



Financial Assistance Application for Public Entities/Political Subdivisions

Submittal Instructions: Please submit one double-sided original **OR** one indexed, electronic copy, via electronic storage media such as CD or flash drive using MS Word, Excel and/or Adobe Acrobat.

Please submit your application to:

Texas Water Development Board
Water Supply and Infrastructure-Regional Water Project Development
P O Box 13231
1700 N. Congress Avenue, 5th Floor
Austin, Texas 78711-3231
(78701 for courier deliveries)

For more information, please contact your Regional Project Implementation Team at:

<https://www.twdb.texas.gov/contact/office/wsi.asp>

Entity Name: City of Marshall	County: Harrison
Project Name: FY23 DWSRF Lead Service Line Replacement	
Physical Address: 401 S. Alamo Blvd.	
Mailing Address: P.O. Box 698 Marshall, Texas 75671	
Phone: (903) 935-4489	
Website: www.marshalltexas.net	
Total Population Served by the System: 23,392	

Entity Legal Authority	
a) <input checked="" type="checkbox"/> Type A General-Law Municipality (Texas Local Gov't Code Sec. 5.001)	
b) <input type="checkbox"/> Type B General-Law Municipality (Texas Local Gov't Code Sec. 5.002)	
c) <input type="checkbox"/> Type C General-Law Municipality (Texas Local Gov't Code Sec. 5.003)	
d) <input type="checkbox"/> Home-Rule Municipality (Texas Local Gov't Code Sec. 5.004)	
e) <input type="checkbox"/> Special-Law Municipality (Texas Local Gov't Code Sec. 5.005)	
f) <input type="checkbox"/> Non-Profit Water Supply or Sewer Service Corp. (Texas Water Code Chapter 67)	
g) <input type="checkbox"/> District or Authority (Texas Water Code Chapter 49)	
h) <input type="checkbox"/> Other (explain)	
Funding Request	
<u>Financial Assistance Programs:</u>	<u>Amount Requested:</u>
Clean Water State Revolving Fund (CWSRF Equivalency) *	\$ _____
Clean Water State Revolving Fund (CWSRF Non-Equivalency) *	\$ _____
Clean Water State Revolving Fund – Emerging Contaminants *	\$ _____
Drinking Water State Revolving Fund (DWSRF Equivalency) *	\$ _____
Drinking Water State Revolving Fund (DWSRF Non-Equivalency) *	\$ _____
Drinking Water State Revolving Fund – Emerging Contaminants *	\$ _____
Drinking Water State Revolving Fund – Lead Service Line Replacement *	\$ 7,538,310
Drinking Water State Revolving Fund – Small/Disadv. Emerging Contaminants *	\$ _____
State Water Implementation Fund for Texas (SWIFT)*	\$ _____
Texas Water Development Fund (DFund)	\$ _____
Economically Distressed Areas Program (EDAP)*	\$ _____
State Participation (SP)	\$ _____
Rural Water Assistance Fund (RWAF)	\$ _____
Water Infrastructure Fund (WIF)	\$ _____
Other: _____	\$ _____

* These options are only available when the applicant has received a CWSRF, DWSRF, EDAP, or SWIFT invitation letter.

Financial Assistance Application Checklist

The following checklist is a full list of the documents that are necessary to process applications. Please work with TWDB staff to identify which documents are required for your specific project. Incomplete applications will not be processed, until all applicable information is provided. Clearly label all attachments with the corresponding document name and entity name.

Please visit <http://www.twdb.texas.gov/financial/instructions/index.asp> for any referenced Guidance and Forms.

	Entity Review	TWDB Staff Review	Ref.
<u><i>General Information</i></u>			
Project Map	YES		4
US Geological Map	YES		8
Multi-year/Phased Commitment Schedule	N/A		9
Security Document for Refinancing (if applicable)	N/A		10
Other Funding Sources – Commitment Letters (if applicable)	N/A		11
Consulting Contracts – Draft or Executed (Engineering, Financial Advisor, Bond Counsel)	N/A		15
<u><i>Legal</i></u>			
<i>All Applicants:</i>			
Resolution (TWDB-0201A)	N/A		16.a
Application Affidavit (TWDB-0201)	YES		16.b
Certificate of Secretary (TWDB-0201B)	YES		16.c
Resolution/Ordinance authorizing the issuance of parity debt	YES		17
Certificate of Convenience and Necessity (if applicable)	YES		18
Affidavit of No Objection	N/A		19
TCEQ Enforcement Actions	N/A		20
PUC Acknowledgement – Rate Increase (if applicable)	N/A		24
Ownership Interests – Project Costs and Status	N/A		25
Service Agreements (if applicable)	N/A		26
<i>For Water Supply Corporations:</i>			
Articles of Incorporation	N/A		27
Certificate of Incorporation from the Texas Secretary of State	N/A		27
Certificate of Formation from Texas Secretary of State	N/A		27
By-laws and Amendments	N/A		27
Certificate of Account Status from the Texas Comptroller	N/A		27
Assumed Name filings (if applicable)	N/A		27
Federal Tax Identification Number	N/A		27
<u><i>Engineering/Environmental</i></u>			
Preliminary Engineering Feasibility Report (PEFR)	YES		29.a
Engineering Feasibility Report (EFR) – Water (TWDB-0555) or Wastewater (TWDB-0556)	N/A		29.b
Planning Information Form – Wastewater (WRD-253a) or Water (WRD-253d)	YES		32
Project Cost Estimate Budget (TWDB-1201)	YES		33
Texas Pollution Discharge Elimination System Permit (wastewater projects only)	N/A		35
Property Water Rights & Permits – Surface Water (WRD-208A); Groundwater (WRD-208B)	N/A		36
Site Certificate – Evidence of Land Ownership (ED-101)	N/A		38
Water Conservation Plan (TWDB-1968 and TWDB-1965)	YES		39
Water Use Survey	YES		40
Water Loss Audit	YES		41
Environmental Determination	N/A		43
Social or Environmental Issues (if applicable)	N/A		44
<u><i>Clean Water or Drinking Water State Revolving Fund Only</i></u>			
Certification of Debarment, Suspension, and Other Responsibility Requirements (SRF-404)	N/A		47

