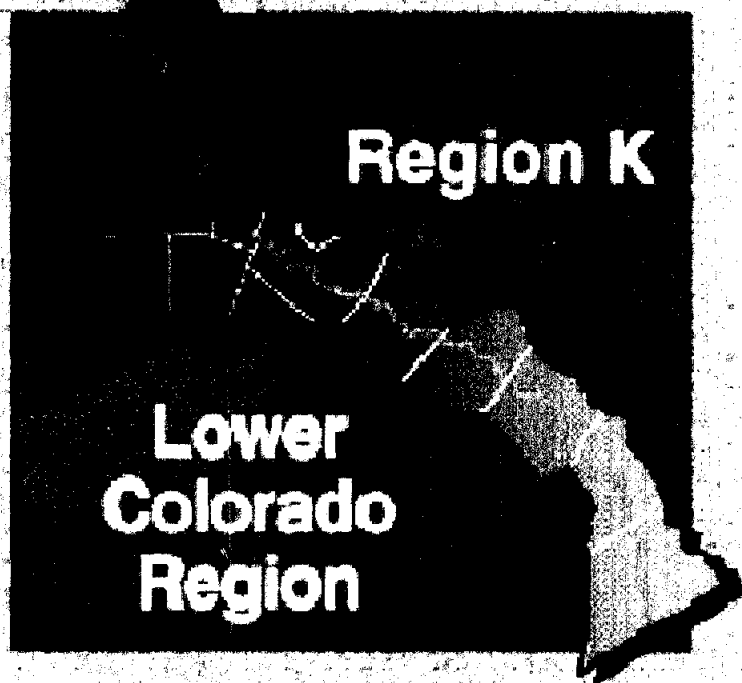


***Lower Colorado Regional Water Planning Group
(Region K)***

RECEIVED

May 1, 2002

THE
GRANTS MANAGEMENT



Infrastructure Finance Report

***Final Report
May 2002***

**Lower Colorado Regional Water Planning Group
(Region K)**

Infrastructure Finance Report

Mark V. Lowry

Mark V. Lowry, P.E.
Associate Vice President



Bill E. Couch

Bill E. Couch, AICP
Senior Project Manager

**Final Report
May 2002**

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Lower Colorado Regional Water Planning Group Infrastructure Finance Report

BACKGROUND

As a part of Senate Bill 2 (SB 2, 77th Texas Legislature), the Regional Water Planning Groups (RWPGs) are required by the Texas Water Development Board (TWDB) to examine the funding required to implement the water management strategies and projects that were identified and recommended in the SB 1 Regional Water Plans. These plans were adopted by the RWPGs in December 2000 and approved by the TWDB in 2001. Each Region's findings are to be presented to the TWDB in an Infrastructure Finance Report (IFR), June 2002.

The primary objectives of the Infrastructure Finance Report are:

- to determine (via mail-out survey) the number of political subdivisions with identified needs for additional water supplies that will be unable to pay for their water infrastructure needs without some form of outside financial assistance;
- to determine (via mail-out survey) how much of the infrastructure costs in the regional water plans cannot be paid for solely using local utility revenue sources;
- to determine (via mail-out survey) the financing options proposed by political subdivisions to meet future water infrastructure needs (including the identification of State funding sources considered); and,
- to determine (via RWPG policy statement) what role(s) the RWPGs propose for the State in financing the recommended water supply projects.

LOWER COLORADO REGIONAL PLANNING AREA IFR SURVEYS

The Lower Colorado Regional Water Planning Group (LCRWPG) had 25 Municipal Water User Groups (WUGs) with needs for additional water supply identified in the SB1 Lower Colorado Regional Water Plan (Region K). Surveys, designed to determine if there are any financial needs for additional infrastructure necessary to providing service for projected water demands during

the 50-year planning period, were sent to the political subdivisions responsible throughout the 14-county Region for the following 18 Municipal WUGs and seven “County-Other” WUGs:

<i>West Lake Hills</i>	<i>Goldthwaite</i>
<i>Anderson Mill CDP</i>	<i>Lakeway</i>
<i>Kingsland</i>	<i>Jonestown</i>
<i>Austin</i>	<i>Garfield</i>
<i>Llano</i>	<i>Blanco</i>
<i>Pflugerville</i>	<i>Dripping Springs</i>
<i>Wells Branch</i>	<i>Cottonwood Shores</i>
<i>Rollingwood</i>	<i>Granite Shoals</i>
<i>Lago Vista</i>	<i>Marble Falls</i>
<i>Llano County-Other</i>	<i>Hays County-Other</i>
<i>Burnet County-Other</i>	<i>Travis County-Other</i>
<i>Blanco County-Other</i>	<i>Gillespie County-Other</i>
<i>Williamson County-Other</i>	

Appendix A details Region K’s IFR survey procedure; **Appendix B** contains copies of the Municipal and “County-Other” surveys, as well as each of the three time-specific cover letters, and the TWDB’s definition of the State Participation Program; **Appendices C - F** contain the TWDB-required survey response records, survey results, and actual survey responses, respectively.

The TWDB also requires that the RWPGs provide summary discussions detailing probable funding mechanisms that could meet identified water needs for county aggregate WUGs for which there are no political subdivisions responsible for providing water supplies. Region K had identified issues for irrigation in the lower three counties, as indicated in the SB1 Lower Colorado Regional Water Plan (December 2000).

SURVEY RESULTS

The response rate for the Municipal Infrastructure Surveys was 68 percent. Of those responding, 59 percent indicated a need for funding for infrastructure improvements/replacements for municipal water supply facilities in order to meet projected demands during the 50-year planning period. In addition to drilling additional wells or constructing additional water supply storage basins, typical infrastructure needs indicated include upgrading/replacing distribution system service pumps, distribution mains, booster stations, and storage tanks. Supply-side conservation needs include infrastructure to be able to utilize reclaimed water.

Only about 29 percent of the survey respondents provided answers to the quantitative demand and cost questions. A primary reason for this may be that they were hesitant to become responsible for these identified values. Four respondents stated they were in the planning stages for water management strategies, one respondent provided an implementation date for needed infrastructure improvements/replacements, and only five stated anticipated capital costs. Three WUGs responded that they could not pay for any of the needed capital costs; one stated they could cover 20 percent of the costs; and, one said they could contribute approximately 50 percent of the capital costs. Total estimated need for those responding to the survey was more than \$5 Billion, with 99 percent attributable to the large Austin metropolitan area. Assuming a 10 percent cost sharing for the City of Austin (see the May 29, 2002 COA Comment Letter in *Appendix E*) and 50-100 percent cost sharing for other Municipal WUGs, state-funding assistance would be needed at a minimum of \$800 Million, based on the survey response capital costs provided. See *Appendices C – F* for survey result details. The content of the survey was prescribed by the TWDB and responses had to be very specific in order to conform to the TWDB-formatted database table. Therefore, there is a second database table provided in *Appendix D* that incorporates all of the survey responses received.

CONCLUSIONS

There is a definite need for state-sponsored funding programs to help meet projected municipal demands for existing and proposed facilities within the Lower Colorado Regional Planning Area. It was not possible to determine the magnitude of the funding needed from these surveys due to a lack of response to the survey's quantitative demand and cost questions. A minimum need of \$800 Million was developed based on those who responded to the survey. These local entities are a valuable resource to use for determining what local infrastructure improvements may be needed to meet projected water demands; however they have not addressed the associated financing details and most were not able to assist in determining what such infrastructure improvements will cost.

The majority of municipal survey respondents indicated they do not have sufficient revenue sources to cover the capital costs required for the needed infrastructure replacements and they would consider any sources of available funding.

