CITY OF	1,345,000.00	1,345,000.00	9/1/2008	9/1/2027
LIBERTY HILL CITY OF	6,785,000.00	6,785,000.00	9/1/2008	9/1/2027
LITTLEFIELD, CITY OF	2,565,000.00	1,565,000.00	2/15/1998	2/15/2017
LITTLEFIELD, CITY OF	1,910,000.00	1,910,000.00	2/15/2008	2/15/2027
LOCKHART, CITY OF	1,325,000.00	830,000.00	8/1/1998	8/1/2016
LONGVIEW, CITY OF	15,335,000.00	10,840,000.00	3/1/1999	3/1/2017
LORAIN, CITY OF	665,000.00	610,000.00	9/1/2004	9/1/2023

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)

Schedule 6 - Loans and Contracts

For the Fiscal Year Ended August 31, 2007

Recipient	Original Amount	Outstanding Balance	Due From	Due To
LORENZO, CITY OF	705,000.00	490,000.00	8/15/2000	8/15/2019
LOVELADY, CITY OF	330,000.00	175,000.00	5/1/1996	5/1/2015
LOWER COLORADO RA	25,280,000.00	13,045,000.00	7/1/2000	7/1/2011
LOWER COLORADO RA	9,070,209.65	9,070,209.65	7/1/2012	7/1/2016
LOWER COLORADO RA	3,810,000.00	3,300,000.00	1/1/2002	1/1/2020
LOWER COLORADO RA	9,300,000.00	2,855,000.00	1/1/2000	1/1/2010
LOWER COLORADO RA	6,556.00	6,556.00	1/1/2011	1/1/2011
LOWER VALLEY WD	910,000.00	710,000.00	9/15/2001	9/15/2020
LOWER VALLEY WD	285,000.00	210,000.00	9/15/2000	9/15/2019
LOWER VALLEY WD	765,000.00	543,000.00	9/15/2001	9/15/2021
LOWER VALLEY WD	775,000.00	621,000.00	9/15/2001	9/15/2021
LOWER VALLEY WD	1,347,000.00	956,000.00	9/15/1999	9/15/2018
LOWER VALLEY WD	300,000.00	215,000.00	9/15/1999	9/15/2018
LOWER VALLEY WD	20,600,000.00	20,600,000.00	9/15/2008	9/15/2027
LULING, CITY OF	1,590,000.00	1,035,000.00	8/15/1999	8/15/2017
LUMBERTON MUD	5,200,000.00	3,340,000.00	8/15/1999	8/15/2018
LUMBERTON MUD	8,765,000.00	8,765,000.00	8/15/2008	8/15/2027
MACEDONIA-EYLAU MUD #1	225,000.00	140,000.00	7/1/1999	7/1/2018
MANVEL, CITY OF	845,000.00	835,000.00	8/15/2007	8/15/2026
MARBLE FALLS, CITY OF	2,950,000.00	2,750,000.00	2/1/2006	2/1/2025
MARFA, CITY OF	1,265,000.00	1,265,000.00	3/15/2009	3/15/2026
MARLIN, CITY OF	2,255,000.00	2,245,000.00	7/1/2007	7/1/2026
MARSHALL, CITY OF	7,020,000.00	4,585,000.00	6/15/1998	6/15/2017
MART, CITY OF	810,000.00	770,000.00	9/1/1999	9/1/2018
MAURICEVILLE SUD	925,000.00	765,000.00	11/15/1999	11/15/2018
MAURICEVILLE SUD	9,340,000.00	8,630,000.00	11/15/1999	11/15/2018
MEADOWHILL REGIONAL MUD	1,460,000.00	1,315,000.00	10/1/1997	10/1/2015
MERCEDES, CITY OF	1,265,000.00	1,265,000.00	2/15/2008	2/15/2027
MEXIA, CITY OF	2,000,000.00	1,285,000.00	8/15/1999	8/15/2018
MEXIA, CITY OF	5,420,000.00	4,400,000.00	8/15/2003	8/15/2022
MINEOLA, CITY OF	770,000.00	675,000.00	9/1/1999	9/1/2017
MINEOLA, CITY OF	3,335,000.00	2,275,000.00	9/1/1999	9/1/2018
MISSION, CITY OF	2,032,000.00	1,048,000.00	4/1/1996	4/1/2015
MISSOURI CITY, CITY OF	1,215,000.00	1,085,000.00	6/15/2005	6/15/2024
MONTGOMERY CO MUD #15	675,000.00	540,000.00	3/1/1999	3/1/2017
MONTGOMERY CO MUD #15	815,000.00	715,000.00	3/1/1998	3/1/2017
MONTGOMERY CO UD #3	1,290,000.00	1,040,000.00	4/1/1999	4/1/2015
MOUNT CALM, CITY OF	100,000.00	65,000.00	9/1/2000	9/1/2019
MOUNT VERNON, CITY OF	1,520,000.00	1,065,000.00	9/1/1999	9/1/2018
NACOGDOCHES, CITY OF	5,900,000.00	3,765,000.00	3/1/1999	3/1/2018
NACOGDOCHES, CITY OF	10,365,000.00	9,565,000.00	3/1/2006	3/1/2025
NEDERLAND, CITY OF	5,000,000.00	3,610,000.00	9/1/1998	9/1/2017
NEDERLAND, CITY OF	4,850,000.00	4,770,000.00	9/1/2000	9/1/2019
NEDERLAND, CITY OF	2,900,000.00	2,825,000.00	9/1/2001	9/1/2019
NEEDVILLE, CITY OF	1,150,000.00	345,000.00	3/1/1996	3/1/2010
NEW CANEY MUD	380,000.00	350,000.00	4/1/2005	4/1/2024
NEW CANEY MUD	3,095,000.00	3,090,000.00	4/1/2007	4/1/2026
NEW CANEY MUD	1,720,000.00	1,235,000.00	4/1/1997	4/1/2015
NEWTON, CITY OF	1,855,000.00	1,250,000.00	3/15/2000	3/15/2019

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)