	Entity Review	TWDB Staff Review	Ref.
Assurances – Construction Programs (EPA-424D)	YES		48
Lobbying Activities (TWDB-0213)	YES		49
Affirmative Steps Certification and Goals (TWDB-0215)	YES		50
Affirmative Steps Solicitation Report (TWDB-0216)	N/A		51
Loan/Grant Participation Summary (TWDB-0373)	N/A		52
Prime Contractor Affirmative Steps Certification and Goals (TWDB-0217)	N/A		53
Davis-Bacon Wage Acknowledgement (DB-0156)	YES		54
TCEQ DMA Certification (if applicable)	N/A		55
Water System Assessment (if applicable)	N/A		56
Green Project Worksheets – CWSRF (TWDB-0162) or DWSRF (TWDB-0163) (if applicable)	N/A		57
List of Emerging Contaminants (if applicable)	N/A		66
Lead Service Line Replace Inventory (if applicable)	YES		62
Lead Service Line Replacement (if applicable)	YES		63
<i>State Water Implementation Fund for Texas Only</i>			
Draft Bond Ordinance	N/A		68
Private Placement Memorandum	N/A		68
Proforma reflecting current rates and charges (if applicable)	N/A		68
Proforma reflecting inability to finance project in smaller phases	N/A		68
Schedule of Purchase of Board's Interest	N/A		68
Present Worth Analysis / Explanation of Cost Effectiveness	N/A		68
<i>Economically Distressed Areas Programs Only</i>			
Resolution/Ordinance – Mandatory Hookup Policy	N/A		69
Inadequacy Documentation	N/A		77
Financial Resources Documentation	N/A		77
Documentation of Established Residential Subdivision	N/A		77
Public Health Nuisance	N/A		71
Plats of First-Time Service	N/A		70
EDAP Planning Phase (WRD-023A)	N/A		71
<i>Financial</i>			
Rate Schedule	YES		77
Bond Ratings	YES		88
Overlapping Debt and Tax Rate Table	YES		90
Tax Assessed Values by Classification	N/A		91
Annual Audit & Management Letter	YES		94
Five Year Comparative Operating Statement	YES		95
Proforma/Amortization Schedule	YES		96
Outstanding Debt Schedule	YES		97

I hereby approve and authorize the submission of this Financial Assistance Application to the Texas Water Development Board. I certify that all information contained herein is true and correct to the best of my knowledge. I understand the failure to submit a complete Financial Assistance Application may result in the withdrawal of the form without review.



Date: 07/26/2024

Signature of Entity's Authorized Representative

Printed Name of Entity's Authorized Representative

General Information

Note: Please visit <http://www.twdb.texas.gov/financial/instructions/index.asp> for any referenced Guidance and Forms.

1. **Associated PIF or Abridged Application Number(s):** 15326 (Required for CWSRF, DWSRF, EDAP, and SWIFT Only)
2. **Project Need:** Description of Project Need (for example, is the project needed to address a current compliance issue, avoid potential compliance issues, extend service, expand capacity.) Please provide additional information beyond what was provided in the PIF. Do not copy and paste the description from the PIF.

___ Knowing the age of the City's water distribution system, the City of Marshall understands it potentially has lead water services lines within its system. The City desires to utilize this Texas Water Development Board funding program to reduce this potential source of lead in their drinking water. The City will plan, design and replace up to 850 existing water service lines within their distribution system that have lead related materials in accordance with the conditions of this replacement program.

The City of Marshall is currently conducting a city-wide water meter replacement program and is approximately 60% complete with these meter replacements. While crews are placing the service meters they are logging the service line materials on both the city side of the meter and the private/owner side of the meter. To date, logged meter replacements show a total of 7 lead service lines and 451 galvanized service lines. The status of these galvanized service lines would be labeled as "lead status unknown." These lead and galvanized service lines are fairly well distributed throughout the city's service area. See attached Project Location Map.

The current water meter replacement program should be complete by the first part of October. At that time there should be a more complete inventory of the water service line materials, with specific addresses for service line replacements. If the service line materials proportions continue similarly to completion of the meter replacement project, then the estimated amount of 850 service connections replacement will be very close.

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3. **Project Description:** Description of Project, including a bulleted list of project elements/components, and alternatives considered (including existing facilities) Do not copy and paste the description from the PIF.:
___ The report presents an overview of the City of Marshall's water system and the proposed project. The purpose of this funding application is to replace existing lead service lines within the City in compliance with the Environmental Protection Agency's (EPA) Lead and Copper Rule Revision. The most common sources of lead in drinking water are lead pipes, faucets, and fixtures. The Lead and Copper Rule Revision aims to reduce the amount of lead in drinking water by replacing service lines that are constructed of lead. The proposed project will take inventory data from a current water meter replacement project for all service connections within the City of Marshall. From this data, design and construction documents will be developed, and the work publicly bid and constructed. This project is expected to have the service line replacement completed by the end December 2027.

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4. **Project Map.** Attach a map of the service area and drawings as necessary to locate and describe the project. The map should show the project footprint, major project components, roads, and major landmarks.

5. **Project Location** (Latitude/Longitude):

Latitude: 32deg 32' 24" N

Longitude: 94deg 21' 00" W

6. **Counties in Applicant's Service Area:** List counties where the project is located or providing service.
Harrison
7. **Colonias:** If the proposed project impacts any colonias, provide the Colonia M number(s). N/A
8. **U.S. Geological Survey Map:** Attach a geological survey map at the appropriate scale to show the project area and all major project components.
9. **Multi-year/Phased Commitment Schedule (SRF/SWIFT Only).** For multi-year funding requests or phased commitments, provide a schedule reflecting the closing dates for each loan requested.

Attached ☒ N/A

10. **Refinancing.** Is applicant requesting funding to refinance existing debt? Please note, refinancing is only available to certain entity types pursuing certain financial assistance programs. Contact a TWDB Regional Team Manager if you would like more information.

If yes, attach a copy of the document securing the debt to be refinanced.

