



P.O. Box 305 • Lewisville, TX 75067

(972) 219-1228 • www.utrwd.com

January 29, 2021

Mr. Joe Koen
Regional Water Project Development - Team 3
State Water Implementation Fund for Texas (SWIFT)
Texas Water Development Board
P.O. Box 13231
Austin, Texas 78711-3231

Re: Upper Trinity Regional Water District - - SWIFT Abridged Application Submission

Dear Mr. Koen:

This letter serves as transmittal of the abridged application for the proposed UTRWD WTP and Treated Water Distribution System Water Management Strategies 2020-2030 - - RTWS Northeast Transmission Pipelines (Phases 1-6) and Loop, a much needed transmission pipeline project which will provide for additional treated water supply for one of the fastest growing regions of Texas. At this time the District is requesting \$29,100,000 (Multi-Year Commitment) Board Participation for planning, easement acquisition, design and construction.

The RTWS Northeast Transmission Pipelines (Phases 1-6) and Loop is the classic example of a high priority project that can benefit from the SWIFT Program. With this project, Upper Trinity will have another opportunity to continue our enduring partnership with TWDB and provide an adequate treated water supply for the citizens within our service area for years to come.

Should you have any questions or need additional information, please contact me or our Assistant Director of Engineering and Construction, Kurt J. Staller, P.E., at (972) 219-1228 or at kstaller@utrwd.com.

Sincerely,

A handwritten signature in blue ink that reads "Larry N. Patterson".

Larry N. Patterson, P. E.
Executive Director

LNP/kjs/jh

Enclosures: (1) TWDB SWIFT Abridged Application (with Related Attachments)

C: Rich Lubke, President, UTRWD
William A. Greenleaf, Chief Financial Officer
David Medanich, Hilltop Securities, Inc.
Nick Bulaich, Hilltop Securities, Inc.

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**State Water Implementation
Fund for Texas**

Abridged Application

Due by midnight on February 1, 2021

Submit via Email: SWIFT@twdb.texas.gov

Apply Online: <https://ola.twdb.texas.gov>

By submitting this abridged application, you understand and confirm that the information provided is true and correct to the best of your knowledge and further understand that the failure to submit a complete abridged application by the stated deadlines, or to respond in a timely manner to additional requests for information, may result in the withdrawal of the abridged application without review.

GENERAL INFORMATION

| Entity Name | County | Regional Water Planning Area |
|---------------------------------------|--------|------------------------------|
| Upper Trinity Regional Water District | Denton | C - Region C |

| Contact Who should TWDB contact with questions during the review of this submission? | Name | Kurt Staller |
|---|-------|---|
| | Title | Assistant Director Engineering and Construction |
| | Phone | 972-219-1228 |
| | Email | kstaller@utrwd.com |

PROJECT DESCRIPTION

| | | | |
|---|--|------------|--|
| Project Name As it appears in your region's 2021 Regional Water Plan | UTRWD WTP and Treated Water Distribution System Water Management Strategies 2020-2030 - - RTWS Northeast Transmission Pipelines (Ph 1-6) and Loop | | |
| Where can the project be found in the 2021 Regional Water Plan? | The project is described on page #: | 5D.44 | |
| | The capital cost is listed on page #: | Table H.64 | |
| Phase(s) Applied For | <input checked="" type="checkbox"/> Planning <input checked="" type="checkbox"/> Acquisition <input checked="" type="checkbox"/> Design <input checked="" type="checkbox"/> Construction | | |
| Population Served When Fully Operational | Both phases of the pipeline are anticipated to be placed into service by 2030. The population served in 2025 is estimated to be 97,786 . The population served in 2030 will be 122,305 and in 2040 it will be 178,374 . | | |

DESCRIPTION OF PROPOSED PROJECT COMPONENTS

Please be sure this description includes all major project components and clearly states what the project seeks to accomplish. A high level of detail is not necessary at this stage—such information is collected later in the application process—but the description should make clear that the proposed work is the same as identified in the regional water plan.

The proposed pipeline will provide wholesale treated water to several Upper Trinity Regional Water District (UTRWD) members and customers in the northern portion of our service area. The initial phases (1-2) of the proposed pipeline will extend from an existing 36-inch pipeline north and east towards the City of Celina, Denton County Fresh Water Supply District No. 10 (Artesia) and Mustang Special Utility District (MSUD).