Schedule 6 - Loans and Contracts

For the Fiscal Year Ended August 31, 2007

Recipient	Original Amount	Outstanding Balance	Due From	Due To
ODEM, CITY OF	1,940,000.00	1,715,000.00	8/1/2004	8/1/2023
OLNEY, CITY OF	265,000.00	225,000.00	9/1/2003	9/1/2022
ORANGE CO WCID #1	2,415,000.00	2,370,000.00	2/15/1999	2/15/2018
ORANGE CO WCID #2	3,890,000.00	2,540,000.00	3/1/1997	3/1/2015
ORANGE GROVE, CITY OF	400,000.00	230,000.00	8/15/1997	8/15/2016
PALESTINE, CITY OF	3,745,000.00	3,725,000.00	7/15/2005	7/15/2022
PALESTINE, CITY OF	860,000.00	820,000.00	7/15/2007	7/15/2025
PALESTINE, CITY OF	6,545,000.00	3,175,000.00	7/15/1996	7/15/2015
PANHANDLE, CITY OF	1,875,000.00	1,530,000.00	2/15/2003	2/15/2022
PARKWAY UTILITY DISTRICT	3,965,000.00	2,805,000.00	3/1/1999	3/1/2017
PASADENA, CITY OF	31,370,000.00	23,020,000.00	4/1/2000	4/1/2019
PEARLAND, CITY OF	17,100,000.00	14,085,000.00	3/1/2000	3/1/2018
PEARLAND, CITY OF	8,870,000.00	1,010,000.00	9/1/1997	9/1/2016
PHARR, CITY OF	4,230,000.00	3,485,000.00	9/1/1998	9/1/2017
PHARR, CITY OF	29,000,000.00	29,000,000.00	9/1/2008	9/1/2027
PINE VILLAGE PUD	845,000.00	810,000.00	3/1/2001	3/1/2020
PINE VILLAGE PUD	810,000.00	450,000.00	9/1/1996	9/1/2014
POINT CITY OF	1,370,000.00	1,330,000.00	7/1/2006	7/1/2025
POLK CO FWSD #2	3,140,000.00	2,375,000.00	7/10/2000	7/10/2018
POLK CO FWSD #2	1,955,000.00	1,930,000.00	7/10/2003	7/10/2022
PORT ARTHUR, CITY OF	15,000,000.00	12,105,000.00	2/15/2003	2/15/2022
PORT LAVACA, CITY OF	4,950,000.00	3,200,000.00	2/15/1999	2/15/2018
PORTER MUD	2,145,000.00	2,000,000.00	3/1/1999	3/1/2018
PORTLAND, CITY OF	1,775,000.00	1,485,000.00	9/1/2002	9/1/2021
PRINCETON, CITY OF	990,000.00	605,000.00	2/15/1998	2/15/2017
PROSPER, TOWN OF	800,000.00	550,000.00	7/10/1999	7/10/2018
QUINLAN, CITY OF	845,000.00	595,000.00	9/1/1998	9/1/2017
REDWATER, CITY OF	470,000.00	460,000.00	6/1/2007	6/1/2026
RENO CITY OF	1,950,000.00	1,565,000.00	1/1/1999	1/1/2018
RICHLAND HILLS, CITY OF	4,000,000.00	2,670,000.00	8/15/1999	8/15/2018
RICHMOND, CITY OF	4,400,000.00	3,240,000.00	3/1/2001	3/1/2020
RIO GRANDE CITY, CITY OF	210,000.00	70,000.00	7/10/1993	7/10/2012
RIO GRANDE CITY, CITY OF	1,750,000.00	665,000.00	7/10/1993	7/10/2012
RIO GRANDE CITY, CITY OF	350,000.00	105,000.00	7/10/1993	7/10/2012
RIVIERA WCID	280,000.00	180,000.00	11/1/1997	11/1/2016
ROBSTOWN, CITY OF	775,000.00	345,000.00	12/1/1993	12/1/2012
ROCKDALE, CITY OF	6,300,000.00	6,165,000.00	8/15/2006	8/15/2025
ROCKPORT, CITY OF	2,500,000.00	1,470,000.00	2/15/1997	2/15/2016
ROMA, CITY OF	3,035,000.00	2,260,000.00	5/1/2001	5/1/2020
ROMA, CITY OF	1,150,000.00	1,017,000.00	5/1/2005	5/1/2024
SAN ANGELO, CITY OF	2,855,000.00	1,730,000.00	4/1/1999	4/1/2017
SAN ANTONIO WATER SYSTEM	47,500,000.00	31,700,000.00	5/15/2000	5/15/2019
SAN ANTONIO WATER SYSTEM	71,410,000.00	48,290,000.00	5/15/2000	5/15/2019
SAN ANTONIO WATER SYSTEM	9,715,000.00	9,220,000.00	5/15/2002	5/15/2021
SAN ANTONIO WATER SYSTEM	15,435,000.00	14,660,000.00	5/15/2002	5/15/2021
SAN ANTONIO WATER SYSTEM	15,650,000.00	14,825,000.00	5/15/2003	5/15/2022
SAN ANTONIO WATER SYSTEM	12,090,000.00	11,495,000.00	5/15/2003	5/15/2022
SAN ANTONIO WATER SYSTEM	34,000,000.00	33,980,000.00	5/15/2004	5/15/2023
SAN ANTONIO WATER SYSTEM	26,365,000.00	26,350,000.00	5/15/2005	5/15/2024

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)

Schedule 6 - Loans and Contracts

For the Fiscal Year Ended August 31, 2007

Recipient	Original Amount	Outstanding Balance	Due From	Due To
SAN ANTONIO WATER SYSTEM	10,635,000.00	10,620,000.00	5/15/2005	5/15/2024
SAN ANTONIO WATER SYSTEM	35,375,000.00	35,375,000.00	5/15/2008	5/15/2027
SAN ANTONIO WATER SYSTEM	8,070,000.00	8,070,000.00	5/15/2008	5/15/2027
SAN DIEGO, CITY OF	490,000.00	135,000.00	6/1/1995	6/1/2011
SAN JUAN, CITY OF	2,180,000.00	2,100,000.00	3/1/2007	3/1/2026
SAN LEON MUD	1,150,000.00	660,000.00	7/10/1997	7/10/2016
SAN MARCOS, CITY OF	7,500,000.00	6,390,000.00	2/15/1999	2/15/2017
SAN PATRICIO MWD	3,050,000.00	2,225,000.00	2/1/2000	2/1/2018
SANGER, CITY OF	1,060,000.00	620,000.00	5/15/1997	5/15/2016
SEGUIN, CITY OF	1,300,000.00	990,000.00	2/1/1999	2/1/2017
SHASLA PUD	380,000.00	235,000.00	3/1/2000	3/1/2009
SINTON, CITY OF	600,000.00	215,000.00	8/1/1997	8/1/2011
SONORA, CITY OF	6,000,000.00	6,000,000.00	12/1/2010	12/1/2029
STAMFORD, CITY OF	265,000.00	235,000.00	2/15/2006	2/15/2025
STANLEY LAKE MUD	85,000.00	7,000.00	7/1/1993	7/1/2008
SUGAR LAND, CITY OF	3,485,000.00	2,480,000.00	8/15/1999	8/15/2018
SUGAR LAND, CITY OF	3,365,000.00	2,915,000.00	8/15/1999	8/15/2018
SUGAR LAND, CITY OF	3,215,000.00	2,545,000.00	8/15/2003	8/15/2022
SUNBELT FWSD	5,310,000.00	4,225,000.00	12/1/2001	12/1/2020
SUNBELT FWSD	495,000.00	390,000.00	12/1/2001	12/1/2020
SUNBELT FWSD	945,000.00	860,000.00	12/1/2003	12/1/2022
SUNBELT FWSD	9,945,000.00	1,545,000.00	12/1/1997	12/1/2016
SWEETWATER, CITY OF	3,995,000.00	2,665,000.00	8/15/1999	8/15/2018
SWEETWATER, CITY OF	3,990,000.00	2,660,000.00	8/15/1999	8/15/2018
TAHOKA, CITY OF	1,780,000.00	1,190,000.00	2/15/2000	2/15/2018
TATTOR ROAD MD	560,000.00	420,000.00	3/1/1998	3/1/2016
TAYLOR, CITY OF	2,950,000.00	2,725,000.00	8/15/1999	8/15/2017
TAYLOR, CITY OF	3,100,000.00	1,975,000.00	8/15/1998	8/15/2015
TEXARKANA, CITY OF	2,755,000.00	1,520,000.00	8/1/1997	8/1/2016
TEXAS CITY, CITY OF	5,620,000.00	3,005,000.00	2/15/1996	2/15/2015
TEXAS CITY, CITY OF	16,880,000.00	9,125,000.00	2/15/1998	2/15/2015
THE COLONY, CITY OF	1,000,000.00	525,000.00	8/15/1996	8/15/2015
THE COLONY, CITY OF	810,000.00	470,000.00	8/15/1997	8/15/2016
THE COLONY, CITY OF	925,000.00	140,000.00	8/15/1992	8/15/2009
THE COLONY, CITY OF	225,000.00	70,000.00	8/15/1992	8/15/2011
TIOGA, CITY OF	300,000.00	200,000.00	4/1/1999	4/1/2018
TOMBALL, CITY OF	7,550,000.00	5,175,000.00	2/15/2000	2/15/2019
TRAVIS CO WCID (POINT VENTURE)	1,460,000.00	960,000.00	8/15/1999	8/15/2018
TRINITY BAY CONSERVATION DISTRICT	1,300,000.00	1,050,000.00	8/15/1998	8/15/2017
TRINITY RIVER AUTHORITY	50,845,000.00	31,395,000.00	8/1/1999	8/1/2017
TRINITY RIVER AUTHORITY	6,075,000.00	6,045,000.00	8/1/2002	8/1/2020
TRINITY RIVER AUTHORITY	8,480,000.00	7,690,000.00	2/1/2003	2/1/2021
TRINITY RIVER AUTHORITY	88,225,000.00	87,540,000.00	8/1/2003	8/1/2020
TRINITY RIVER AUTHORITY	106,475,000.00	104,990,000.00	8/1/2007	8/1/2026
TRINITY RIVER AUTHORITY	3,180,000.00	1,715,000.00	8/1/1997	8/1/2016
TRINITY RIVER AUTHORITY	120,000,000.00	120,000,000.00	8/1/2010	8/1/2027
TULIA, CITY OF	2,620,000.00	1,625,000.00	8/15/1998	8/15/2017
UPPER TRINITY REGIONAL	6,685,000.00	5,695,000.00	8/1/2004	8/1/2023
UPPER TRINITY REGIONAL	3,085,000.00	1,875,000.00	8/1/1997	8/1/2016