☐ Yes (Attached) ☒ No

11. **Other Funding Sources.** Provide a list of any other funding source(s) being utilized to complete the project. **Provide commitment letters if available. Additional funding sources must also be included within the Project Budget (TWDB-1201).**

<u>Funding Source</u>	<u>Type of Funds (Grant/Loan)</u>	<u>Amount (\$)</u>	<u>Date Applied</u>	<u>Anticipated or Funding Secured Date</u>
		\$		
		\$		
		\$		
		\$		
<u>Total Funding From All Sources</u>		\$		

☒ N/A

General Information – Contact Information

12. **Official Representative Contact Information.** Applicant's official contact (not a consultant) with decision-making authority for project implementation.

Employer Name:	City of Marshall
Name:	Terrell Smith
Title:	City Manager
Address:	401 S. Alamo Blvd., Suite 205, Marshall, Texas 75670
Phone:	(903) 935-4421
Email:	smith.terrell@marshalltexas.net

13. **Primary Contact Information.** Applicant's primary contact for day-to-day project implementation.

Employer Name:	City of Marshall
Name:	Eric Powell, P.E.
Title:	Director of Public Works
Address:	P.O. Box 698, Marshall, Texas 75671
Phone:	(903) 935-4489

Email:	powell.eric@marshalltexas.net
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14. Applicants Officers and Members.

<u>Name</u>	<u>Office Held</u>
Amy Ware	Mayor, District 4
Risa Jordan-Anderson	District 1
Leo Morris	District 2
Dathaniel Campbell	District 3
Reba Godfrey	District 5
Amanda Abraham	District 6

15. Applicants Consultants. Provide contact information for the applicant's consultants. Please attach copies of all draft and/or executed contracts for consultant services to be used by the applicant in applying for financial assistance or constructing the proposed project.

a. Applicant Engineer

☐ **N/A**

Employer Name:	KSA Engineers, Inc.
Name:	Brittney Smith, P.E.
Title:	Municipal Team Leader, Project Manager
Address:	600 E. Tyler Street, Suite 600, Longview, Texas 75601
Phone:	(903) 236-7700
Email:	bsmith@ksaeng.com

b. Bond Counsel

☐ **N/A**

Employer Name:	McCall Parkhurst & Horton
Name:	Jeff Gulbas
Title:	Partner
Address:	717 S. Harwood, Suite 900, Dallas, Texas 75201
Phone:	(214) 754-9260
Email:	jgulbas@mphlegal.com

c. Financial Advisor

☐ **N/A**

Employer Name:	Hilltop Securities, Inc.
Name:	John Martin
Title:	Senior Managing Director
Address:	717 N. Harwood, Suite 3400, Dallas, Texas 75201
Phone:	(214) 859-9447
Email:	John.Martin@hilltopsecurities.com

d. Certified Public Accountant (or other appropriate rep)

☐ **N/A**

Employer Name:	Pattillo, Brown & Hill, L.P.
Name:	John Manning
Title:	CPA, Audit Partner
Address:	401 W. SH 6, Waco, Texas 76710
Phone:	(254) 772-4901 x 272
Email:	jkmanning@pbhcpa.com

e. Legal Counsel (if other than Bond Counsel)

☐ **N/A**

Employer Name:	"Rectenwald & Fitts, LLP
Name:	Scott Rectenwald

Title:	Principal
Address:	110 W. Fannin Street, Marshall, Texas 75670
Phone:	(903) 938-3300
Email:	scott@westfannin.com

f. Any other consultant representing the Applicant before the Board ☐ **N/A**

Employer Name:	
Name:	
Title:	
Address:	
Phone:	
Email:	

Legal Information

16. Legal Documents:

- a. Resolution.** Attach the resolution from the governing body requesting financial assistance. (TWDB-0201A)

x Attached

- b. Application Affidavit.** Attach the Application Affidavit. (TWDB-0201)

x Attached

- c. Certificate of Secretary.** Attach the Certificate of Secretary. (TWDB -0201B)

x Attached

17. Parity of Debt.

Is the applicant proposing to issue Certificates of Obligation or bonds on parity with outstanding obligations?

x Yes ☐ No

If yes:

- a.** Please describe any reserve requirements and additional debt requirements: TBD:

- b.** Attach the most recent resolution or ordinance authorizing the outstanding parity debt.

18. Certificate of Convenience and Necessity.

Does the applicant possess a Certificate of Convenience and Necessity (CCN)? If yes, attach. If no, please indicate the status of the CCN.

x Yes (Attached) ☐ No If no, indicate status of CCN: _____

19. Affidavit of No Objection.

Are any facilities to be constructed (or is the area to be served) within the service area of a municipality, or other public utility, with responsibility for serving the area?

☐ Yes ☒ No

If yes, has the applicant obtained an affidavit stating that the municipality or public utility, servicing the area does not object to the proposed construction and operation of the applicant's services and facilities in the service area? If no, please provide an explanation of why not.

☐ Yes (Attached) ☐ No

If no, provide an explanation: _____

20. Enforcement Actions.

Has the applicant been the subject of any enforcement action by the Texas Commission on Environmental Quality (TCEQ), the Environmental Protection Agency (EPA), or any other entity within the past three years? If yes, attach a brief description of every enforcement action within the past three years and action(s) to address requirements.

☐ Yes (Attached) ☒ No

21. Pledge.

What type of pledge will be used to repay the proposed debt?

☒ Systems Revenue ☐ Taxes ☐ Combination of System Revenues & Taxes
☐ Contract Revenue ☐ Other (Explain)_____

22. Proposed Debt Issue. Provide the full legal name of the security for the proposed debt issue(s).

Waterworks and Sewer System Revenue Bonds, Series 2025

23. Rate Covenants. Describe the existing rate covenants. TBD - there are no revenue bonds outstanding currently

24. Public Utility Commission Acknowledgement – Rate Increase. If the applicant will need to impose an increase in rates or charges that it is charging to meet debt service requirements, provide a copy of the PUC acknowledgement that the proposed rate change filing has been received.

☐ Yes (Attached) x N/A

25. Ownership Interests of the Project. Attach a breakdown of ownership interests, an allocation of project costs, and an explanation of the allocation of liability.

N/A

26. Service Agreements. Is the project intended to allow the applicant to provide or receive water or sewer services to or from another entity? If yes, the applicant must attach, at a minimum, the proposed agreement, contract, or other documentation establishing the service relationship, with the final and binding agreements provided prior to loan closing.