The SB1 Lower Colorado Regional Water Plan also identified needs for irrigation within the lower three counties (Colorado, Wharton, and Matagorda counties) of the Region. This is an aggregate WUG for which there is no political subdivision(s) responsible for providing water supplies. The shortfall in irrigation water supply, where rice and other crops depend on reliable water flows, is estimated to be 86,000 acre-feet annually during drought-of-record conditions in the Year 2000, which increases to a deficit of almost 165,000 acre-feet in the Year 2050. These projections take into consideration previously anticipated efficiencies in on-farm water conservation. The LCRWPG has actively discussed probable funding mechanisms that could meet these identified aggregate water needs. Region K's Application to the TWDB for SB2 Regional Water Planning includes several water management strategies aimed at resolving these deficits in irrigation, including construction of several off-channel dams to capture flood flows and/or farmers participating in a Dry-Year Irrigation Reduction Program where other WUGs purchase the water that would have been used to irrigate the farmers' second-crop acreage.

LCRWPG POLICY STATEMENT

In response to the Region K Infrastructure Finance Survey results, the Lower Colorado Regional Water Planning Group has developed recommendations for the TWDB to present as policy recommendations to the State Legislature. *Appendix E* contains a comment letter from the Sierra Club on May 8, 2002 regarding the LCRWPG's policy statement. These comments, as well as comments from the COA (*Appendix E*), Region K Infrastructure Finance Subcommittee members, and LCRWPG members were considered by the planning group and incorporated into this final report.

Region K favors public policy that would depend on water-user self-financing of Municipal water infrastructure projects to the maximum extent practicable by the local economies. For those WUGs with an absolute need for funding in addition to locally generated funds, Region K recommends that the State adopt some combination of the following funding alternatives [examples provided are for illustrative purposes only as there have not been any attempts made

to determine the amount of funding each would generate or if such funding would be adequate to meet projected infrastructure needs]:

1. Statewide bottled water tax [example: at 0.5 cent (one half of one cent) per pint (500ml) up to 5.0 cents per gallon of bottled water];
2. Statewide water use fees: a fee assessed by the state based on the volume of water used;
3. Statewide consumer product fee (sales tax) [example: 0.25 cent (one quarter of one cent) tax per dollar spent];
4. Statewide property tax assessment; and/or
5. Gasoline, diesel, and aviation fuel tax.

The Planning Group strongly recommends that the State choose one or more of these state-sponsored funding mechanism alternatives to use specifically for infrastructure programs to help meet projected municipal demands for existing and proposed facilities within the Lower Colorado Regional Planning Area.

APPENDIX A
PROCEDURE FOR COLLECTING SURVEY RESPONSES

IFR SURVEY PROCEDURE

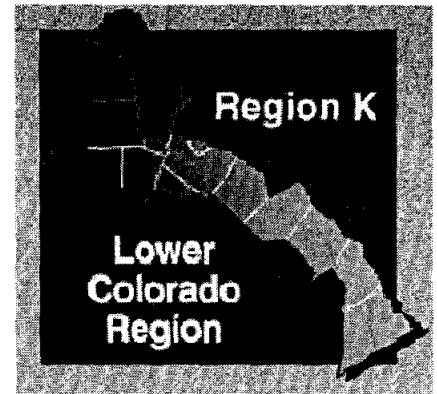
SB 2 specifies that each RWPG will prepare an Infrastructure Finance Report (IFR) that examines the funding needed to implement the water management strategies and projects that were identified and recommended in the SB 1 Regional Water Plans that were approved by the TWDB in 2001.

The SB1 Lower Colorado Regional Water Plan stated that Region K has 25 WUGs with identified municipal water needs during the 50-year planning period. The political subdivision responsible for providing water to each of these WUGs was chosen to participate in the IFR survey.

The Project Consultant prepared a cover letter and survey questions for the Municipal IFR survey, using the TWDB IFR guidelines. The Project Consultant sent on or around January 18, 2002 a printed cover letter, survey, and postage-paid return envelope to each participant. The cover letter requested that entities please return their survey responses by February 15, 2002. Follow-up letters and surveys required by the TWDB were mailed out on February 18th and March 18th. Responses received were compiled in a Microsoft Excel spreadsheet and also in a data table formatted by the TWDB. Results are presented in this report (See *Appendix D*).

APPENDIX B
MUNICIPAL AND “COUNTY-OTHER”
INFRASTRUCTURE FINANCE SURVEYS
(AND COVER LETTERS)

Municipal Water Infrastructure Financing Survey



Background: On January 5, 2001, each of the 16 Regional Water Planning Groups (RWPGs) across the State of Texas formally submitted an adopted regional water plan to the Texas Water Development Board (TWDB) per requirements of Senate Bill 1 (75th Texas Legislature). These regional water plans examined and analyzed the water supply needs for all of the water users in the State. Based on these analyses, the RWPGs identified water management strategies that would be necessary to ensure sufficient additional water supplies for the 50-year planning period. Preliminary capital cost estimates were also developed for each of the strategies recommended.

This year Senate Bill 2 (77th Texas Legislature) has expanded the RWPGs' assignments to include the examination of what financial assistance, if any, is needed to implement each of the recommended water management strategies. Specifically, the RWPGs are required to report to the TWDB how all of the political subdivisions (municipalities, counties, water districts, etc.) in Texas propose to pay for future water infrastructure needs identified in each of the Regional Water Plans.

The Lower Colorado Regional Water Plan identified 27 municipal water user groups (WUGs) with needs and the TWDB has requested their infrastructure improvement needs be identified for the 50-year planning period. **Your input is crucial to completing this task successfully.**

Attached is a **survey** requesting information on infrastructure improvements that are currently needed or are projected to be necessary during the 50-year planning period to adequately service **your** water utility customers. Your participation in this survey would be greatly appreciated.

If you have **any** questions regarding this survey, please contact:

Bill E. Couch, AICP @ (512) 457-7774; couchb@tcbaus.com

or

Connie M. Hinojos @ (512) 457-7732; hinojos@tcbaus.com

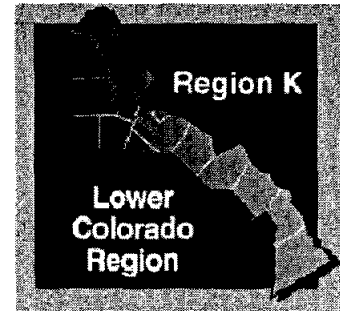
PLEASE take a few minutes to fill out the attached survey and **RETURN** the completed survey in the POSTAGE-PAID RETURN ENVELOPE by Friday **February 15, 2002.**

Thank you for your assistance!

2nd Notice, February 18, 2002

Our records indicate that we have not yet heard from you

Municipal Water Infrastructure Financing Survey



The Lower Colorado Regional Water Planning Group (LCRWPG) sent out surveys on or about January 18, 2002 to the Municipal Water User Groups with needs for additional water supplies identified in the SB1 Lower Colorado Regional Water Plan. **The primary objectives of this survey are:**

- to determine the number of municipal entities that have projected infrastructure needs during the 50-year planning period, but are unable to pay for these needs without some form of outside financial assistance;
- to determine how much of the infrastructure costs needed cannot be paid for solely using local utility revenue sources; and,
- to determine the financing options proposed by the municipal entities to meet future water infrastructure needs (including the identification of State funding sources considered).

Your input is crucial to completing this task successfully. This survey is your opportunity to have your voice heard and your community's needs considered. Your participation in this survey is the only way to obtain important information for use in making financial decisions that could profoundly affect the ability of municipal entities to provide water supply services in Region K.

If you have **any** questions regarding this survey, please contact:

Bill E. Couch, AICP @ (512) 457-7774; couchb@tcbaus.com

or

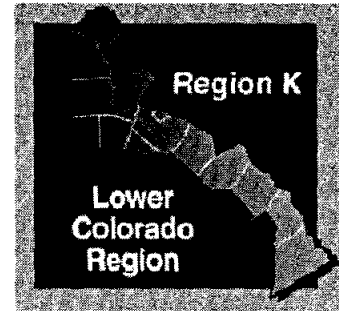
Connie M. Hinojos @ (512) 457-7732; hinojos@tcbaus.com

PLEASE take a few minutes to fill out the attached survey and **RETURN** the completed survey in the POSTAGE-PAID RETURN ENVELOPE by Friday **March 15, 2002**.