UNAUDITED

Clean Water State Revolving Fund

Texas Water Development Board (580)**Schedule 6 - Loans and Contracts**

For the Fiscal Year Ended August 31, 2007

Recipient	Original Amount	Outstanding Balance	Due From	Due To
VERNON, CITY OF	2,855,000.00	2,465,000.00	3/15/2004	3/15/2023
VICTORIA CO WCID #1	1,280,000.00	840,000.00	3/1/1999	3/1/2018
VICTORIA, CITY OF	25,580,000.00	21,760,000.00	12/1/2001	12/1/2020
WATAUGA, CITY OF	4,580,000.00	2,645,000.00	3/1/1997	3/1/2016
WAXAHACHIE, CITY OF	3,935,000.00	2,390,000.00	8/1/1998	8/1/2017
WELLMAN, CITY OF	600,000.00	290,000.00	3/1/1995	3/1/2014
WELLS BRANCH MUD	1,400,000.00	985,000.00	8/1/2000	8/1/2019
WELLS, CITY OF	220,000.00	95,000.00	9/1/1993	9/1/2011
WESLACO, CITY OF	5,930,000.00	4,075,000.00	12/1/1998	12/1/2017
WEST TAWAKONI, CITY OF	250,000.00	135,000.00	1/1/1996	1/1/2015
WEST UNIVERSITY PLACE, CITY OF	3,015,000.00	2,670,000.00	2/1/2003	2/1/2021
WHITE OAK BEND MUD	470,000.00	455,000.00	10/1/2004	10/1/2022
WHITE OAK BEND MUD	1,531,000.00	1,286,000.00	10/1/1996	10/1/2010
WHITE OAK, CITY OF	1,845,000.00	1,170,000.00	3/1/2002	3/1/2015
WHITEHOUSE, CITY OF	760,000.00	255,000.00	8/15/1996	8/15/2010
WHITESBORO, CITY OF	2,725,000.00	2,245,000.00	8/15/2003	8/15/2022
WICHITA FALLS, CITY OF	8,060,000.00	7,835,000.00	8/1/1999	8/1/2018
WILLIS, CITY OF	1,000,000.00	825,000.00	8/1/2003	8/1/2022
WILLIS, CITY OF	1,170,000.00	790,000.00	8/1/1997	8/1/2016
WILMER, CITY OF	250,000.00	145,000.00	4/15/1995	4/15/2014
WINNSBORO, CITY OF	1,050,000.00	1,025,000.00	2/15/2007	2/15/2026
WINTERS, CITY OF	655,000.00	655,000.00	10/1/2009	10/1/2028
YOAKUM, CITY OF	5,000,000.00	5,000,000.00	8/15/2009	8/15/2028
Total, Clean Water State Revolving Fund	\$ 2,698,736,765.65	\$ 2,279,483,765.65		

TABLE 1

Table 1

Clean Water SRF Fund Status October 1, 1987 - August 31, 2007

SRF FUND TOTALS

IUP YR	SRF Grant	Required State Match - 20%	Actual State Match	State Overmatch	Net Bond Proceeds	Total Funds
1988	\$105,190,250				\$0	\$126,227,750
1989	\$82,691,538	\$21,038,050	\$21,037,500		\$0	\$115,144,211
1990	\$72,843,855	\$16,538,308	\$32,452,673		\$0	\$101,603,855
1990(Amend)	\$1,466,749	\$14,568,771	\$28,760,000		\$0	\$1,466,749
1991	\$96,302,005	\$293,350	\$0		\$0	\$96,302,005
1991(Amend)	\$1,900,000	\$19,260,401	\$0			\$1,900,000
1992	\$92,254,341	\$380,000	\$0		\$261,215,069 *	\$353,469,410
1993	\$98,743,594	\$18,450,868	\$0		\$114,180,000	\$222,923,594
1994	\$57,750,000	\$19,748,719	\$10,000,000			\$75,780,000
1995	\$56,296,944	\$11,550,000	\$18,030,000		\$0	\$76,849,518
1996	\$97,216,124	\$11,259,389	\$20,552,574		\$343,336,367	\$452,552,491
1997	\$28,485,864	\$19,443,225	\$12,000,000		\$314,165,259	\$359,651,123
1998	\$61,546,617	\$5,697,173	\$17,000,000		\$142,991,230	\$229,537,847
1999	\$61,551,864	\$12,309,323	\$25,000,000		\$234,333,389	\$295,885,253
2000	\$63,343,000	\$12,310,373	\$0		\$91,741,498	\$180,084,498
2001	\$60,797,781	\$12,668,600	\$25,000,000			\$60,797,781
2002	\$60,933,213	\$12,159,556	\$0		\$0	\$73,933,213
2003	\$60,537,213	\$12,186,643	\$13,000,000		\$0	\$73,537,213
2004	\$61,080,444	\$12,107,443	\$13,000,000		\$0	\$73,580,444
2005	\$49,252,104	\$12,216,089	\$12,500,000		\$0	\$59,252,104
2006	\$40,024,512	\$9,850,421	\$10,000,000		\$0	\$44,024,512
2007	Received 2006 grant see above	\$8,004,902	\$4,000,000		\$0	
	\$1,310,208,012	\$262,041,602	\$262,332,747	\$291,145	\$1,501,962,812	\$3,074,503,571
*1993 restated due to typographical error						
Total SRF Fund Commitments			Total Funds Drawn			
IUP YR	Commitments	Funds	Federal	State	Total Funds	
1988	5	\$126,225,000	\$105,187,501	\$21,037,499	\$126,225,000	
1989	22	\$149,570,000	\$123,845,098	\$25,584,902	\$149,430,000	
1990	18	\$165,885,000	\$137,906,475	\$27,578,525	\$165,485,000	
1991	23	\$207,890,558	\$173,641,705	\$34,728,853	\$208,370,558	
1992	27	\$189,630,000	\$55,626,699	\$11,125,301	\$66,752,000	
1993	22	\$79,775,000	\$64,406,219	\$13,223,781	\$77,630,000	
1994	20	\$129,195,000	\$52,785,020	\$10,558,480	\$63,343,500	
1995	23	\$112,440,000	\$56,951,258	\$11,438,686	\$68,389,944	
1996	42	\$177,455,000	\$36,514,636	\$7,305,364	\$43,820,000	
1997	54	\$403,126,766	\$46,924,306	\$9,409,507	\$56,333,813	
1998	61	\$584,240,000	\$77,571,747	\$15,522,825	\$93,094,572	
1999	31	\$301,765,000	\$114,761,727	\$22,954,001	\$137,715,728	
2000	22	\$272,225,000	\$17,818,655	\$3,563,731	\$21,382,386	
2001	18	\$219,550,000	\$23,134,356	\$6,782,194	\$29,916,550	
2002	24	\$215,340,000	\$6,032,064	\$1,206,401	\$7,238,465	
2003	12	\$211,385,000				
2004	* 16	\$309,500,000				
2005	15	\$172,365,000	\$9,408,387	\$1,881,677	\$11,290,064	
2006	8	\$93,425,000	\$15,495,249	\$3,099,050	\$18,594,299	
2007	41	\$691,670,000	\$169,701,730	\$33,940,346	\$203,642,076	
	504	\$4,812,657,324	\$1,287,712,832	\$260,941,123	\$1,548,653,955	
* Revisions in Commitment Amounts			^Adjustment to correct cumulative drawn			