☐ Yes (Attached) x No

27. Assurance Related to State Funds. Is the applicant prohibited from receiving funds under Texas Penal Code § 1.10(d) (related to federal laws regulating firearms, firearm accessories, and firearm ammunition)?

☐ Yes x No

28. For Water Supply Corporations Only: Legal Authorization Documents - Please provide the following legal authorization documents:

- ☐ **Articles of Incorporation**
- ☐ **Certificate of Incorporation from the Texas Secretary of State (if applicable)**
- ☐ **Certificate of Formation from Texas Secretary of State (if applicable)**
- ☐ **By-laws and Amendments**
- ☐ **Certificate of Account Status from the Texas Comptroller**
- ☐ **Assumed Name filings (if applicable)**
- ☐ **Federal Tax Identification Number**

Engineering/Environmental Information

29. Engineering Feasibility Report.

- a. If the project includes funding for planning, acquisition, or design, please attach a preliminary engineering feasibility report sealed, signed, and dated by a professional engineer registered in the State of Texas. The report shall provide:
1. a description and purpose of the project, including existing facilities;
 2. the entities to be served and current and future population;
 3. the cost of the project (see question no. 33 below);
 4. a description of alternatives considered (or to be considered during detailed planning) and reasons for the selection of the project proposed;
 5. sufficient information to evaluate the engineering feasibility of the project;
 6. maps and drawings as necessary to locate and describe the project area; and
 7. a general description of the existing system.
 8. CWSRF and DWSRF projects must address issues scored in the Intended Use Plan submittal.
 9. SWIFT projects must address a Water Management Strategy included in the State Water Plan.
 10. EDAP projects must address items in question no. 68 under the EDAP section of this application regarding preliminary eligibility.

☒ Attached Preliminary Engineering Report

- b. If the project is for Construction only, then attach the appropriate Engineering Feasibility Report, or for EDAP projects attach a Facilities Engineering Plan, signed, dated, and sealed by a Professional Engineer licensed in Texas:

- ☐ Water: TWDB-0555
☐ Wastewater: TWDB-0556
☐ EDAP Projects: WRD-023A

30. Project Schedule.

- | | |
|---|----------------------|
| a. Estimated date to submit environmental planning documents. | <u>Dec 2024</u> |
| b. Estimated date to submit engineering planning documents. | <u>March 2025</u> |
| c. Estimated date for completion of design. | <u>November 2025</u> |
| d. Estimated Construction start date for first contract. | <u>June 2026</u> |
| e. Estimated Construction end date for last contract. | <u>Dec 2027</u> |

31. Total Population Affected by the Project. Provide the total population to be impacted by the proposed project: 23,392

32. Planning Information Form. Attach the appropriate Planning Information Form:

- ☒ Water: WRD-253d
☐ Wastewater: WRD-253a

33. Project Cost Estimate. Attach the most current itemized project cost estimate, utilizing the TWDB Budget Form TWDB-1201. Include all costs and funding sources (ex. CWSRF, WDF, EDAP). If applying for pre-construction costs only (i.e., Planning, Acquisition, Design) then itemize only the relevant portions in the attached budget template. **Please refer to the Instructions tab in the TWDB-1201 Excel workbook.**

☒ Attached

34. Water Made Available. If the project includes a construction component, please indicate the following information regarding new supply, new reuse supply, new conservation savings, or maintenance of current supply.

	Acre-Feet/Year	Capital Cost (\$)
New Supply	N/A	\$
<i>Increase in the total annual volume of water supply.</i>		
New Reuse Supply	N/A	\$
<i>Increase in the annual volume of (direct or indirect) reuse water supply.</i>		
New Conservation Savings	N/A	\$
<i>Annual volume of anticipated water savings.</i>		
Maintenance of Current Supply	N/A	\$
<i>Volume of current supplies that will be maintained.</i>		

35. Texas Pollution Discharge Elimination System Permit. Does your wastewater project involve the construction of a new plant or the expansion of an existing plant and/or associated facilities?

☐ Yes ☒ No ☐ N/A

If yes, please attach evidence that an application for a new Texas Pollution Discharge Elimination System Permit or amendment to an existing permit related to proposed project has been filed with the Texas Commission on Environmental Quality (TCEQ). Final permit authorization must be obtained from the TCEQ before funds can be released for construction activities.

☐ Yes (Attached) ☐ No - If no, please provide an explanation: _____

36. Property Water Rights & Permits. If this project will result in: (a) an increase by the applicant in the use of groundwater, (b) drilling a new water well, or (c) an increase by the applicant in use of surface water, then the applicant must demonstrate that it has acquired – by contract, ownership or lease – the necessary property water rights, groundwater permits, and/or surface water rights sufficient for the project before funds can be released for construction.

a. Does the applicant currently own all the property water rights, groundwater permits, and surface water rights needed for this project? If yes, please attach the completed appropriate form(s):

☐ Surface Water (WRD-208A)

☐ Groundwater (WRD-208B)

b. If all property water rights, groundwater permits, and surface water rights needed for this project have not yet been acquired, identify the rights and/or permits that will need to be acquired and provide the anticipated date by which the applicant expects to have acquired such rights and/or permits.

<u>Type of Water Permit or Right</u>	<u>Entity from Which the Permit or Right Must Be Acquired</u>	<u>Acquired by Lease or Full Ownership</u>	<u>Expected Acquisition Date</u>	<u>Permit/Water Right I.D. No.</u>
N/A				

37. Other Engineering Permits. List any major permits not identified elsewhere that are necessary for the completion of the project. Also, list any other necessary minor permits that may involve particular difficulty due to the nature of the proposed project (e.g., railroad crossings, TxDOT permits).

<u>Engineering Permit</u>	<u>Issuing Entity</u>	<u>Permit Acquired (Y/N)</u>
Utility Permit	TxDOT	N

38. Site Certificate – Evidence of Land Ownership. Please complete and attach the Site Certificate (ED-101), documenting all necessary land and easements for the project.

☐ Yes (Attached)

39. Water Conservation Plan. If the applicant's request for funding exceeds \$500,000, a Water Conservation Plan (WCP) is required. The WCP must be adopted by the applicant and cannot be more than FIVE years old. Has the applicant adopted a Board-approved WCP? If yes, attach the WCP and enter the WCP adoption date. If no, attach a copy of the draft WCP and Drought Contingency Plan prepared in accordance with the TWDB WCP Checklist (TWDB-1968).