Thank you for your assistance!

3rd & Final Notice, March 18, 2002
Our records indicate that we have not yet heard from you

Municipal Water Infrastructure Financing Survey



The Lower Colorado Regional Water Planning Group (LCRWPG) sent out surveys on or about January 18, 2002 to the Municipal Water User Groups with needs for additional water supplies identified in the SB1 Lower Colorado Regional Water Plan. Follow-up surveys were sent February 18th to those who had not responded by February 15, 2002. This is your final opportunity to participate in this important financial needs survey. **The primary objectives of this survey are:**

- to determine the number of municipal entities that have projected infrastructure needs during the 50-year planning period, but are unable to pay for these needs without some form of outside financial assistance;
- to determine how much of the infrastructure costs needed cannot be paid for solely using local utility revenue sources; and,
- to determine the financing options proposed by the municipal entities to meet future water infrastructure needs (including the identification of State funding sources considered).

Your input is crucial to completing this task successfully. This survey is your opportunity to have your voice heard and your community's needs considered. Your participation in this survey is the only way to obtain important information for use in making financial decisions that could profoundly affect the ability of municipal entities to provide water supply services in Region K.

If you have **any** questions regarding this survey, please contact:

Bill E. Couch, AICP @ (512) 457-7774; couchb@tcbaus.com

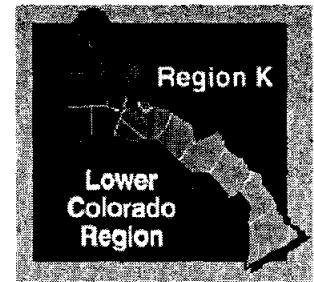
or

Connie M. Hinojos @ (512) 457-7732; hinojos@tcbaus.com

PLEASE take a few minutes to fill out the attached survey and **RETURN** the completed survey in the POSTAGE-PAID RETURN ENVELOPE by Monday **April 15, 2002**.

Thank you for your assistance!

February 15, 2002 Follow-Up Explanations
**Water Infrastructure Financing Survey
 for the Political Subdivision of
 “County-Other”**



The Lower Colorado Regional Water Planning Group (LCRWPG) sent out surveys on or about January 18, 2002 to all political subdivisions responsible for providing additional drinking water supplies as identified in the SB1 Lower Colorado Regional Water Plan. SB1 defines “County-Other” as the county population left after removing cities with populations of 500 or more. Meeting rural “County-Other” drinking water supply needs are the responsibility of each county, whether or not that county currently owns water utilities. Region K’s Water Supply Plan has “County-Other” needs identified for Burnet, Gillespie, Hays, Llano, Travis, and Williamson counties.

The primary objectives of this survey are:

- to determine the number of political subdivisions that have projected infrastructure needs during the 50-year planning period in order to meet the needs of “County-Other”, but are unable to pay for these needs without some form of outside financial assistance;
- to determine how much of the infrastructure costs needed cannot be paid for solely using revenue sources currently available to the political subdivision; and,
- to determine the financing options proposed by the political subdivision to meet future water infrastructure needs (including the identification of State funding sources considered).

Your input is crucial to completing this task successfully. This survey is your opportunity to have your voice heard and your county’s rural water needs considered. Your participation in this survey is the only way to obtain important information for use in making financial decisions that could profoundly affect the ability of political subdivisions to provide drinking water supply services in Region K.

If you have **any** questions regarding this survey, please contact:

Bill E. Couch, AICP @ (512) 457-7774; couchb@tcbaus.com

or

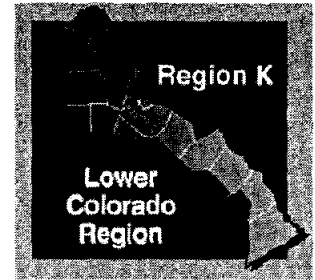
Connie M. Hinojos @ (512) 457-7732; hinojos@tcbaus.com

PLEASE take a few minutes to fill out the attached survey and **RETURN** the completed survey in the POSTAGE-PAID RETURN ENVELOPE by Friday **March 15, 2002**.

Thank you for your assistance!

3rd & Final Notice, March 18, 2002

**Water Infrastructure Financing Survey
for the Political Subdivision of
“County-Other”**



The Lower Colorado Regional Water Planning Group (LCRWPG) sent out surveys on or about January 18, 2002 to all water user groups responsible for providing additional drinking water supplies as identified in the SB1 Lower Colorado Regional Water Plan. SB1 defines “County-Other” as the county population left after removing cities with populations of 500 or more. Meeting rural “County-Other” drinking water supply needs are the responsibility of each county, regardless of whether or not that county currently owns water utilities. Region K’s Water Supply Plan has “County-Other” needs identified for Burnet, Blanco, Gillespie, Hays, Llano, Travis, and Williamson counties.

The primary objectives of this survey are:

- to determine if counties that have projected infrastructure needs during the 50-year planning period, in order to meet the needs of “County-Other”, are unable to pay for these needs without some form of outside financial assistance;
- to determine how much of the infrastructure costs needed cannot be paid for solely using revenue sources currently available to the county; and,
- to determine the financing options proposed by the county to meet future water infrastructure needs (including the identification of State funding sources considered).

Your input is crucial to completing this task successfully. This survey is your opportunity to have your voice heard and your county’s rural water needs considered. Your participation in this survey is the only way to obtain important information for use in making financial decisions that could profoundly affect the ability of political subdivisions to provide drinking water supply services in Region K.

If you have **any** questions regarding this survey, please contact:

Bill E. Couch, AICP @ (512) 457-7774; couchb@tcbaus.com

or

Connie M. Hinojos @ (512) 457-7732; hinojos@tcbaus.com

PLEASE take a few minutes to fill out the attached survey and **RETURN** the completed survey in the POSTAGE-PAID RETURN ENVELOPE by Monday **April 15, 2002**.

Thank you for your assistance!

REGION K - WATER INFRASTRUCTURE FINANCING SURVEY

Name of County: _____

Contact Person: _____ Title: _____

Telephone: () _____ E-mail: _____

WUG	County	Projected Additional Municipal Water Supply Needs (ac-ft/year)					
		2000	2010	2020	2030	2040	2050
County-Other	Burnet	880	1,103	1,417	1,652	1,686	1,779
County-Other	Llano	0	0	0	1,334	1,449	1,653
County-Other	Travis	60	66	80	7,438	7,954	8,797
County-Other	Williamson	72	103	144	178	200	215
County-Other	Hays	990	1,795	2,558	3,525	4,643	5,227
County-Other	Gillespie	507	547	617	677	887	1,013
County-Other	Blanco	24	70	119	163	183	215

Please answer the following questions using the list below of recommended municipal water supply strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan. **If these are not applicable** to your rural water needs, please answer the questions below using your individual experience and the water supply alternatives accessible to your county.

Water Management Strategy		Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. In order to meet "County-Other" additional water supply needs, does your county have any current or projected infrastructure improvement needs during the 50-year planning period?