TABLE 2

Table 2
CWSRF GRANT PAYMENTS and BINDING COMMITMENTS BY QUARTER
FY 1988 - 2007 Project

	FY 88 - FY 06 Total	FY 2007				FY 2008 PROJECTED			
	Total	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
GRANT PAYMENTS									
IUP FY 1988 - 2002									
FY 2003									
FY 2004									
FY 2005		\$5,752,104							
FY 2006		\$10,006,128	\$5,003,064	\$5,003,064	\$5,003,064	\$5,003,064	\$5,003,064	\$5,003,064	
QUARTERLY TOTAL		\$15,758,232	\$5,003,064	\$5,003,064	\$5,003,064	\$5,003,064	\$5,003,064	\$5,003,064	\$0
FY Required Binding Commitments by Quarter		\$18,909,878	\$6,003,677	\$6,003,677	\$6,003,677	\$6,003,677	\$6,003,677	\$6,003,677	\$0
CUMULATIVE PAYMENTS	\$1,264,431,396	\$1,280,189,628	\$1,285,192,692	\$1,290,195,756	\$1,295,198,820	\$1,300,201,884	\$1,305,204,948	\$1,310,208,012	\$1,310,208,012
* REQUIRED BINDING COMMITMENTS	\$1,517,317,675	\$1,536,227,554	\$1,542,231,230	\$1,548,234,907	\$1,554,238,584	\$1,560,242,261	\$1,566,245,938	\$1,572,249,614	\$1,572,249,614
FY 88 - FY 06 Total FY 2007 BINDING COMMITMENTS									
IUP FY 1988-2002		-\$295,000							
IUP 2003									
IUP 2004									
IUP 2005									
IUP 2006		\$52,735,000	\$2,885,000						
IUP 2007		\$78,490,000	\$50,730,000	\$367,065,000	\$139,765,000				
QUARTERLY TOTAL		\$130,930,000	\$53,615,000	\$367,065,000	\$139,765,000				
CUMULATIVE BINDING COMMITMENTS	\$4,120,987,324	\$4,251,917,324	\$4,305,532,324	\$4,672,597,324	\$4,812,362,324				
Difference Between Actual & Required Cumulative	\$2,603,669,649	\$2,715,689,770	\$2,763,301,094	\$3,124,362,417	\$3,258,123,740				
CUM. BINDING COMMITMENTS AS % OF REQUIRED AMOUNT	271.60%	276.78%	279.18%	301.80%	309.63%	0.00%	0.00%	0.00%	0.00%

TABLE 2A

Table 2 A
FY 2007 Binding Commitments by Quarter
Clean Water State Revolving Fund

<i>1st QTR</i>		<i>2nd QTR</i>		<i>3rd QTR</i>		<i>4th QTR</i>	
<u>September 19, 2006</u>		<u>December 12, 2006</u>		<u>March 27, 2007</u>		<u>June 2007</u>	
06 Yoakum	D \$2,500,000	07 Edinburg	CC \$4,020,000	07 Celina	CC \$4,480,000		
06 Yoakum	D \$5,000,000	07 Palestine	CC \$30,945,000	07 Ft Worth	CC \$33,560,000		
	\$7,500,000	06 Rio Grande City	D \$2,885,000	07 Liberty	CC \$8,100,000		
			\$37,850,000	07 Mercedes	D CC \$7,530,000		\$0
					\$53,670,000		
<u>October 17, 2006</u>		<u>January 17, 2007</u>		<u>April 24, 2007</u>		<u>July 24, 2007</u>	
06 Houston	\$23,290,000	07 Commerce	D \$2,005,000	07 Cleveland	D CC \$5,270,000	07 Orange County Water CID	\$27,225,000
06 Lower Valley WD	\$20,600,000	07 Groesbeck	D \$2,000,000	07 Roxton	D \$1,000,000	07 Trinity River Authority (Denton Creek)	\$50,000,000
06 Liberty Hill	\$1,345,000	<u>February 15, 2006</u>		07 Taylor	\$710,000	07 Trinity River Authority (Ten Mile Creek)	\$50,000,000
07 Liberty Hill	CC \$6,785,000	07 Harris Co MUD #50	CC \$1,500,000		\$6,980,000		\$127,225,000
	\$52,020,000	07 Marfa	D \$1,265,000	<u>May 22, 2007</u>		<u>August 27, 2007</u>	
		07 Roscoe	D \$1,560,000	07 TRA	\$300,000,000	07 Harris County Water CID #89	\$7,565,000
		07 Sonora	CC \$6,000,000	07 Zapata Co	D \$6,415,000	07 Los Fresnos, City of	D \$4,975,000
<u>November 14, 2006</u>		07 Trinidad	D \$780,000		\$306,415,000	07	\$12,540,000
07 Alamo	D CC \$10,160,000	07 Winters	CC \$655,000				
07 Houston	CC \$61,545,000		\$15,765,000				
	\$71,705,000						
QTR TOTAL	\$131,225,000	QTR TOTAL	\$53,615,000	QTR TOTAL	\$367,065,000	QTR TOTAL	\$139,765,000
D= Disadvantaged, CC= Cross Cutters						FY 2007	
2006 IUP year	\$55,620,000	Disadvantaged 2006 IUP	\$10,385,000			YEAR TOTAL	
2007 IUP year	\$636,050,000	Disadvantaged 2007 IUP	\$42,960,000	Cross Cutters 2007	\$180,550,000	Prior Years Commitments	\$4,120,987,323
* Loan Increases						Revisions in FY 2007 * * *	
C = Cross Cutter Project - Tier III						(\$295,000)	
						GRAND TOTAL	
						\$4,812,362,323	