☒ Yes (Approved Plan Attached) **Date of WCP Adoption:** April, 2024
☐ No (Draft Attached)
☐ N/A – Funding request less than \$500,000

40. Water Use Survey. For applicants that provide retail water services: Has the applicant already submitted to the TWDB the annual Water Use Survey of groundwater and surface water for the last THREE years? If the applicant has not completed these, please download survey forms and attach a copy of the completed water use surveys to the application. (<https://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>)

☒ Yes ☐ No (attached) ☐ N/A – No retail water service

41. Water Loss Audit. For applicants that are a retail public utility that provide potable water: Has the applicant already submitted the most recently required water loss audit to the TWDB? If no, and if applying for a water supply project, please complete the online TWDB Water Audit worksheet and attach a copy to the application. (<http://www.twdb.texas.gov/conservation/resources/waterloss-resources.asp>)

☒ Yes ☐ No (attached) ☐ N/A – No retail water service

42. Additional Environmental Permits, Registrations, Licenses, Authorizations. Please list any environmental permits, registrations, licenses, or authorizations necessary for the project and the status of each (e.g., Endangered Species Act, Section 10A take permit, Clean Water Act Section 404 – Individual Permit or Rivers and Harbors Section 10 Permit).

<u>Permit</u>	<u>Issuing Entity</u>	<u>Permit Acquired (Y/N)</u>
N/A		

Comments: _____

43. Environmental Determination. Has Categorical Exclusion (CE), Determination of No Effect (DNE), Finding of No Significant Impact (FONSI), Record of Decision (ROD), or any other environmental determination been issued for this project? If yes, please attach a copy of the determination. If the project is potentially eligible for Categorical Exclusion (CE)/Determination of No Effect (DNE), please attach the CE/DNE Request Form (TWDB-0803).

☐ Yes (Attached) ☐ No ☒ CE/DNE Request Form Attached

44. Social or Environmental Issues. Attach a discussion of any known permitting, social, or environmental issues that may affect the evaluation of project alternatives or implementation of the proposed project; e.g. these could include rate increases, potential impacts to known cultural resources, potential impacts to waters of the U.S. or to protected species, etc.

☐ Attached

Clean Water or Drinking Water State Revolving Fund Information

45. SAM Registration. Has the applicant registered with the System for Award Management (SAM)? Pursuant to Federal Funding Accountability and Transparency Act (FFATA) the applicant is required to register and maintain registration with SAM at all times during which the loan agreement is active or under consideration.

☒ Yes ☐ No

46. SAM Unique Entity ID Number: HVL8T6LLAED1

47. Certification of Debarment Suspension, and Other Responsibility Requirements. If applying for CWSRF Equivalency or DWSRF Equivalency funding and has already solicited or awarded contracts to contractors for services, equipment, or construction for this project, please complete the Certification Regarding Debarment, Suspension and Other Responsibility (SRF-404) form by following the instructions at the bottom of the form and attach for each contractor.

☐ Yes (Attached) ☐ N/A – Applying for Non-Equivalency

48. Assurances – Construction Programs. If applying for CWSRF Equivalency or DWSRF Equivalency funding, please attach the Assurances – Construction Programs (EPA-424D).

☐ Yes (Attached) ☐ N/A – Applying for Non-Equivalency

49. Lobbying Activities. If the applicant is applying for CWSRF or DWSRF program funding, the Applicant must complete the Certification Regarding Lobbying. (WRD-213).

☒ Attached

50. Affirmative Steps Certification and Goals. (CWSRF Equivalency and DWSRF Equivalency projects must complete) Please complete and attach the Affirmative Steps Certification and Goals (TWDB-0215).

☒ Attached ☐ N/A – Applying for Non-Equivalency

51. Affirmative Steps Solicitation Report. (CWSRF Equivalency and DWSRF Equivalency projects must complete) If the applicant has already solicited for professional services or construction contractors, please complete and attach the Affirmative Steps Solicitation Report (TWDB-0216).

☐ Yes (Attached) ☐ N/A – Applying for Non-Equivalency

52. Loan/Grant Participation Summary. (CWSRF Equivalency and DWSRF Equivalency projects must complete) If the applicant has awarded contracts to professional service providers or construction contractors, please complete and attach the Loan/Grant Participation Summary (TWDB-0373).

☐ Yes (Attached) ☐ N/A – Applying for Non-Equivalency

53. Prime Contractor Affirmative Steps Certification and Goals. (CWSRF Equivalency and DWSRF Equivalency projects must complete) If the applicant's professional service providers or construction contractors have awarded contracts to any subcontractors, please complete and attach the Prime Contractor Affirmative Steps Certification and Goals (TWDB-0217).

☐ Yes (Attached) ☐ N/A – Applying for Non-Equivalency

54. Davis-Bacon Wage Rate Acknowledgement. The applicant must comply with the Davis-Bacon Act regarding prevailing wage rates. The Applicant acknowledges that they are aware of, and will abide by, the Davis-Bacon Act requirements. Further information on the Davis-Bacon requirements are available through the TWDB Guidance Documents. (DB-0156).

☒ Yes (Acknowledged)

55. TCEQ DMA Certification (CWSRF Only). All wastewater applicants must be a Designated Management Agency (DMA) for wastewater collection and treatment. Please complete and attach the TCEQ DMA Self Certification Form.

☐ Yes (Attached) ☒ N/A – Applying for DWSRF

56. Water System Assessment – Self Certification (DWSRF Only). Does the applicant serve 500 or fewer persons, and the project involves a new water source? If yes, the Applicant must self-certify that the entity has considered, as an alternative drinking water supply, drinking water delivery systems sourced by publicly owned – individual; shared; or community wells.

☐ Yes (Attached) ☐ N/A – Applying for CWSRF

57. Green Projects. Does your project or a component of your project qualify as Green, per EPA guidance? If yes, please attach the appropriate Green Project Reserve: SRF Green Project Worksheets. (CWSRF – TWDB-0162 or DWSRF – TWDB-0163)

TWDB will make the final determination whether your project (or project component) meets federal criteria as “green.” You may be required to submit a business case, utilizing the Green guidance.