Yes _____ No _____

If **Yes** - Please list what these water use needs are and for what size population (use additional sheets, if necessary):

2. Does your county have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements listed in question 1? Yes____ No____

3. If **No** – How much of the necessary capital costs could your county pay for each improvement you listed in question 1? \$_____

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your county pay for each improvement you listed in question 1? \$_____

5. For each improvement you listed in question 1, how much of the necessary capital costs are you **unable** to pay? \$_____

6. For the costs your county **cannot** pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)

Definition of the State Participation Program (SPP):

The SPP enables the TWDB to purchase a temporary ownership interest in a regional project when local sponsors are unable to assume the debt for an optimally sized facility. The TWDB may acquire ownership interests in the water rights or a co-ownership interest in the property or treatment works. Currently, the TWDB's participation is limited to a maximum of 50 percent of the project costs and to the portion of the project designated as "excess" capacity. There is also a requirement that the project cannot be reasonably financed without state participation assistance, and that the optimum regional development of the project cannot be reasonably financed without the state participation. (for additional information, see the TWDB website at http://www.twdb.state.tx.us/assistance/assistance_main.htm)

APPENDIX C
TWDB-REQUIRED SURVEY RESPONSE RECORD

Municipal Survey Response Record

Contact Name	Job Title	Municipal Entity	Street Address	City	County	State	Zip Code	Date Original Survey Mailed	Certified Mail Receipt (Y/N)	Date Follow Up Survey #1 Mailed	Certified Mail Receipt (Y/N)	Date Follow Up Survey #2 Mailed	Certified Mail Receipt (Y/N)	Date Response Received	
1	Paul S. Wakefield	Manager	West Lake Hills - Travis Co. WCID #10	5450 Bee Caves Rd, Ste.A	Austin	Travis	TX	78746	1/18/02	Y				1/28/02	
2	Bobby Roundtree	City Manager	City of Goldthwaite	PO Box 450	Goldthwaite	Mills	TX	76844	1/18/02	Y				1/28/02	
3	Michael Bamer	General Manager, Anderson Mill MUD	Anderson Mill CDP (Travis)	11500 El Salido Pky	Austin	Travis	TX	78750	1/18/02	Y				2/7/02	
4	Richard Eason	-	Lakeway MUD	1097 Lohmans Crossing Rd.	Austin	Travis	TX	78734	1/18/02	Y				1/30/02	
5	Tommy Collier	General Manager	Kingsland WSC	PO Box 73	Kingsland	Llano	TX	78639	1/21/02	Y				1/24/02	
6	John Murchison	General Manager	Jonestown WSC	18649 RM 1431 Ste. 19-A	Jonestown	Travis	TX	78645	1/18/02	Y				2/13/02	
7	Teresa Lutes	Engineer	COA - W/WW (Travis & Williamson Co.)	PO Box 1088	Austin	Travis	TX	78767	1/18/02	Y				2/25/02	
8	Clovis Boatright	President	Garfield WSC (CDP Travis & Bastrop)	PO Box 1338	Del Valle	Travis	TX	78617	1/18/02	Y	2/18/02	Y		2/20/02	
9	Duane Stuiver	Cty Commissioner Pct.3	Llano County - Other	801 Ford Street	Llano	Llano	TX	78643	1/18/02	Y	2/18/02	Y		3/12/02	
10	Kenneth Dowell	City Manager	City of Llano	301 W. Main St.	Llano	Llano	TX	78643	1/18/02	Y	2/18/02	Y	3/18/02	-	3/25/02
11	Jim Powers	County Judge	Hays County-Other	111 E.San Antonio St., Ste.300	San Marcos	Hays	TX	78666	1/18/02	Y				1/28/02	
	Allen Walther	Dir. Env. Health	Hays County-Other	111 E.San Antonio St., Ste.300	San Marcos	Hays	TX	78666			2/18/02	Y		4/9/02	
12	John Doerfler	County Judge	Williamson Cty-Other	710 Main Street	Georgetown	Williamson	TX	78626	1/18/02	Y				1/24/02	
	John Doerfler	County Judge	Williamson Cty-Other	710 Main Street	Georgetown	Williamson	TX	78626			2/18/02	Y		2/27/02	
13	Elaine Wray (Sam Briscoe, Judge)		Travis County-Other	PO Box 1748	Austin	Travis	TX	78767	1/18/02	Y	2/18/02	Y		2/13/02	
14	George Byars, Jr.	County Judge	Blanco County-Other	PO Box 471	Johnson City	Blanco	TX	78636	1/18/02	Y	2/18/02	Y	3/18/02	-	3/27/02
15	Mark Stroehner	County Judge	Gillespie County-Other	101 West Main, Unit 9	Fredericksburg	Gillespie	TX	78624	1/18/02	Y	2/18/02	Y	3/18/02	Y	1/24/02
15	Martin McLean	County Judge	Burnet County-Other	220 South Pierce St.	Burnet	Burnet	TX	78611	1/18/02	Y	2/18/02	Y	3/18/02	-	4/4/02
16	Nathan Cantrell	Water Foreman	City of Granite Shoals	PO Box 2580	Granite Shoals	Burnet	TX	78654	1/18/02	Y	2/18/02	Y	3/18/02	-	4/17/02
17	Charles McCarty		City of Blanco	PO BOX 750	Blanco	Blanco	TX	78606	1/18/02	Y	2/18/02	Y	3/18/02	Y	No Response to Survey
18	Joey Miller	Director of Public Wks	City of Pflugerville	PO Box 589	Pflugerville	Travis	TX	78691	1/18/02	Y	2/18/02	Y	3/18/02	Y	
19	Mary Galloway		Dripping Springs WSC	P Box 354	Dripping Springs	Hays	TX	78620	1/18/02	Y	2/18/02	Y	3/18/02	Y	
20	Don Williams	District Manager	Wells Branch MUD #1	2106 Klattenhoss	Austin	Travis	TX	78728	1/21/02	Y	2/18/02	Y	3/18/02	Y	
21	Dale Pickens	Mayor	City of Cottonwood Shores	3915 Cottonwood Dr.	Marble Falls	Burnet	TX	78654	1/18/02	Y	2/18/02	Y	3/18/02	Y	
22	Envir-O-Spec	-	City of Rollingwood	403 Nixon Drive	Austin	Travis	TX	78746	1/18/02	Y	2/18/02	Y	3/18/02	-	
23	L.J. McBride	Water Superintendent	City of Lago Vista	PO Box 4727	Lago Vista	Travis	TX	78645	1/18/02	Y	2/18/02	Y	3/18/02	-	
24	Verle Theriot	Director of Public Wks	City of Marble Falls	800 3rd St.	Marble Falls	Burnet	TX	78654	1/21/02	Y	2/18/02	Y	3/18/02	-	

APPENDIX D
SURVEY RESULTS TABLES
(AND TWDB-FORMATTED DATA TABLE)

APPENDIX E

ADDENDUM : SIERRA CLUB AND CITY OF AUSTIN COMMENT LETTERS

Jennifer Walker, Sierra Club
Draft IFR Comments / May 8, 2002

Conclusion

On the top of page 4 of the report it states that the overall need for water infrastructure investment is \$5 billion dollars with the Austin Metropolitan Area representing 99% of that need. The paragraph then goes on to state that "assuming 50% sharing" the need for state funding assistance would be \$2.5 billion.

But the statement of need is not supported by the City of Austin's survey response. No where does it state that the City of Austin needs a 50% match in order to provide necessary services. In fact they state that there are several funding sources for a majority of projects. The farthest Austin goes in requesting funding support is when they say... "However, new funding sources, such as the State's Participation Program, may be helpful in the future."

This calls into question the first statement in the *conclusion* section that, "There is definite need for funding programs to help meet projected municipal demands... in the Lower Colorado Regional Planning Area." The conclusion was a result of circular reasoning; 1) the total identified infrastructure requirements are \$5 billion, 2) lets assume that we might get 50% state sharing, therefore 3) The region can only provide \$2.5 billion and needs 2.5 billion.

Policy Statement

The draft Region K infrastructure report recommends a list of 8 variations on statewide taxes to help fund water infrastructure. I understand that some groups may think that it is appealing to receive revenues from the state rather than raising local water rates, but before voting to recommend any of these statewide taxes, this region should carefully consider what the likelihood is - that when its tax money goes into the state general revenue fund - that Region K will be successful in pulling more money out of the pool than it put in.

I would submit that the majority of state water tax revenues will be directed to areas with larger populations and political delegations. The chances are much better that tax revenue will go to support the Marvin Nichols reservoir for Dallas and the Eastex reservoir for Houston, than they will stay in Region K. Then Region K will still have to raise money for local projects, in effect making citizens pay twice.