This pipeline is identified in the Region C Prioritized Project Rankings as **UTRWD WTP and Treated Water Distribution System Water Management Strategies 2020-2030** with a final score of 942.33. This ranks it second on the list.

| | |
|---|---|
| Emergency Select all that apply | <input type="checkbox"/> Applicant/entity's water supply will last less than 180 days. <input type="checkbox"/> Applicant has received or applied for Federal emergency funding. <input checked="" type="checkbox"/> None of the above. |
|---|---|

| Agricultural Efficiency Project? | |
|----------------------------------|--|
| <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

| | | |
|--|----------------------------------|------------------------------------|
| If "Yes," agricultural efficiency improvement achieved by implementing the project: Please provide an attachment showing the basis for your calculation. | <input type="checkbox"/> <1% | <input type="checkbox"/> 10%-13.9% |
| | <input type="checkbox"/> 1%-1.9% | <input type="checkbox"/> 14%-17.9% |
| | <input type="checkbox"/> 2%-5.9% | <input type="checkbox"/> ≥18% |
| | <input type="checkbox"/> 6%-9.9% | |
| | | |

| Household Cost Factor | |
|---|--|
| Household Cost Factor calculated by dividing the service area's average residential water bill by its annual median household income. For regional projects, these should represent the combined service areas of all participating entities. | |

| | | | |
|---|-----------------|--|-----------------|
| Estimated average annual residential water bill: | \$670.67 | Annual Median Household Income: | \$80,786 |
|---|-----------------|--|-----------------|

| | | | |
|--|---------------------------------------|-------------------------------------|---|
| The proposed project addresses: | <input type="checkbox"/> Conservation | <input type="checkbox"/> Water Loss | <input checked="" type="checkbox"/> N/A |
|--|---------------------------------------|-------------------------------------|---|

| Volume of Water Produced/Conserved (in Acre/Feet per Year) | | | | | |
|--|--|--|--|--|--|
| Please provide the total water supply project yield of the entire project on an annual basis in acre-feet per year, for each planning decade. A water volume in the 2040 decade, for example, is assumed to come online in or prior to the year 2040 but is a snapshot annual volume for that decade; it is not a sum of the annual use in the decade. | | | | | |

| 2020 | 2030 | 2040 | 2050 | 2060 | 2070 |
|-------|---------|---------|---------|---------|---------|
| N/A* | 45,483* | 45,483* | 45,483* | 45,483* | 45,483* |
| N/A** | 7,896** | 7,896** | 7,896** | 7,896** | 7,896** |

* Phase 2 of the pipeline includes City of Celina and MSUD as direct customers
 ** Phase 1 of the pipeline includes DCFWSD No. 10 (Artesia) as direct customer

| | |
|--|---|
| Readiness to Proceed Select all that apply | <input checked="" type="checkbox"/> Preliminary planning or design work (30% of total project) has been completed or is not required. <input checked="" type="checkbox"/> Applicant is prepared to begin implementation or construction within 18 months of application deadline. <input checked="" type="checkbox"/> Applicant has acquired all water rights associated with the proposed project, or none will be required. |
|--|---|

ESTIMATED COSTS

| | |
|--------------------------------------|----------------------|
| Low-interest Loan | \$ |
| Deferred Loan | \$ |
| Board Participation | \$ 29,100,000 |
| Local Contribution | \$ 7,648,000 |
| Other: | \$ |
| Total Estimated Project Costs | \$ 36,748,000 |

| | | |
|---|--|--|
| Anticipated Commitments Please attach proposed schedule for multi-year commitments. | <input type="checkbox"/> One-Time Commitment | <input checked="" type="checkbox"/> Multi-Year Commitments |
|---|--|--|

SUBMITTAL

| | |
|---------------------------------|--|
| Instructions | To submit your Abridged Application via email, please send this form to SWIFT@twdb.texas.gov . |
| | To submit your Abridged Application using TWDB's Online Loan Application tool, please visit https://ola.twdb.texas.gov . |
| TWDB Contact Information | If you would like to schedule a meeting to discuss your project with TWDB staff, please contact the Regional Project Development Team for your region: http://www.twdb.texas.gov/financial/programs/swift/regional_project_teams.asp . |
| | For general SWIFT program inquiries, please email SWIFT@twdb.texas.gov . |

EXHIBIT 1

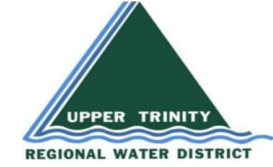
SWIFT Abridged Application

Commitment Schedule



MULTI-YEAR COMMITMENT EXHIBIT 1
SWIFT Abridged Application

Texas Water Development Board



State Water Implementation Fund for Texas (SWIFT)

Upper Trinity Regional Water District - - Harpool Plant Northeast Transmission Pipeline

Board Participation - - Multi-Year Commitment Schedule for Planning, Design, Easement Acquisition and Construction

| | Nov-21 | Nov-22 | Nov-23 | Nov-24 | Nov-25 | Total Costs |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Project Costs | \$ 2,080,000 | \$ 4,720,000 | \$ 6,560,000 | \$ 7,920,000 | \$ 7,472,000 | \$ 28,752,000 |
| Bond Issuance Costs | 36,750 | 36,750 | 73,675 | 96,412 | 104,413 | 348,000 |
| Total Commitment Schedule | \$ 2,116,750 | \$ 4,756,750 | \$ 6,633,675 | \$ 8,016,412 | \$ 7,576,413 | \$ 29,100,000 |