☐ Yes (Attached) ☒ No

58. Federal Awards Information.

Did the applicant receive over 80% of their revenue from Federal Awards last year?

☐ Yes ☒ No

Did the applicant receive over \$25 million in Federal Awards last year?

☐ Yes ☒ No

The public **does not** have access to executive compensation information via SEC or IRS reports. Answer “Yes” if the statement is true, “No” if the statement is false.

☐ Yes ☒ No

If applicant checked **YES** to **ALL** three (3) boxes above, applicant is required to disclose the name and compensation of the five most highly compensated officers.

<u>Officer's Name</u>	<u>Officer's Compensation (\$)</u>
N/A	

59. Technical Assistance.

Did the applicant receive either state or Federal Technical Assistance before submitting this application within the last five (5) years? List the individual(s) or firm(s) that provided the service and approximately when the assistance was provided.

<u>Name of Provider</u>	<u>Date(s) of Service</u>
N/A	

60. Resiliency.

Resiliency refers to the ability of water and wastewater infrastructure systems to withstand and recover from natural and man-made disturbances. Resilient infrastructure systems are flexible, agile, and able to recover after unanticipated disruption. [CWSRF](#) or [DWSRF](#) guidance. Was this project 's intended purpose to provide a climate resiliency solution?

☐ Yes ☒ No

If yes, briefly describe how.

61. Emerging Contaminant Projects Only.

List the emerging contaminants being eliminated through the project.

Is PFAS being addressed?

☐ Yes ☒ No

Is Cyanotoxin being addressed?

☐ Yes ☒ No

Is Microbial being addressed?

☐ Yes ☒ No

Is Chemical Contaminant being addressed?

☐ Yes ☒ No

62. Lead Service Line Replace Inventory Projects Only.

What is the PWS ID of the system where the inventory is being performed. List all that apply.

<u>PWS ID</u>	<u>PWS Name</u>	<u>First-Time Inventory (Y/N)</u>
TX1020002	City of Marshall	Y

63. Lead Service Line Replacement Projects Only.

What is the estimated number of Lead Service Lines to be replaced by this proposed project?

850

State Water Implementation Fund for Texas Information

64. Funding Type. Identify the type of SWIFT funding (If more than one funding option is being requested indicate the amount of funding for each):

- ☐ **Deferred:** \$ _____
- ☐ **Low Interest Loan:** \$ _____
- ☐ **Board Participation:** \$ _____

65. Notice to SWIFT Applicants. Texas Water Code Sec. 15.435(h) required all recipients of financial assistance from the SWIFT to acknowledge any applicable legal obligations in federal law, related to contracting with disadvantaged business enterprises, and state law, related to contracting with historically underutilized businesses. Checking the boxes below serves as this acknowledgement.

☐ As an Applicant for financial assistance from SWIFT, I acknowledge that this project must comply with any applicable legal obligations in federal law related to contracting with disadvantaged business enterprises.

☐ As an Applicant for financial assistance from SWIFT, I acknowledge that this project must comply with applicable legal obligations in state law (Texas Government Code Chapter 2161 and Texas Administrative Code Chapter 30, Subchapter B) related to contracting with historically underutilized businesses.

66. Attachments. Attach drafts of the following documents:

- ☐ Proposed Bond Ordinance
- ☐ Proposed Private Placement Memorandum

If selecting Board Participation, submit the following schedules:

- ☐ Proforma reflecting current rates and charges are insufficient to service facility costs
- ☐ Proforma reflecting that the project could not be financed even if completed using smaller phases
- ☐ Schedule of purchase of the Board's interest in the project
- ☐ Present worth analysis of constructing the facility in phases and constructing the facility with Board Participation. Please explain how constructing with Board Participation is more cost effective.

Economically Distressed Programs Information

In accordance with TWDB Rules (31 TAC Chapter 363), an application for EDAP will NOT be considered until the County has adopted and is enforcing the Model Subdivision Rules (MSRs) Texas Water Code 16.343. If the proposed project is within a municipality or its extraterritorial jurisdiction (ETJ), or if the applicant is a municipality, the municipality must also have adopted and be enforcing MSRs. The TWDB will require copies of the last three approved residential plats by the county, and the municipality as applicable, unless TWDB has recently received such copies.

67. EDAP Wastewater. Does the applicant have a required resolution establishing a mandatory hookup policy?

☐ Yes (Attached) ☐ No – If No, please provide an explanation: _____

68. Attachments. Attach the following documentation for the project area for Preliminary EDAP Eligibility (31 TAC Chapter 363)

☐ **Inadequacy Documentation.** Documentation of inadequacy of water and/or wastewater services.

☐ **Financial Resources Documentation.** Documentation regarding the financial resources of the residential users in the EDAP area. Census data or documentation regarding median household income should be provided.

☐ **Documentation of Established Residential Subdivision.** Documentation demonstrating existence of a residence in the project area prior to June 1, 2005. This could include tax records of residence, dated aerial maps, or other documentation demonstrating existence of a residence.

69. Public Health Nuisance. Nuisance determinations for grant allocation purposes must be issued by the Texas Water Development Board (TWDB) or the Texas Department of State Health Services (DSHS). Has the TWDB or the DSHS issued a determination stating that a public health nuisance exists in the project area? **If yes**, attach a copy of the determination. **If no** determination has been issued and you believe a public health nuisance exists, attach a nuisance determination review request form and all supporting documentation (see TWDB- 0408). The documentation will be used by the Executive Administrator in the development of a recommendation to the Board regarding a nuisance determination finding or to request a determination from the Department of State Health Services. For more information on how to prepare a review request and the required documentation, please contact the TWDB at edap@twdb.texas.gov.

☐ Yes, previously issued (Attached) ☐ Not issued, requesting review (Attached)
☐ Nuisance Determination not being sought

70. First-Time Service. Is this project providing new service? If yes, attach plats of the affected subdivisions.

☐ Yes (Attached) ☐ No

71. EDAP Facility Engineering Plan/Scope of Services. If the applicant has completed an EDAP Facility Engineering Plan that complies with the requirements of WRD-023A, please attach. Otherwise, attach a draft engineering contract with scope of services and schedule of values that includes adequate scope of work to complete an EDAP Facility Engineering Plan as outlined in WRD-023A. Please note this is different from the Engineering Feasibility Report required under other TWDB funding programs.