I think the best thing for Region K would be to offer a policy statement that "Except for the case of economically disadvantaged areas, Regions, and especially metropolitan areas should be responsible for generating revenues to meet their infrastructure needs." At a minimum, however, I would encourage you to strike any recommendation for statewide water taxes and fees.

LETTER FROM THE CITY OF AUSTIN:

-----Original Message-----

From: Lutes, Teresa
City of Austin Water and Wastewater Utility
Sent: Wednesday, May 29, 2002 5:22 PM

RE: Additional Information for Region K Municipal Water Infrastructure Financing Survey-
City of Austin Water and Wastewater Utility

As you know Austin provided a response to the Municipal Water Infrastructure Financing Survey for the Region K Lower Colorado Region back in February. We received a subsequent request for additional information. We have the following to add to our original response:

With a hard copy of this e-mail I will be delivering to you a copy of last year's approved Water and Wastewater Utility's approved Capital Improvements Plan to provide you with more detailed information about upcoming near-term CIP projects. Austin anticipates spending an average of approximately \$100 million per year on water, wastewater, and reclaimed water systems infrastructure capital improvement projects. Over the next 50 years Austin anticipates infrastructure capital improvements costs to exceed \$5 billion, in today's dollars. As I recall you specifically requested more information on the amount of funding the City may seek over the 50-year planning horizon if the City had access the State Participation program to help fund these utility improvements. Our original survey response indicated that we could not determine at this time what specific funding sources might be best for funding for these improvements over the 50-year planning horizon. At this time, given our credit rating and cost of capital, we would probably not seek a loan through the State's participation Program. We would instead access our own bond funds. The City of Austin will continue to explore all available funding sources as these needs develop. However, for the purposes of the survey, we understand that it would be useful for you to have a dollar amount estimate to use in the survey response tally. We understand that such an estimate would not represent an actual request for funding or commitment for future requests or any specific dollar amounts associated with any future requests. In that light, for the purposes of this survey, we feel it would be reasonable for you to use a figure of \$500 million or 10% of \$5 billion, in today's dollars, as an amount the City of Austin might seek if it had access to the State's Participation program. Austin's preference would be to receive future grant funds particularly for projects in the areas of water treatment technology and water reuse or reclamation.

We hope this additional information meets your needs. Should you require additional information or clarification, please contact Teresa Lutes at 972-0179.

Again, we appreciate the opportunity to provide input via this survey.

APPENDIX F
ACTUAL SURVEY RESPONSES RECEIVED
(Xerox copies of completed survey forms)

Region K Municipal Water Infrastructure Financing Survey

Name of Municipal WUG: JONESTOWN WATER SUPPLY CORP.

Contact Person: JOHN MURCHISON Title: GEN. MANAGER

Telephone: (512) 267-7144 E-mail: JWSC@ev1.net

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes X No

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

AT PRESENT WE SERVE A POPULATION OF 2500. IN 50 YRS.
THE PROJECTED POPULATION MIGHT BE 5100.

INFRASTRUCTURE IMPROVEMENTS WOULD FALL IN CATEGORY 3:
UPGRADES TO RAW WATER AND DISTRIBUTION LINES, ADDITIONAL
STORAGE FACILITIES, AN ADDITIONAL TREATMENT UNIT AT ONE OF
OUR EXISTING PLANTS AND AN ADDITIONAL TREATMENT PLANT,
INCLUDING MORE RAW WATER PUMPS.

2. Does your water utility have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements you listed in question 1? Yes _____ No X

3. If No - How much of the necessary capital costs could your utility pay for each improvement you listed in question 1? \$ AT PRESENT IT HAS BEEN OUR POLICY TO BORROW FROM RUS (FEDERAL GOV'T.) FOR MAJOR CAPITAL IMPROVEMENTS.

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your utility pay for each improvement you listed in question 1? \$ _____

5. For each improvement you listed in question 1, how much of the necessary capital costs are you **unable** to pay? \$ _____

6. For the costs your utility **cannot** pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)

RUS

TWDB - SRF

Region K Municipal Water Infrastructure Financing Survey

Name of Municipal WUG: City of Coldthwaite

Contact Person: Bobby Rountree Title: City Manager

Telephone: (915) 648-2695 E-mail: bobbyr@centex.net

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes No

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

4) Construction of an additional 340 ac-ft storage channel and an additional supply line to the city at an estimated cost of \$2.4M.
City of Coldthwaite is 1800 population (2000 census)

5) An additional 10" supply line from the Colorado river to the storage channels. - \$525,000

2. Does your water utility have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements you listed in question 1? Yes _____ No
3. If No - How much of the necessary capital costs could your utility pay for each improvement you listed in question 1? \$ _____

Item # 1 - The city is pursuing a USDA-RD grant in hopes of receiving a 45% grant. The balance will be paid through increased utility rates.

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your utility pay for each improvement you listed in question 1? \$ _____
- _____
- _____

5. For each improvement you listed in question 1, how much of the necessary capital costs are you unable to pay? \$ _____
- _____
- _____

6. For the costs your utility cannot pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)

The City of Goldsboro has an Annual budget of approximately \$2M. of the 1800 population, there are only 800-1000 utility customers each year so funding large capital projects is difficult.

Item # 2, 10" supply line, will be postponed until financing through grants or low interest loans can be secured.

- I cannot say what this community is "unable" to pay, but we are a small community with an aging population, not unlike many rural communities. A grant program for facilities such as these would be extremely helpful.

Bobby Rauntie, City Manager
Jan. 25, 2002

Region K Municipal Water Infrastructure Financing Survey

Name of Municipal WUG: Kingsland WSC

Contact Person: Tommy Collier Title: GM

Telephone: (915) 388-6611 E-mail: TommyC@moment.net

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes No

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

We are entering into a contract for water purchase
50 yr Contract 750 ac/ft of water. (Contract will
be amended as necessary)
Plans are being made to build a 5 MGD plant.
(presently we have a 1.8 MGD plant.)

We serve a population of 5300 @ present.

Est. 150 Taps per year. 50yrs = 16,000 population
+ 5300

Est Population 2050 = 21,300

2. Does your water utility have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements you listed in question 1? Yes _____ No X

3. If No – How much of the necessary capital costs could your utility pay for each improvement you listed in question 1? \$ 20% of \$5,000,000 estimated cost.

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your utility pay for each improvement you listed in question 1? \$ 1,000,000

5. For each improvement you listed in question 1, how much of the necessary capital costs are you **unable** to pay? \$ 4,000,000

6. For the costs your utility **cannot** pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)

R.D. Rural Development
TXWDB Texas Water Development Board.

Region K Municipal Water Infrastructure Financing Survey

Name of Municipal WUG: Garfield Water Supply Corp.
 Contact Person: Clavis Boatright Title: President
 Telephone: (512) 360-5394 E-mail: buoybee@smithsys.net

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes No

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

Along Hwy 71 East Onion Creek to Bastrop
County line

\$45,000,000

15,000 population growth

2nd

February 4, 2002

Region K - Water Infrastructure Financing Survey

Name of Political Subdivision: Williamson County

Contact Person: John C. Dierfler Title: County Judge

Telephone: (512) 943-1550 E-mail: jantab@wilco.org

WUG	County	Projected Additional Municipal Water Supply Needs (ac-ft/year)					
		2000	2010	2020	2030	2040	2050
County-Other	Burnet	880	1,103	1,417	1,652	1,686	1,779
County-Other	Llano	0	0	0	1,334	1,449	1,653
County-Other	Travis	60	66	80	7,438	7,954	8,797
County-Other	Williamson	72	103	144	178	200	215
County-Other	Hays	990	1,795	2,558	3,525	4,643	5,227
County-Other	Gillespie	507	547	617	677	887	1,013

Please answer the following questions using the list below of recommended municipal water supply strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

Water Management Strategy		Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. In order to meet "County-Other" additional water supply needs, does your county have any current or projected infrastructure improvement needs during the 50-year planning period?