TABLE 3

Table 3**CWSRF Eligible Categories of Cost****Projects Receiving Commitments in FY 2007**

SRF #	Project	Commit Date	IUP FY	Total Loan Amount	I	II	IIIA	IIIB	IVA	IVB
					\$	\$	\$	\$	\$	\$
2011-01	Alamo, City of	11/14/06	07	\$10,160,000				10,160,000		
2252-01	Celina, City of	3/27/07	07	4,480,000	2,262,365			913,144	1,304,491	
2282-03	Cleveland, City of	4/24/07	07	5,270,000	5,270,000					
2307-01	Commerce, City of	2/27/07	07	2,005,000				2,005,000		
2444-02	Edinburg, City of	12/12/06	07	4,020,000		3,417,000		603,000		
2524-11	Fort Worth, City of	3/27/07	07	33,560,000				33,560,000		
2615-01	Groesbeck, City of	2/27/07	07	2,000,000		1,562,600		437,400		
2691-01	HarrisCo. Mud 50	2/27/07	07	1,500,000	1,500,000					
3968-01	HarrisCo. WCID 89	8/27/07	07	7,565,000	7,565,000					
2834-21	Houston, City of	10/17/06	06	23,290,000		8,970,000		14,320,000		
2834-22	Houston, City of	11/14/06	07	61,545,000				61,545,000		
3067-01	Liberty, City of	3/27/07	07	8,100,000	1,224,000			4,752,000	2,124,000	
4455-01	Liberty Hill, City of	10/17/06	06	1,345,000					1,345,000	
4455-01	Liberty Hill, City of	10/17/06	07	6,785,000					6,785,000	
3093-01	Los Fresnos, City of	8/27/07	07	4,975,000				4,975,000		
3954-02	Lower Valley Water District	10/17/07	06	20,600,000					20,600,000	
3129-01	Marfa, City of	2/27/07	07	1,265,000	632,500		632,500			
3178-02	Mercedes, City of	3/27/07	07	7,530,000		7,530,000				
3358-02	Orange Co. WCID #1	7/24/07	07	27,225,000	13,068,000		11,162,250		2,994,750	
3369-04	Palestine, City of	12/12/06	07	30,945,000		22,739,786		8,205,214		
4459-02	Rio Grande City, City of	12/12/06	06	2,885,000	501,990			193,295	2,189,715	
3536-01	Roscoe, City of	2/27/07	07	1,560,000	1,255,300					304,700
3975-01	Roxton, City of	4/24/07	07	1,000,000				1,000,000		
3639-01	Sonora, City of	2/27/07	07	6,000,000				6,000,000		
4469-01	Taylor Landing, City of	4/24/07	07	710,000	710,000					
3756-01	Trinidad, City of	2/27/07	07	780,000		122,300		657,700		
3766-07	Trinity RA, Central RWWS	5/22/07	07	300,000,000			300,000,000			
3766-08	Trinity RA, Denton Creek RWWS	7/24/07	07	50,000,000			50,000,000			
3766-09	Trinity RA, Ten Mile Crk RWWS	7/24/07	07	50,000,000			50,000,000			
3904-01	Winters, City of	2/27/07	07	655,000	655,000					
3919-02	Yoakum, City of	9/19/06	06	7,500,000				7,500,000		
3921-01	Zapata County	5/22/07	07	6,415,000		1,186,100				5,228,900
	FY 2006			\$691,670,000	\$34,644,155	\$45,527,786	\$411,794,750	\$156,826,753	\$37,342,956	\$5,533,600

TABLE 4 & 4 A

Table 4
CWSRF Federal Draws During FY 2007

	<i>Sep.- Nov.</i> <i>QTR 1</i>	<i>Dec. - Feb.</i> <i>QTR 2</i>	<i>March - May</i> <i>QTR 3</i>	<i>June - Aug.</i> <i>QTR 4</i>	<i>Total</i>
ACH Available (Beginning) adjusted from ending balance 8-31-06 by \$4,389,732 to correct cumulative total	\$141,030,562	\$82,131,732	\$28,956,013	\$32,408,025	
Quarterly ACH Payments	\$15,758,232	\$5,003,064	\$5,003,064	\$5,003,064	\$30,767,424
Cash Draws from ACH	(\$74,657,062)	(\$58,178,783)	(\$1,551,052)	(\$35,314,832)	(\$169,701,730)
ACH Available (Ending)	\$82,131,732	\$28,956,013	\$32,408,025	\$2,096,256	\$2,096,256
State Match for Cash Draws	\$14,931,412	\$11,635,757	\$310,210	\$7,062,966	\$33,940,346
ACH Draw/Draw + Match	83%	83%	83%	83%	

Table 4 A
Total CWSRF Federal Draws for Projects from FY 1988 - FY 2007

FY	Federal	Actual State Match Drawn	Total Funds Drawn	* State Match Required for Cash Draws
1988 - 2006 *	\$1,118,011,103	\$227,000,777	\$1,345,011,880	\$223,602,221
2007	\$169,701,730	\$33,940,346	\$203,642,075	\$33,940,346
Totals	\$1,287,712,833	\$260,941,123	\$1,548,653,955	\$257,542,567

* Prior year's draws reduced by \$10,779,463 due (in part) to returned grant funds

TABLE 5

CWSRF Project Status as of 8-31-2007

FY	IUP	Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
		TOTAL \$	TOTAL \$	TOTAL \$	TOTAL \$
		\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
		33	45	69	357
2007	Alamo	\$6,160,000	\$4,000,000		
2007	Celina	\$4,480,000			
2007	Cleveland	\$5,270,000			
2007	Commerce	\$2,005,000			
2007	Edinburg	\$4,020,000			
2007	Ft Worth		\$33,560,000		
2007	Groesbeck		\$2,000,000		
2007	Harris Co MUD #50		\$1,500,000		
2007	Harris County Water CID #89	\$7,565,000			
2007	Houston	\$61,545,000			
2007	Liberty		\$8,100,000		
2007	Liberty Hill		\$6,785,000		
2007	Los Fresnos	\$4,975,000			
2007	Marfa		\$1,265,000		
2007	Mercedes	\$7,530,000			
2007	Orange County WCID	\$27,225,000			
2007	Palestine	\$30,945,000			
2007	Roscoe		\$1,560,000		
2007	Roxton		\$1,000,000		
2007	Sonora		\$6,000,000		
2007	Taylor Landing	\$710,000			
2007	TRA (Denton Creek)	\$2,405,000	\$47,595,000		
2007	TRA (Ten Mile Creek)	\$3,810,000	\$46,190,000		
2007	TRA	\$180,000,000	\$120,000,000		
2007	Trinidad	\$780,000			
2007	Winters		\$655,000		
2007	Zapata Co	\$6,415,000			
2006	Clarksville City	\$1,400,000			
2006	Dayton			\$8,500,000	
2006	GTUA-Melissa/Anna	\$3,430,000	\$3,870,000		
2006	GTUA-Pottsboro		\$3,210,000		
2006	Houston	\$34,200,000	\$22,290,000		
2006	Houston	\$23,290,000			
2006	Jarrell		\$7,895,000		
2006	LaJoya	\$4,565,000	\$2,155,000		
2006	Liberty Hill			\$1,345,000	
2006	Littlefield		\$1,910,000		
2006	Lower Valley WD		\$20,600,000		
2006	Rio Grande City	\$2,885,000			
2006	Yoakum		\$7,500,000		
2005	Aransas Pass		\$1,115,000		
2005	Bonham		\$1,675,000		
2005	El Paso			\$10,000,000	
2005	Groves		\$5,000,000		
2005	Houston	\$31,500,000		\$14,845,000	
2005	Lorena		\$2,260,000		
2005	Lumberton MUD			\$8,765,000	
2005	Marlin			\$2,255,000	