☐ Attached draft or executed engineering contract with scope meeting WRD-023A requirements.
☐ Attached complete EDAP Facility Engineering Plan that meets WRD-023A requirements.

72. Transfer of Funds from the Utility.

All EDAP recipients are subject to Texas Water Code § 16.356, which requires that if an entity receives EDAP funds, then the revenues of the utility cannot be transferred to other funds for use in non-utility related purposes.

- ☐ Yes, the applicant acknowledges that as an EDAP recipient, it will be subject to Texas Water Code § 16.356 and that the applicant may be required to include a statement in its annual audit that they are complying with this statute.

Assurances related to State Funds

73. Regulations Related to Public Camping Bans:

- a. For city or county applicants: Is the applicant prohibited from receiving state grant funds under Texas Local Government Code § 364.004 (related to Public Camping Bans)?

☐ Yes ☒ No ☐ N/A (not a city or county)

- b. For city or county applicants: Has the applicant been sued by the Attorney General under Local Government Code § 364.003 (related to public camping bans)?

☐ Yes, current posture of the lawsuit: _____

☒ No ☐ N/A (not a city or county)

74. Regulations Related to Firearm Suppressors. For city, county, or special district/authority applicants: Is the applicant prohibited from receiving state grant funds under Texas Government Code § 2.103 (related to regulation of firearm suppressors)?

☐ Yes ☒ No

☐ N/A (not a city, county, or special district/authority)

Financial Information

75. Utilities Provided. Indicate the services the Applicant provides its customers. Check all that apply.

- ☒ Regional/Wholesale Water Services
 ☒ Retail Water
 ☒ Wastewater
☒ Storm water/Drainage
 ☐ None of these

76. Current Average Residential Usage and Rate Information.

<u>Service</u>	<u>Date of Last Rate Increase</u>	<u>Avg. Monthly Usage (Gal)</u>	<u>Avg. Monthly Bill (\$)</u>	<u>Avg. Monthly Increase Per Customer (\$) at Last Rate Increase</u>	<u>Projected Monthly Increase Necessary to Repay Loan (\$)</u>
Water			\$	\$	\$
Wastewater			\$	\$	\$
Drainage			\$	\$	\$

Comments: N/A

77. Authorized Rates/Fees/Charges Schedules. Please attach a schedule of current water and/or wastewater rates (whichever is applicable) and the proposed rates needed to finance the project (include the tentative schedule for the necessary proposed rate increase). For storm water/drainage projects, attach a schedule for any fees/charges dedicated to storm water/drainage projects.

- ☒ Attached

78. Collection Procedures. Please describe the procedures for collecting customer's monthly bills, including penalties for delinquent accounts and the standard procedures in place to remedy these accounts.

Online payment is available. Payment is due 15 days from the billing date. A penalty of 10% is added for late payment. Users that fail to pay on or before the due date shall be discontinued service, unless user protests the statement.

- ☐ N/A

79. Number of Connections. Provide the number of active connections for each of the past FIVE years.

a. WATER

<u>Year</u>	<u>Number of Active Connections</u>
2023	9,001
2022	10,547
2021	9,758
2020	10,766
2019	10,611

b. WASTEWATER

<u>Year</u>	<u>Number of Active Connections</u>
N/A	

80. Customer Usage. List the top TEN customers of the water/wastewater system by annual usage in gallons and percentage total use. The sum of percentages should NOT equal 100%.

a. WATER

<u>Customer Name</u>	<u>Annual Usage (Gal)</u>	<u>Percent of Usage</u>
Norit	159,086,000	11.5 %
ETBU	31,107,000	2.2 %
BICC	16,101,000	1.1 %
Burris Rental	14,023,000	1.0 %
Wiley College	13,359,000	0.9 %
Talley	2,385,000	0.1 %
Cypress	751,000	0.05 %
Blocker	1,018,000	0.07 %
Gill	741,000	0.05 %
		%

Comments: _____

b. WASTEWATER

<u>Customer Name</u>	<u>Annual Usage (Gal)</u>	<u>Percent of Usage</u>
		%
		%
		%
		%
		%
		%
		%
		%
		%
		%

Comments: N/A

81. Customer Annual Revenue. List the top TEN customers of the water and/or wastewater system by annual revenue with corresponding usage and percentage total use.

a. WATER

<u>Customer Name</u>	<u>Annual Usage (Gal)</u>	<u>Annual Revenue</u>	<u>Percent Total Water Revenue</u>
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%

Comments: To be provided.

b. WASTEWATER

<u>Customer Name</u>	<u>Annual Usage (Gal)</u>	<u>Annual Revenue</u>	<u>Percent Total Wastewater Revenue</u>
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%
		\$	%

Comments: N/A

82. Wholesale Contracts. Provide a summary of the wholesale contracts with customers.

<u>Contract Type</u>	<u>Minimum Annual Amount</u>	<u>Usage Fee per 1,000 gallons</u>	<u>Annual Operations and Maintenance</u>	<u>Annual Capital Costs</u>	<u>Annual Debt Service</u>	<u>Other</u>	<u>Annual Use for the Most Current Fiscal Year End</u>	<u>Annual Revenue for the Most Current Fiscal Year End</u>
	\$	\$	\$	\$	\$	\$		\$
	\$	\$	\$	\$	\$	\$		\$
	\$	\$	\$	\$	\$	\$		\$
	\$	\$	\$	\$	\$	\$		\$
	\$	\$	\$	\$	\$	\$		\$

Comments: N/A

83. Tax Status. Indicate the tax status of the proposed loan.

☒ Tax-Exempt ☐ Taxable ☐ N/A

84. Taxing Authority. Does the applicant have taxing authority?

☒ Yes ☐ No

85. Maximum Tax Rate. Provide the maximum tax rate permitted by law per \$100 of property value.

\$2.50 ☐ N/A

86. Continuing Disclosure Requirement. Does the entity currently have a SEC Rule 15c2-12 continuing disclosure requirement? If **NO**, please provide all financial information requested in this section. If **YES**, and information related to Questions **87, 89, 90, 92, 93, 94, and 97** is current and available in the continuing disclosure, then it may not be required at this time. Please select the "Continuing Disclosure" checkbox to complete those questions.