Yes _____ No _____

If Yes - Please list what these water use needs are and for what size population (use additional sheets, if necessary):

→ The small portion of Williamson County that is in Region K is either in the City of Round Rock, City of Austin, or in one of the MUD's in that area.

Thanks,
John C. Dierfler

Region K - Water Infrastructure Financing Survey

Name of Political Subdivision: Burnet County

Contact Person: Martin McLean Title: Burnet County Judge

Telephone: (512) 756-5404 E-mail: _____

WUG	County	Projected Additional Municipal Water Supply Needs (ac-ft/year)					
		2000	2010	2020	2030	2040	2050
County-Other	Burnet	880	1,103	1,417	1,652	1,686	1,779
County-Other	Llano	0	0	0	1,334	1,449	1,653
County-Other	Travis	60	66	80	7,438	7,954	8,797
County-Other	Williamson	72	103	144	178	200	215
County-Other	Hays	990	1,795	2,558	3,525	4,643	5,227
County-Other	Gillespie	507	547	617	677	887	1,013

Please answer the following questions using the list below of recommended municipal water supply strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

Water Management Strategy		Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. In order to meet "County-Other" additional water supply needs, does your county have any current or projected infrastructure improvement needs during the 50-year planning period?

Yes No

If Yes - Please list what these water use needs are and for what size population (use additional sheets, if necessary):

Regional water and waste water needs for the
projected population of 90,000 citizens in Burnet
County by 2055

2050 pop = 59,591 (per 2000)

2. Does your political subdivision have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements listed in question 1? Yes _____ No ✓

3. If No - How much of the necessary capital costs could your political subdivision pay for each improvement you listed in question 1? \$ minimal resources through debt-service

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your political subdivision pay for each improvement you listed in question 1? \$ only a minimal amount of matching funds available from county to access state funds.

5. For each improvement you listed in question 1, how much of the necessary capital costs are you unable to pay? \$ The County will not be able to fund water projects. This County needs a water district.

6. For the costs your political subdivision cannot pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)
Best Solution - L.C.R.A. develop regional water and waste water projects to be funded by state funds and revenue bonds.

1st

January 15, 2002

Region K Municipal Water Infrastructure Financing Survey

Name of Municipal WUG: HAYS COUNTY

Contact Person: ALLEN WALTHER Title: DIR. ENV. HEALTH

Telephone: (512) 393-2290 E-mail: AWALTHER@CO.HAYS.TX.US

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes No

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

HAYS COUNTY CURRENTLY OWNS NO WATER UTILITIES.
MUCH OF OUR COUNTY RELIES SOLELY ON GROUNDWATER,
AND LATESTS MODELS INDICATE DEMAND EXCEEDING
YIELD. OUR GREATEST NEED IS TO EXPAND
SERVICE LINES INTO THESE UNSERVED AREAS.
USING THE LATEST POPULATION PROJECTIONS,
FOR THE NEXT 10 YEARS, WE WILL NEED NEW SERVICE
LINES FOR 20,000 - 30,000 ADDITIONAL RESIDENTS.
WE WILL LIKELY NEED SYSTEM UPGRADES
TO SERVE NEW SUBDIVISION + EXISTING DEVELOPMENT
IN ESTABLISHED CCN'S.

Region K - Water Infrastructure Financing Survey

Name of County: HAYS COUNTYContact Person: ALLEN WALTHER Title: DIR. ENV. HEALTHTelephone: (512) 393-2290 E-mail: AWALTHER@CO.HAYS.TX.US

WUG	County	Projected Additional Municipal Water Supply Needs (ac-ft/year)					
		2000	2010	2020	2030	2040	2050
County-Other	Burnet	880	1,103	1,417	1,652	1,686	1,779
County-Other	Llano	0	0	0	1,334	1,449	1,653
County-Other	Travis	60	66	80	7,438	7,954	8,797
County-Other	Williamson	72	103	144	178	200	215
County-Other	Hays	990	1,795	2,558	3,525	4,643	5,227
County-Other	Gillespie	507	547	617	677	887	1,013

Please answer the following questions using the list below of recommended municipal water supply strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan. **If these are not applicable** to your rural water needs, please answer the questions below using your individual experience and the water supply alternatives accessible to your county.

Water Management Strategy		Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. In order to meet "County-Other" additional water supply needs, does your county have any current or projected infrastructure improvement needs during the 50-year planning period?

Yes No

If Yes - Please list what these water use needs are and for what size population (use additional sheets, if necessary):

① THE COUNTY'S GREATEST NEED IS ACCESS TO SURFACE WATER SOURCES. CURRENT PUMPAGE OF GROUNDWATER, ESPECIALLY IN THE TRINITY WATERSHED, IS EXCEEDING YIELD (RECHARGE).

② THE COUNTY NEEDS INFRASTRUCTURE, BOTH LARGE CAPACITY SUPPLY AS WELL AS SUBDIVISION LINES. MUCH OF THE MORE SPARSELY DEVELOPED AREAS HAS NO SUPPLY INFRASTRUCTURE IN PLACE.

2nd

March 14, 2002

2. Does your county have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements listed in question 1? Yes _____ No

3. If No - How much of the necessary capital costs could your county pay for each improvement you listed in question 1? \$ _____

THE COUNTY EXPECTS MOST OF THESE COSTS TO BE BORNE BY THE RETAIL PROVIDORS, AND ULTIMATELY THE END USER.

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your county pay for each improvement you listed in question 1? \$ _____

THE COMMISSIONERS COURT WOULD HAVE TO DECIDE IF THEY WOULD BE WILLING TO FUND A PERCENTAGE OF COSTS.

5. For each improvement you listed in question 1, how much of the necessary capital costs are you unable to pay? \$ _____

THE COUNTY HAS NO MONEY BUDGETED FOR THESE PROJECTS.

6. For the costs your county cannot pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)

THE COUNTY REQUESTS AND WELCOMES ANY OUTSIDE FUNDING SOURCES

Region K - Water Infrastructure Financing Survey

Name of Political Subdivision: BLANCO COUNTY
 Contact Person: GEORGE BYARS Title: COUNTY JUDGE
 Telephone: (830) 868-4266 E-mail: BYARS@MOMENT.NET

WUG	County	Projected Additional Municipal Water Supply Needs (ac-ft/year)					
		2000	2010	2020	2030	2040	2050
County-Other	Burnet	880	1,103	1,417	1,652	1,686	1,779
County-Other	Llano	0	0	0	1,334	1,449	1,653
County-Other	Travis	60	66	80	7,438	7,954	8,797
County-Other	Williamson	72	103	144	178	200	215
County-Other	Hays	990	1,795	2,558	3,525	4,643	5,227
County-Other	Gillespie	507	547	617	677	887	1,013

Please answer the following questions using the list below of recommended municipal water supply strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

Water Management Strategy		Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. In order to meet "County-Other" additional water supply needs, does your county have any current or projected infrastructure improvement needs during the 50-year planning period?

Yes No

If Yes - Please list what these water use needs are and for what size population (use additional sheets, if necessary):

Surface Water Alternatives

- ① GBRA Surface Water Pipeline from Canyon Lake Area to Blanco + Southern Blanco County Area. 300 ac-ft for Blanco and possibly 100-300 ac-ft for local subdivisions along pipeline route. To serve a population of 1700-3400 + local businesses. Estimated Cost: \$2,900,000
- ② LCRA Surface Water Pipeline from Marble Falls down US 81 to Blanco. Water available to Johnson City, Blanco, and local subdivision along pipeline route. Possibility of future secondary line to Fredericksburg. To provide 1000 to 2000 ac-ft. for a population of 4000-8000 + local businesses. Estimated cost: \$25,033,382

2. Does your political subdivision have sufficient revenue sources, including implementing necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements listed in question 1? Yes _____ No

3. If No - How much of the necessary capital costs could your political subdivision pay for each improvement you listed in question 1? \$ Currently Blanco County has no funds budgeted or planned.