CWSRF Project Status as of 8-31-2007

FY	IUP	Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
2005	Mercedes		\$1,265,000		
2005	Palestine		\$4,665,000		
2005	Pharr		\$29,000,000		
2005	Point		\$1,370,000		
2005	Redwater			\$470,000	
2005	San Antonio WS	\$47,930,000	\$8,070,000		
2005	San Juan			\$2,180,000	
2004	Alvord		\$420,000		
2004	Baytown			\$33,070,000	
2004	Bell Co WCID 1		\$39,525,000		
2004	Brazoria	\$1,080,000			
2004	Cameron			\$1,800,000	
2004	East Cedar Creek FWSD			\$1,500,000	
2004	Ft Bend Co FWSD 1			\$6,935,000	
2004	Ft Worth	\$10,170,000		\$19,390,000	
2004	Groves			\$715,000	
2004	Houston			\$69,595,000	
2004	Manvel			\$845,000	
2004	Nacogdoches			\$10,365,000	
2004	Rockdale			\$6,300,000	
2004	Stamford		\$265,000		
2004	TRA - Central Regional WS			\$106,475,000	
2004	Winnsboro		\$1,050,000		
2003	Brownsboro			\$700,000	
2003	Cameron			\$710,000	
2003	Cibolo Creek MA			\$6,415,000	
2003	Dripping Springs		\$9,430,000		
2003	Eagle Pass	\$1,960,000			
2003	Eagle Pass	\$3,230,000			
2003	El Paso PSB				\$10,000,000
2003	Garland	\$3,720,000		\$38,485,000	
2003	Houston			\$71,770,000	
2003	Houston		\$61,545,000		
2003	Marble Falls		\$2,950,000		
2003	White Oak Bend MUD			\$470,000	
2002	Aubrey			\$1,740,000	
2002	Bacliff MUD		\$9,780,000		
2002	Bridgeport		\$2,365,000		
2002	Cibolo Creek MA				\$1,500,000
2002	Dalhart				\$5,870,000
2002	Deer Park				\$5,000,000
2002	Del Rio			\$2,190,000	
2002	Eagle Pass			\$12,150,000	
2002	Fairfield			\$4,415,000	
2002	GTUA - Gainsville			\$1,035,000	
2002	GTUA - Leonard				\$865,000

CWSRF Project Status as of 8-31-2007

FY	IUP	Projects	Projects in Pre-	Projects under	Projects Completed
		committed, but not yet closed	Design or Design	Construction	
TOTAL \$		\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
2002	GTUA - Van Alstyne				\$955,000
2002	GTUA - Sherman			\$3,440,000	
2002	Houston			\$24,935,000	
2002	Houston			\$14,875,000	
2002	Jacinto City				\$7,255,000
2002	Kaufman		\$1,325,000		
2002	Missouri City	\$14,900,000	\$1,215,000		
2002	Palestine			\$3,745,000	
2002	Panhandle			\$1,875,000	
2002	Polk Co. FWSD #2				\$1,955,000
2002	San Antonio WS	\$23,260,000		\$61,740,000	
2002	Santa Rosa	\$4,100,000			
2002	Vernon		\$2,855,000		
2001	Alvin			\$6,650,000	
2001	Angleton			\$645,000	
2001	ANRA-Idlewood				\$3,100,000
2001	Bridgeport			\$1,200,000	
2001	El Paso PSB (Haskell St.)			\$7,520,000	
2001	Fort Worth			\$34,310,000	
2001	Harris Co. WCID #36			\$5,000,000	
2001	Houston			\$50,050,000	
2001	Kaufman			\$2,455,000	
2001	Loraine				\$665,000
2001	Mexia				\$5,420,000
2001	New Caney MUD		\$3,475,000		
2001	Odem			\$1,940,000	
2001	Olney			\$265,000	
2001	Sunbelt FWSD				\$945,000
2001	TRA - Central Regional WD			\$88,225,000	
2001	Upper Trinity Regional WD				\$6,685,000
2001	Willis			\$1,000,000	
2000	Angleton				\$655,000
2000	Cleveland			\$1,960,000	
2000	Deer Park				\$3,000,000
2000	Detroit			\$925,000	
2000	El Paso PSB (Bustamante)				\$16,265,000
2000	Fort Worth - Phase II				\$8,080,000
2000	Galveston Co WCID #1			\$6,395,000	
2000	Harlingen				\$1,845,000
2000	Houston				\$87,120,000
2000	Ingleside			\$2,915,000	
2000	Kendall Co WCID #1				\$2,500,000
2000	Pine Village PUD				\$845,000
2000	Port Arthur			\$15,000,000	
2000	Portland			\$1,775,000	
2000	San Antonio WS			\$70,000,000	
2000	San Antonio WS			\$27,525,000	
2000	Sugar Land				\$3,215,000
2000	Sunbelt FWSD			\$5,310,000	
2000	Sunbelt FWSD			\$495,000	
2000	TRA - Denton Creek			\$8,480,000	
2000	TRA-10 Mile Creek				\$6,075,000

CWSRF Project Status as of 8-31-2007

FY	IUP	Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
2000	White Oak			\$1,845,000	
1999	Anahuac				\$1,465,000
1999	Angelina Co WCID #3				\$580,000
1999	Angleton				\$640,000
1999	Blossom				\$275,000
1999	Clear Lake City WA			\$11,385,000	
1999	Corpus Christi				\$15,750,000
1999	Cranfills Gap				\$605,000
1999	De Kalb				\$565,000
1999	Diboll				\$4,635,000
1999	Evadale WCID #1				\$1,550,000
1999	Fort Worth - Phase I			\$104,160,000	
1999	GTUA - Tom Bean				\$500,000
1999	GTUA - Van Alstyne				\$900,000
1999	GTUA-Gunter/Pottsboro/Whitewright			\$450,000	
1999	Haltom City			\$11,720,000	
1999	High Island Independent SD				\$195,000
1999	Hillcrest Village				\$300,000
1999	Honey Grove				\$1,000,000
1999	Houston				\$6,130,000
1999	Jacksonville			\$8,000,000	
1999	La Feria			\$385,000	
1999	LCRA - Elgin				\$3,810,000
1999	Lewisville			\$9,950,000	
1999	Log Cabin				\$1,840,000
1999	Richmond		\$4,400,000		
1999	San Antonio WS			\$71,410,000	
1999	Tomball				\$7,550,000
1999	Victoria				\$25,580,000
1999	West University Place				\$3,015,000
1999	Whitesboro			\$2,725,000	
1998	Alto				\$425,000
1998	Angleton				\$540,000
1998	Austin				\$10,000,000
1998	Benbrook WSA				\$1,200,000
1998	Campbell				\$240,000
1998	Cibolo Creek MA				\$2,250,000
1998	Crane				\$2,630,000
1998	Dallas Co WCID #6				\$3,865,000
1998	East Cedar Creek FWSD				\$2,075,000
1998	Flatonia				\$665,000
1998	Fort Worth				\$60,980,000
1998	Fritch				\$2,350,000
1998	Galveston Co WCID #12				\$515,000
1998	Greenwood UD				\$2,465,000
1998	GTUA - Pottsboro				\$440,000
1998	GTUA - Savoy				\$155,000
1998	GTUA - Sherman				\$1,500,000
1998	Hallsville				\$2,250,000
1998	Houston (Relief)				\$175,000,000
1998	Houston (Relief)				\$47,500,000
1998	Hubbard				\$670,000
1998	Humble				\$4,800,000
1998	Hunter's Glen MUD				\$1,885,000