☒ Yes ☐ No

87. Principal Employers. Please list the TEN largest employers of the applicant's service area:

<u>Name</u>	<u>Number of Employees</u>

Comments (example: any anticipated changes to the tax base, employers etc.): _____

☐ **Continuing Disclosure (Only select if this information can be found within the disclosure)**

88. Bond Ratings. Provide any current bond ratings with date received and attach corresponding rating reports. If any are not applicable, enter "N/A".

	<u>Standard & Poor's</u>	<u>Date Received</u>	<u>Moody's</u>	<u>Date Received</u>	<u>Fitch</u>	<u>Date Received</u>
G.O.	AA-	9/11/2023				
Revenue	AA-	9/11/2023				

☒ Attached

89. Overlapping Debt and Tax Rate Table. Attach the direct and overlapping debt and tax rate table.

☒ Attached ☐ N/A

☐ **Continuing Disclosure (Only select if this information can be found within the disclosure)**

90. Taxable Assessed Valuation. Please provide the last FIVE years of data showing total taxable assessed valuation including net ad valorem taxes levies, corresponding tax rate (detailing debt service and general purposes), and tax collection rate.

<u>Fiscal Year Ending</u>	<u>Net Taxable Assessed Value (\$)</u>	<u>Tax Rate</u>	<u>Maintenance & Operating Rate</u>	<u>Interest & Sinking Rate</u>	<u>Tax Levy (\$)</u>	<u>Percentage Current Collections</u>	<u>Percentage Total Collections</u>
	\$				\$		
	\$				\$		
	\$				\$		
	\$				\$		
	\$				\$		

☐ N/A

☒ Continuing Disclosure (Only select if this information can be found within the disclosure)

91. Tax Assessed Values by Classification. Please attach the last FIVE years of tax assessed values delineated by Classification (Residential, Commercial, and Industrial).

☐ Attached

☐ No direct tax assessed

☒ N/A

92. Taxpayer – Assessed Valuation. Please provide the current top TEN taxpayers showing percentage of ownership to total assessed valuation. Explain anticipated impacts in the Comments blank, below. If any of these have changed in the past three years, please provide information on the changes to the top ten.

<u>Taxpayer Name</u>	<u>Assessed Value</u>	<u>Percent of Total</u>
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%

Comments: _____

☐ No direct tax assessed

☒ Continuing Disclosure (Only select if this information can be found within the disclosure)

93. Sales Tax. Does the applicant collect sales tax? If yes, provide the sales tax collection history for the past FIVE years.

☐ Yes ☐ No

☒ **Continuing Disclosure (Only select if this information can be found within the disclosure)**

<u>Fiscal Year Ending</u>	<u>Total Collections</u>
20	\$
20	\$
20	\$
20	\$
20	\$

94. Annual Audit and Management Letter. Attach ONE copy of the preceding fiscal year's Annual Audit and management letter prepared and certified by a Certified Public Accountant or Firm of Accountants.

☒ Attached

☐ **Continuing Disclosure (Only select if this information can be found within the disclosure)**

95. Five-Year Comparative System Operating Statement. Please attach a Five-year comparative statement including audited prior years and an unaudited year-to-date statement of the following: Operating Statement (not condensed), Balance Sheet, Statement of Cash Flows.

☒ Attached

96. Proforma / Loan Amortization Schedule. Please select one of the repayment methods from the options below. The proforma should indicate all the information listed under the selection for all years that the debt will be outstanding. Please be sure the proforma reflects the requested debt structure, including multi-phased funding options.

☒ **System Revenues (Attached)**

- ☐ Projected Gross Revenues
- ☐ Operating and Maintenance Expenditures
- ☐ Outstanding and Proposed Debt Service Requirements
- ☐ Net Revenues Available for Debt Service and Coverage of Current and Proposed Debt Paid from Revenues

☐ **Taxes (Attached)**

- ☐ Outstanding and Proposed Debt Service Requirements
- ☐ Tax Rate Necessary to Repay Current and Proposed Debt Paid from Taxes
- ☐ List the Assumed Collection Rate and Tax Base Used to Prepare the Schedule

☐ **Combination of System Revenues and Taxes (Attached)**

- ☐ Projected Gross Revenues
- ☐ Operating and Maintenance Expenditures
- ☐ Net Revenues available for debt service
- ☐ Outstanding and Proposed Debt Service Requirements
- ☐ Tax Rate Necessary to Repay Current and Proposed Debt Paid from Taxes
- ☐ List the Assumed Collection Rate and Tax Base Used to Prepare the Schedule

☐ **Contract Revenues (Attached)**

- ☐ Participant's Projected Gross Revenues
- ☐ Participant's Operating and Maintenance Expenditures
- ☐ Outstanding and Proposed Debt Service Requirements
- ☐ Net Revenues Available for Debt Service and Coverage of Current and Proposed Debt Paid from Revenues

☐ **Other (Attached)**

- ☐ Projected Gross Revenues
- ☐ Annual Expenditures
- ☐ Outstanding and Proposed Debt Service Requirements
- ☐ Revenues Available for Debt Service

97. Outstanding Debt. Does the applicant have any outstanding debt? Check all that apply and attach a list of total outstanding debt and identify the debt holder. Segregate by type (General Obligation or Revenue) and present a consolidated schedule for each, showing total annual requirements. Note any authorized but unissued debt.

- ☐ **General Obligation Debt (Attached)**
- ☒ **Revenue (Attached)**
- ☐ **Authorized but Unissued Debt (Attached)**
- ☐ **Other Debt**
- ☐ **None**

☐ **Continuing Disclosure (Only select if this information can be found within the disclosure)**

98. Repayment Issues. Disclose all issues that may affect the project or the applicant's ability to issue and/or repay debt (such as anticipated lawsuits, judgements, bankruptcies, major customer closings. Etc.).

None

99. Default Debt. Has the applicant ever defaulted on any debt? If yes, disclose all circumstances surrounding prior default(s).

☐ Yes ☒ No

If yes, explain: None

100. Defunding Municipality. For city applicants: Has the Criminal Justice Division of the Office of the Governor issued a written determination finding that the applicant is a "defunding municipality" under Texas Local Government Code, Chapter 109?

☐ Yes ☒ No ☐ N/A (not a city)