4. If you could access the State Participation Program to help fund these utility improvements, how much of the necessary capital costs could your political subdivision pay for each improvement you listed in question 1? \$ Currently Blanco County has no funds budgeted or planned

5. For each improvement you listed in question 1, how much of the necessary capital costs are you unable to pay? \$ Blanco County would currently be unable to pay ANY of the projected costs

6. For the costs your political subdivision cannot pay, what funding option(s) would you propose? What, if any, state funding sources would you consider? (use additional sheets, if necessary)

Texas Water Development Board Grants and/or Loans
LCRA or GBRA Cooperative Funding Agreements
Public/Private Cooperative Funding Agreements
Subdivision or Development Capital Recovery Fees

4.1 COUNTY SUMMARIES OF WATER NEEDS

The following sections provide summaries of the needs and surpluses identified for each county within the LCRWPA. The tables presented in these sections provide a listing of individual WUGs with identified water supply needs (negative numbers in the tables indicate a water supply shortage). WUGs with water supply needs resulting from the expiration of a wholesale contract appear shaded and italicized in the following tables. Following the information for the individual WUGs with water supply needs is a summation of the total needs identified within the county. This information is presented in the required TWDB format (Table 7) in Appendix 4A.

4.1.1 Bastrop County

The primary sources of water for Bastrop County are the Carrizo-Wilcox and Queen City aquifers. Surface water supplies are primarily associated with power generation and are supplied from a combination of firm water from the Highland Lakes and Lake Bastrop. Local surface water supplies are available to irrigation and livestock users. Municipal water demands account for over one-half the total demand in Bastrop County. Steam electric generation accounts for an additional one-third of the total demand. A summary of the estimated water shortages identified for Bastrop County is presented in Table 4.1.

Table 4.1: Bastrop County Water Supply Needs (ac-ft/yr)

Water User Group Name	2000 Needs	2010 Needs	2020 Needs	2030 Needs	2040 Needs	2050 Needs
Garfield - CDP*	0	0	0	0	-1	-11
Bastrop Co. Total Needs	0	0	0	0	-1	-11

WUGs with water supply needs resulting from the expiration of a wholesale contract are shaded and italicized

*CDP - Census Designated Place

4.1.2 Blanco County

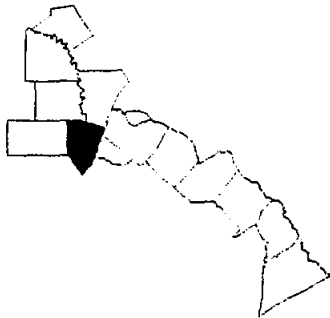
Groundwater is available to users in Blanco County from the Ellenburger-San Saba, Trinity, Edwards-Trinity Plateau, and Hickory aquifers. Surface water supplies in the county are available from the City of Blanco's reservoirs and other local supplies. Municipal water demands account for over one-half of the total water demands in Blanco County. The remainder of the demand is divided between irrigation and livestock needs. A summary of the estimated water shortages identified for Blanco County is presented in Table 4.2.

Table 4.2: Blanco County Water Supply Needs (ac-ft/yr)

Water User Group Name	2000 Needs	2010 Needs	2020 Needs	2030 Needs	2040 Needs	2050 Needs
Blanco County-Other	-24	-70	-119	-163	-183	-215
City of Blanco	-52	-40	-23	-15	-5	-5
Blanco Co. Total Needs	-76	-110	-142	-178	-188	-220

WUGs with water supply needs resulting from the expiration of a wholesale contract are shaded and italicized

BLANCO COUNTY



Municipal, livestock, and irrigation water demand constitutes the vast majority of Blanco County's total water demand. In the year 2050 Blanco County is projected to have no water demand from manufacturing, steam electric power generation, or mining water uses. Population in Blanco County is projected to increase approximately 67 percent from the year 2000 to the year 2050.

Table 2A-9: Population & Water Demand Projections for Blanco County

Water User Group	2000 (Population)	2010 (Population)	2020 (Population)	2030 (Population)	2040 (Population)	2050 (Population)	Total change (%)
Blanco	1,709	1,735	1,735	1,735	1,735	1,735	2
Johnson City	1,408	1,669	1,954	2,165	2,270	2,381	69
County Other	5,136	6,470	7,955	9,064	9,683	9,683	89
Total Population	8,253	9,874	11,644	12,964	13,688	13,799	67
Water User Group	2000 (demand in ac-ft/yr)	2010 (demand in ac-ft/yr)	2020 (demand in ac-ft/yr)	2030 (demand in ac-ft/yr)	2040 (demand in ac-ft/yr)	2050 (demand in ac-ft/yr)	Total change (%)
Blanco	377	365	348	340	330	330	-12
Johnson City	352	398	447	490	506	528	50
County Other	633	732	838	934	976	965	52
Total Municipal Water Demand	1,362	1,495	1,633	1,764	1,812	1,823	34
Manufacturing Water Demand	0	0	0	0	0	0	0
Irrigation Water Demand	458	435	413	392	362	353	-23
Steam Electric Water Demand	0	0	0	0	0	0	0
Mining Water Demand	13	9	5	1	0	0	-100
Livestock Water Demand	670	670	670	670	670	670	0
TOTAL WATER DEMAND	2,503	2,609	2,721	2,827	2,844	2,846	14

City's water demands are projected to decrease due to the anticipated water conservation assumed in the TWDB projections. Therefore, the recommended plan to meet the 2030 demands will also be sufficient to meet the 2050 projected demands.

The recommended plan to meet the shortages identified for the City of Blanco includes the following components.

- **Alternative BL5 - Purchase Treated Water from Canyon Lake Water Supply Corporation** - This alternative would involve the construction of a booster pump station, ground storage facility, and transmission main along U.S. Highway 281 from Highway 305 in Comal County to the City of Blanco. This pipeline would convey treated water from Canyon Lake Water Supply Corporation to the City of Blanco. The City would be responsible for purchasing the raw water from GBRA. The pipeline would have the capacity to provide additional water to potential developments along U.S. 281. Implementation of this alternative would require a capital expenditure of \$2.9 million. The anticipated annual expenditures would be \$395,000, which would include raw water charges, treated water charges, and operations and maintenance charges for a supply of 300 ac-ft/yr. The unit cost of this water is projected to be \$1,562/ac-ft.

The City Council for Blanco officially endorsed this plan by resolution at its July 11, 2000 meeting. A copy of that resolution is included in Appendix 6A.

5.4.7 Recommended Plan to Meet Blanco County-Other Demands Through 2030

The rural area surrounding the City of Blanco, primarily to the south, is projected to experience significant growth in the future. Currently, this area of the County is dependent on the Trinity Aquifer for water. The projections indicate that during the drought of record, the rural area of Blanco County in the Guadalupe River Basin would have a shortage of 24 ac-ft/yr in the year 2000. This shortage increases to 163 ac-ft/yr in 2030 and 215 ac-ft/yr in 2050.

The recommended plan to meet the shortages identified for the Blanco County-Other includes the following components.

- **Alternative BL5 - Purchase Treated Water from Canyon Lake Water Supply Corporation** - This alternative would involve the construction of a booster pump station, ground storage facility, and transmission main along U.S. Highway 281 from Highway 305 in Comal County to the City of Blanco. This pipeline would convey treated water from Canyon Lake Water Supply Corporation to the City of Blanco. The City would be responsible for purchasing the raw water from GBRA. The pipeline would have the capacity to provide additional water to potential developments along U.S. 281. Implementation of this alternative would require a capital expenditure of \$2.9 million. The anticipated annual expenditures would be \$395,000, which would include raw water charges, treated water charges, and operations and maintenance charges for a supply of 300 ac-ft/yr. The unit cost of this water is projected to be \$1,562/ac-ft.