CWSRF Project Status as of 8-31-2007

FY	IUP	Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
1998	Jasper				\$2,495,000
1998	La Marque				\$4,600,000
1998	Lake Jackson				\$16,000,000
1998	Longview				\$15,335,000
1998	Lorenzo				\$705,000
1998	Lumberton MUD				\$5,200,000
1998	Mart				\$810,000
1998	Mexia				\$2,000,000
1998	Mineola				\$4,105,000
1998	Montgomery Co MUD #15				\$675,000
1998	Montgomery Co UD #3				\$1,290,000
1998	Mount Calm				\$100,000
1998	Mount Vernon				\$1,520,000
1998	Nacogdoches				\$5,900,000
1998	Newton				\$1,855,000
1998	Orange Co WCID #1				\$2,415,000
1998	Parkway UD				\$3,965,000
1998	Pasadena				\$31,370,000
1998	Pearland				\$17,100,000
1998	Polk Co FWSD #2				\$3,140,000
1998	Porter MUD				\$2,145,000
1998	Reno				\$1,950,000
1998	Richland Hills				\$4,000,000
1998	San Angelo				\$2,855,000
1998	San Antonio WS				\$47,500,000
1998	San Patricio MWD				\$3,050,000
1998	Seguin				\$1,300,000
1998	Shalsa PUD				\$380,000
1998	Sweetwater				\$3,995,000
1998	Sweetwater				\$3,990,000
1998	Tahoka				\$1,780,000
1998	Taylor				\$2,950,000
1998	Tioga				\$300,000
1998	TRA - Central Regional WD				\$50,845,000
1998	Travis Co WCID Point Venture				\$1,460,000
1998	Trinity Bay CD				\$1,300,000
1998	Wells Branch MUD				\$1,400,000
1998	Wichita Falls				\$8,060,000
1997	ANRA-Reg. Composting				\$620,000
1997	Bardwell				\$200,000
1997	Baytown				\$6,820,000
1997	Bayview MUD				\$490,000
1997	Bells				\$130,000
1997	Boerne				\$2,250,000
1997	BRA - Robinson				\$1,615,000
1997	Brownsville				\$24,000,000
1997	Bryan				\$1,500,000
1997	Cleveland				\$2,250,000
1997	Corinthian Point MUD #2				\$1,310,000
1997	Corsicana				\$10,075,000
1997	Davenport MUD #1			\$3,665,000	
1997	Deer Park				\$3,000,000
1997	Donna				\$2,775,000
1997	El Paso				\$10,000,000

CWSRF Project Status as of 8-31-2007

FY IUP		Projects committed, but not yet closed	Projects in Pre- Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
1997	El Paso PSB (Haskell)				\$22,000,000
1997	Fate				\$1,000,000
1997	First Colony MUD #9				\$4,000,000
1997	Fort Bend WCID #2				\$4,740,000
1997	GTUA - Anna				\$250,000
1997	GTUA - Ector				\$300,000
1997	Harris Co FWSD #6				\$2,300,000
1997	Harris Co WCID #136				\$565,000
1997	Houston (Relief)				\$160,000,000
1997	Idlewood WCID #1				\$1,650,000
1997	Jacksboro				\$2,550,000
1997	Johnson Co. FWSD #1				\$1,640,000
1997	LaGrange				\$2,155,000
1997	Lake Worth				\$1,500,000
1997	Lakeway MUD				\$3,040,000
1997	Lampasas				\$1,040,000
1997	LCRA - Brushy Creek				\$43,996,766
1997	Littlefield				\$2,565,000
1997	Lockhart				\$1,325,000
1997	Luling				\$1,590,000
1997	Macedonia-Eylau MUD				\$225,000
1997	Marshall				\$7,020,000
1997	Nederland				\$12,750,000
1997	Port Lavaca				\$4,950,000
1997	Prosper				\$800,000
1997	Quinlan				\$845,000
1997	Roma				\$4,185,000
1997	Rusk				\$2,950,000
1997	San Marcos				\$7,500,000
1997	Sinton				\$600,000
1997	Sugar Land				\$3,485,000
1997	Sugar Land				\$3,365,000
1997	Tattor Road MUD				\$560,000
1997	Texarkana				\$2,755,000
1997	TRA - Huntsville				\$14,395,000
1997	Tulia				\$2,620,000
1997	Victoria Co WCID 1				\$1,280,000
1997	Waxahachie				\$3,935,000
1996	Alvord				\$390,000
1996	ANRA-Holmwood				\$330,000
1996	Baytown				\$4,680,000
1996	Comodore Cove ID				\$490,000
1996	Dublin				\$1,960,000
1996	Forest Cove MUD				\$4,870,000
1996	Fort Worth				\$15,990,000
1996	Galveston Co MUD #12				\$1,820,000
1996	Galveston Co WCID #12				\$1,920,000
1996	GBRA - Lockhart				\$5,480,000
1996	GBRA - Victoria				\$3,750,000
1996	Giddings				\$4,000,000
1996	Groves				\$14,000,000
1996	Hardin Co. WCID #1				\$2,100,000
1996	Harris Co UD #5				\$6,130,000
1996	Hurst Creek MUD				\$2,600,000

CWSRF Project Status as of 8-31-2007

FY IUP		Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
1996	Italy				\$1,325,000
1996	La Marque				\$4,440,000
1996	Mc Allen				\$4,240,000
1996	Midland				\$8,730,000
1996	Mont Belvieu				\$2,990,000
1996	New Caney				\$1,720,000
1996	Orange Co WCID #2				\$3,890,000
1996	Palestine				\$6,545,000
1996	Pearland				\$8,870,000
1996	Princeton				\$990,000
1996	Rockport				\$2,500,000
1996	San Leon MUD				\$1,150,000
1996	San Marcos				\$7,500,000
1996	Sanger				\$1,060,000
1996	Shiner				\$1,630,000
1996	Sinton				\$1,445,000
1996	Sunbelt FWSD				\$9,945,000
1996	Taylor				\$3,100,000
1996	The Colony				\$810,000
1996	TRA-10 Mile Creek				\$3,180,000
1996	Trinity Bay CD				\$900,000
1996	Upper Trinity Regional WD				\$3,085,000
1996	Watauga				\$4,580,000
1996	Weslaco				\$5,930,000
1996	West University Place				\$4,970,000
1996	Wichita Falls				\$11,420,000
1995	Colorado City				\$3,080,000
1995	Corpus Christi				\$27,640,000
1995	Crandall				\$1,965,000
1995	Crockett				\$4,275,000
1995	East Cedar Creek FWSD				\$2,255,000
1995	Georgetown				\$5,200,000
1995	GTUA - Gainesville				\$1,090,000
1995	GTUA - Van Alstyne				\$380,000
1995	Jacksboro				\$1,040,000
1995	Mauriceville				\$10,265,000
1995	Meadowhill Reg. MUD (Dove Meadows)				\$1,460,000
1995	Montgomery Co. MUD #15				\$815,000
1995	Orange Grove				\$400,000
1995	Rivera WCID				\$280,000
1995	Saint Jo				\$850,000
1995	SJRA/Woodlands				\$9,960,000
1995	South Houston				\$6,750,000
1995	Texas City				\$16,880,000
1995	The Colony				\$1,000,000
1995	Upper Trinity Regional WD				\$11,325,000
1995	Whitehouse				\$760,000
1995	Willis				\$1,170,000
1995	Yoakum				\$3,600,000
1994	BRA - Sugar Land				\$1,400,000
1994	Bryan				\$5,000,000
1994	Colleyville				\$2,860,000
1994	Copperas Cove				\$4,450,000
1994	Dayton				\$730,000