5.4.8 Recommended Plan to Meet the City of Llano Demands Through 2030

The City of Llano has the right to divert water from the Llano River in quantities that would meet its demands through the 50-year planning period. However, the City lacks sufficient storage capacity to provide the firm yield to meet its current demands during drought conditions. The City of Llano would

Table 5.46: Summary of Alternative Strategies Evaluated to Meet the City of Blanco Water Supply Shortages

Water Management Strategy	Strategy Description	Capital Cost (\$)	Debt Service (\$)	O&M Cost (\$)	Total Annual Cost (\$)	2050 Firm Yield (ac-ft/yr)	Unit Cost (\$/ac-ft)	Unit Cost (\$/1000 gallons)	Summary of Environmental Impacts
BL1	Dredge existing reservoirs	\$ 245,000	\$ 17,800	\$ 45,500	\$ 63,300	52	\$ 1,217	\$ 3.74	Disposal of dredged material
BL2	Construction of a new channel dam	\$ 2,265,000	\$ 150,000	\$ 72,800	\$ 222,800	100	\$ 2,228	\$ 6.84	Inundation of riverine habitat
BL3	Construction of off-channel reservoir	\$ 3,840,000	\$ 255,000	\$ 145,600	\$ 400,600	200	\$ 2,003	\$ 6.15	River intake structure impacts, inundation of large area
BL4	Construction of pipeline from West Comal County Water System	\$ 6,750,000	\$ 490,000	\$ 230,000	\$ 720,000	300	\$ 2,400	\$ 7.37	Pipeline construction impacts
BL5	Construction of pipeline from Canyon Lake Water Supply Corporation	\$ 2,910,000	\$ 210,000	\$ 185,000	\$ 395,000	300	\$ 1,317	\$ 4.04	Pipeline construction impacts
BL6	Construction of pipeline from Pedernales River & purchase of water from LCRA.	\$ 4,680,000	\$ 340,000	\$ 128,500	\$ 468,500	300	\$ 1,562	\$ 4.79	Pipeline construction impacts, interbasin transfer issues
BL7	Construct 8 wells in the Hensell/Cow Creek Aquifer ~ 2 miles west of town	\$ 1,875,000	\$ 135,000	\$ 8,500	\$ 143,500	52	\$ 2,760	\$ 8.47	Pipeline construction impacts
BL8	Construct 2 wells in the Ellenburger approximately 10 miles north of town	\$ 2,790,000	\$ 200,000	\$ 30,000	\$ 230,000	300	\$ 767	\$ 2.35	Pipeline construction impacts

Blanco-Pedernales Ground Water Conservation District

Pipeline	11,447,040
Water Treatment Plant	4,600,000
Total Component Estimate	16,047,040
Contingency (30%)	4,814,112
Total Costruction Estimate	20,861,152
Engineering, Surveying, Testing, Inspection, etc. (20%)	4,172,230
Total Capital Project Estimate	25,033,382

Annual Debt Service (5.50%, 30 years, loaded)	2,127,838
Taxable Value for the BPGWCD	489,711,727
Collection Rate	93%
Tax rate required to support Total Capital Project Estimate	0.4672

Taxpayer cost for property valued at:	Annual	Monthly
250,000	1,168	97.34
150,000	701	58.40
100,000	467	38.93
50,000	234	19.47

*16" from M.F. to J.C.
12" from J.C. to Blanco*

2 million Gal per Day Water Treatment

45/50,000 Acre feet available at Marble Falls (2001)

Municipal Water Infrastructure Financing Survey
Region K Lower Colorado Region

City of Austin Water and Wastewater Utility Response
February 15, 2002

Name of Municipal WUG: City of Austin Water and Wastewater Utility
Contact Person: Teresa Lutes, P.E. Title: Engineer
Telephone: (512) 972-0179 E-Mail: teresa.lutes@ci.austin.tx.us

1. Does your water utility have any current or projected infrastructure improvements needs during the 50-year planning period?

Yes, the City of Austin Water and Wastewater Utility is planning numerous infrastructure improvements during the next 50 years.

If Yes, list what these needs are and for what size population and/or size of commercial/industrial water use(s):

The service area population is projected to increase from approximately 760,000 today to 1.4 million in 2050 (Texas Water Development Board projection) and potentially even higher.

Future anticipated water system infrastructure needs include increased water production capacity, transmission mains, pump stations, storage tanks, and distribution mains. Anticipated reclaimed water system infrastructure improvements include storage tanks, pump stations, and mains.

2. Does your water utility have sufficient revenue sources, including implementation necessary rate and tax increases, to cover the capital costs associated with each of the needed infrastructure improvements you listed in question 1?

Austin anticipates spending in excess of \$5 billion, in today's dollars, on water, wastewater, and reclaimed water systems infrastructure capital improvements over the next 50 years. Funding for future improvements is typically scheduled through the City's Capital Improvements Program (CIP). Austin, along with the rest of the nation, faces future funding challenges as costs and requirements increase. For the majority of projects funding sources include voter authorized bonds, current revenues, and interim funding (commercial paper). However, new funding sources, such as the State's Participation Program, may be helpful in the future.

We are particularly interested in funding for water reclamation projects and parts of the treatment process used for water reclamation. We are also interested in funding for treatment capacity expansion since these projects tend to be large-scale and often involve changing regulations. Our anticipated investments in these water treatment and reclamation areas will be in the 100's of millions of dollars.

3. If No – How much of the necessary capital costs could your utility pay for each improvement you listed in question 1?

We cannot determine at this time the best sources for funding for these improvements. The City of Austin will continue to explore all available funding sources as these needs develop.

4. If you could access the State Participation program to help fund these utility improvements, how much of the necessary capital costs could your utility pay for each improvement you listed in question 1?

Cannot be determined at this time.

5. For each improvement you listed in question 1, how much of the necessary capital costs are you unable to pay?

Cannot be determined at this time.

6. For the costs your utility cannot pay, what funding options would you propose? What, if any, state funding sources would you consider?

In the past City of Austin has received state grants and loans. A recent example is a \$10 million Texas Water Development Board loan for reclaimed water system infrastructure facilities. Again, the City of Austin will continue to consider all future available funding sources as needs develop.

We appreciate the opportunity to provide input via this survey. Additional information can be provided regarding future anticipated infrastructure costs if it would be useful as the TWDB works to determine the magnitude of funding needs to provide water to our rapidly growing state population.

Region K Municipal Water Infrastructure Financing Survey

Name of Municipal WUG: _____

Contact Person: _____ Title: _____

Telephone: () _____ E-mail: _____

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes_____ No_____

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

Llano County is not a

municipal water user

Diane Stever

Llano Co. Commissioner Dist #3

Region K Municipal Water Infrastructure Financing Survey

Entity:
 Name of Municipal WUG: Gillespie County, Texas
 Contact Person: Mark Strocher Title: County Judge
 Telephone: (830) 997-7507 E-mail: _____

Please answer the following questions using the list below of recommended municipal water conservation strategies and their projected unit costs that were used in developing the Lower Colorado Regional Water Plan.

	Water Management Strategy	Unit Cost (\$)
1	Supply-side conservation	not specified in plan
2	Reclaimed water	\$394 / ac-ft
3	New Pipeline to WUG	\$ 650 - \$2,400 / ac-ft
4	New Channel or Off-Channel Dam	\$750 - \$2,300 / ac-ft
5	Dredge Existing Reservoirs	\$710 - \$1217 / ac-ft
6	Aquifer Development	\$ 350 - \$2,760 / ac-ft
7	Aquifer Storage & Recovery	\$710 - \$839 / ac-ft

1. Does your water utility have any current or projected infrastructure improvement needs during the 50-year planning period? Yes _____ No _____

If Yes - Please list what these needs are and for what size population and/or size of commercial/industrial water use(s) (use additional sheets, if necessary):

I don't believe this survey applies to us since we are a county and we do not have any water utilities owned by the county.