CWSRF Project Status as of 8-31-2007

FY	IUP	Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
1994	Horizon Reg. MUD/El Paso Co. WA MUD				\$5,275,000
1994	El Paso PSB (Frontera)				\$18,000,000
1994	Fort Worth				\$15,600,000
1994	Harris Co. WCID #76				\$975,000
1994	Hitchcock				\$2,200,000
1994	Houston (Rehab)				\$45,084,000
1994	Kingsville				\$2,000,000
1994	Lumberton MUD				\$4,950,000
1994	Needville				\$1,150,000
1994	Pharr			\$4,230,000	
1994	Texas City				\$5,620,000
1994	Van				\$1,750,000
1994	Vernon				\$6,140,000
1994	West Tawakoni				\$250,000
1994	White Oak Bend MUD				\$1,531,000
1993	Alvarado				\$1,240,000
1993	Argyle				\$1,435,000
1993	BRA Waco				\$13,645,000
1993	Brownwood				\$7,835,000
1993	Bryan				\$1,600,000
1993	Canton				\$2,155,000
1993	Corpus Christi				\$8,520,000
1993	Crosby MUD				\$935,000
1993	El Paso PSB (Stormsewer)				\$570,000
1993	Harris Co. MUD #11				\$2,000,000
1993	Harris Co. UD #3				\$2,260,000
1993	Harris Co. WCID #84				\$2,075,000
1993	Jasper				\$600,000
1993	Jefferson Co. WCID #10				\$2,890,000
1993	Laguna Madre WD / Cameron Co. FWSD				\$4,900,000
1993	Pine Village PUD				\$810,000
1993	San Saba				\$200,000
1993	Sulphur Springs				\$450,000
1993	Texas A&M (College Station)				\$13,760,000
1993	Texas A&M (Prairie View)				\$5,920,000
1993	TRA - Huntsville				\$4,775,000
1993	West				\$1,200,000

CWSRF Project Status as of 8-31-2007

FY IUP		Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
1992	Angleton				\$5,075,000
1992	Atlanta				\$6,325,000
1992	Bowie (South)				\$4,000,000
1992	Breckenridge				\$4,015,000
1992	Corrigan				\$400,000
1992	Dayton				\$300,000
1992	Deer Park				\$6,675,000
1992	East Cedar Creek				\$415,000
1992	Fallbrook UD				\$2,380,000
1992	Houston				\$122,176,000
1992	Hull FWSD				\$450,000
1992	Idalou				\$160,000
1992	Isaacson MUD				\$275,000
1992	Kaufman				\$5,600,000
1992	Lake Jackson				\$1,410,000
1992	Lumberton MUD				\$470,000
1992	LVWDA El Paso				\$4,382,000
1992	Midlothian				\$1,500,000
1992	Mineral Wells				\$4,245,000
1992	Mission				\$2,032,000
1992	Nacogdoches				\$1,670,000
1992	Robstown				\$775,000
1992	San Diego				\$490,000
1992	Stanley Lake MUD				\$85,000
1992	Temple				\$8,460,000
1992	Terrell				\$5,565,000
1992	Wilmer				\$300,000
1991	Austin				\$3,500,000
1991	Bellaire (F)				\$1,270,000
1991	Big Spring				\$7,000,000
1991	Bryan				\$8,000,000
1991	Carthridge				\$3,910,000
1991	Clear Lake City WA				\$7,000,000
1991	Coldspring				\$300,000
1991	El Paso PSB (NW)				\$25,000,000
1991	Fort Worth				\$17,605,000
1991	GTUA - Howe				\$545,000
1991	GTUA - Valley View				\$350,000
1991	Hondo				\$1,595,000
1991	Houston				\$37,095,000
1991	Ingleside				\$1,230,000
1991	LaCoste				\$665,000
1991	Longview				\$11,030,000
1991	Lubbock				\$14,425,000
1991	Odessa				\$37,400,000
1991	Odessa				\$5,380,558
1991	Orange				\$13,575,000
1991	SJRA				\$2,735,000
1991	Stephenville				\$7,680,000
1991	Wellman				\$600,000

CWSRF Project Status as of 8-31-2007

FY IUP		Projects committed, but not yet closed	Projects in Pre-Design or Design	Projects under Construction	Projects Completed
	TOTAL \$	\$567,460,000	\$544,660,000	\$1,126,005,000	\$2,574,237,324
1990	Bellaire (D)				\$1,075,000
1990	Bridgeport				\$2,200,000
1990	Bullard				\$175,000
1990	Conroe				\$12,000,000
1990	Eagle Pass				\$2,795,000
1990	Fort Worth				\$16,375,000
1990	Glen Rose				\$1,450,000
1990	GTUA - Whitewright				\$920,000
1990	Houston				\$46,880,000
1990	Lovelady				\$330,000
1990	Lubbock				\$36,175,000
1990	Mineral Wells				\$6,940,000
1990	Nacogdoches				\$5,670,000
1990	San Angelo				\$26,410,000
1990	Snyder				\$4,375,000
1990	The Colony				\$1,150,000
1990	Wells				\$265,000
1990	Woodbranch Village				\$700,000
1989	Austin				\$6,395,000
1989	Beaumont				\$20,000,000
1989	Bellaire (C)				\$1,385,000
1989	BRA - T/B				\$3,155,000
1989	Brady				\$1,940,000
1989	Clyde				\$1,565,000
1989	Copperas Cove				\$3,750,000
1989	Del Rio (Silver Lake)				\$1,675,000
1989	Devine				\$335,000
1989	El Paso				\$14,925,000
1989	Fort Worth				\$27,475,000
1989	GTUA - Gunter				\$995,000
1989	Hitchcock				\$700,000
1989	Hooks				\$1,105,000
1989	Houston				\$23,700,000
1989	Hurst Creek MUD				\$1,170,000
1989	Jasper				\$1,685,000
1989	Laredo				\$1,700,000
1989	Mount Pleasant				\$6,325,000
1989	Rio Grande City PUD (Starr Co. WCID #2)				\$2,310,000
1989	SJRA				\$3,100,000
1989	Wichita Falls				\$24,180,000
1988	Alvin				\$2,900,000
1988	Bellaire (B)				\$1,100,000
1988	BRA - T/B				\$6,500,000
1988	El Paso				\$22,000,000
1988	Houston				\$93,725,000