

City of Houston Resolution No. 2020- 42

A RESOLUTION AUTHORIZING SUBMISSION OF A LOAN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD'S FLOOD INFRASTRUCTURE FUND PROGRAM

* * *

WHEREAS, the City of Houston, Texas, deems it appropriate to apply to the Texas Water Development Board for financial assistance by requesting a loan commitment from the Flood Infrastructure Program to improve the stormwater system; and

WHEREAS, in accordance with the rules and regulations of the Texas Water Development Board, which govern the procedures of making such application, the governing body of the City is required to adopt a resolution to accompany such application; **NOW, THEREFORE**,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the Texas Water Development Board is hereby requested to grant financial assistance to the City of Houston by a loan commitment from the Flood Infrastructure Fund Program in the maximum amount of \$15,000,000 for the cost of certain storm system and drainage improvements proposed to be provided by the City to serve the City of Houston, Texas, all as further described in the application for such assistance, in substantially the form attached hereto as Exhibit "A" and incorporated herein for all purposes (the "Application").

Section 2. That the Mayor, City Controller, City Attorney, Director of Houston Public Works and/or their authorized representatives are hereby authorized to make any changes, revisions, deletions, or insertions of information (including attachments to the Application) as may be necessary to complete the Application or make any revisions thereto required by the Texas Water Development Board.

Section 3. That the Mayor of the City of Houston is hereby authorized to execute and submit the Application to the Texas Water Development Board; and the Mayor, City Controller, City Attorney, Director of Houston Public Works, financial advisor, and consulting engineers named in such Application, or other authorized representatives of the City are authorized to appear before the Texas Water Development Board in support of the Application.

Section 4. That the Mayor, City Controller, City Attorney, Director of Finance, Chief Recovery Officer, Director of Houston Public Works, and/or their authorized representatives are further specifically authorized to make the required assurances and representations to the Texas Water Development Board in accordance with the rules, regulations, and policies of the Texas Water Development Board.

Section 5. That a certified copy of this Resolution shall be attached to the Application herein authorized to be prepared and submitted to the Texas Water Development Board.

Section 6. That this Resolution shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Resolution within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED and ADOPTED this 4th day of November, 2020.

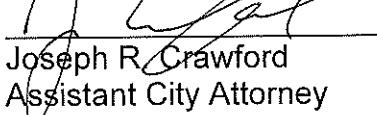
APPROVED this 4th day of November, 2020.



Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Resolution is _____, 2020.

City Secretary

Prepared by: 
Joseph R. Crawford
Assistant City Attorney

11/04/2020

JRC/nj

Requested by: Carol Ellinger Haddock, P.E.
Director
Houston Public Works

LD No. 0632000526001
Resolution TWDB FIF Taylor's Gully

AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		PECK
✓		DAVIS
✓		KAMIN
✓		EVANS-SHABAZZ
✓		MARTIN
✓		THOMAS
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		POLLARD
✓		MARTHA CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		PLUMMER
✓		ALCORN
CAPTION	ADOPTED	

CAPTION PUBLISHED IN DAILY COURT
REVIEW
DATE: **NOV 10 2020**

Exhibit "A" – Application



Planning, Acquisition, Design, Construction, Rehabilitation

Category 2

Due October 19, 2020 at 5:00 p.m. CST

Email to FIF@twdb.texas.gov Include the Applicant's Name, Abridged Application Number, and Category in the subject line.

Submittal Instructions: Please email one indexed, electronic copy to FIF@twdb.texas.gov using MS Word, Shapefile, Excel, and/or Adobe Acrobat. All Adobe Acrobat PDFs **must be searchable**. Include the Applicant's Name, Abridged Application Number, and Category in the subject line of the email. For applications in excess of 150 MB, please contact FIF@twdb.texas.gov for submission instructions.

For more information, please email FIF@twdb.texas.gov. Include the Applicant's Name, Abridged Application Number, and Category in the subject line of the email.

Example email subject line: Applicant Name, Abridged Application 12345, Category 2

Thank you.

Project information submitted in this application must be consistent with the project's submitted abridged application; any information that is inconsistent with the project's ranking in the prioritization list as approved by the board could result in the project losing prioritization points to the extent that the project may fall below the board-approved funding line. By submitting this 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 Application by the stated deadline, or to respond in a timely manner to additional requests for information, may result in the withdrawal of the Application without review.

GENERAL INFORMATION

Entity Name
City of Houston
Entity Type
Municipality
A citation of the law under which the political subdivision operates and was created
Article IX, Section 5 of the Texas Constitution: home-rule authority. Chapter 9 of the Texas Local Government Code : Adoption of Charter City of Houston Municipal Code of Ordinances: home-rule municipality with adopted charter.
Physical Address
901 Bagby Street, Houston, Texas 77002
Mailing Address
P.O.Box 1562, Houston, Texas, 77251-1562

Primary Contact Please list the primary project contact for day to day project implementation	Name	Maureen Crocker
	Title	Assistant Director, Houston Public Works
	Phone	832-395-3222
	Email	Maureen.crocker@houstontx.gov

Grant Coordinator Internal <input type="checkbox"/> External <input type="checkbox"/>	Name	NA
	Title	
	Phone	
	Email	

Other Contact (Financial Advisor, Legal/Bond Counsel, Project Engineer, etc.) _____	Name	Masterson Advisors LLC, Trey Cash
	Title	Managing Director
	Phone	713 814 0565
	Email	trey.cash@mastersonadvisors.com

Other Contact (Financial Advisor, Legal/Bond Counsel, Project Engineer, etc.) _____	Name	
	Title	
	Phone	
	Email	

Other Contact (Financial Advisor, Legal/Bond Counsel, Project Engineer, etc.) _____	Name	
	Title	
	Phone	
	Email	

GENERAL PROJECT INFORMATION

Abridged Application Number(s)	13791
Project Name	Taylor Gully Flood Damage Reduction

Project Location (Latitude/Longitude)		30.084060, -95.200372	
Counties in Project's Area List counties where the project is located or providing service		Harris County	
Category Invited For			
<input type="checkbox"/> Category 1 Flood Protection Planning for Watersheds	<input checked="" type="checkbox"/> Category 2 Planning, Acquisition, and Design, Construction / Rehabilitation (All combinations)	<input type="checkbox"/> Category 3 Federal Award Matching Funds	<input type="checkbox"/> Category 4 Measures immediately effective in protecting life and property

STATEMENT OF FUNDING

Please indicate the funding sources anticipated to sufficiently fund the project. Insert the dollar amounts applicable to the sources identified below. Entities may either use its own available funds or borrow FIF funds at 0% for any portion of the required local share not provided through the FIF grant funds. Other funding sources indicated below must be committed/awarded or under consideration by the funding agency. If federal funding is a source, please indicate the specific source and federal disaster number in the box below. While you may propose to use in-kind services on this form, any proposal must receive TWDB's approval.

Sources of Funding	Amount (\$)	Percent of Total Project Cost
a. Federal Funding Disaster Number: NA	\$0	0
b. Local Contribution (All cash/loan/bond proceeds/non-federal grant sources excluding FIF)	0	0%
c. In-Kind Contribution (estimated value)	\$0	0%
d. TWDB FIF Grant	\$0	0%
e. TWDB FIF Loan Applicants with a loan component MUST FILL OUT the loan component questions below	\$15,000,000	100%
TOTAL PROJECT COST (equals a+b+c+d+e)	\$15,000,000	100%
Attach a budget and explanation of funds if needed	<input checked="" type="checkbox"/> Attached <input type="checkbox"/> NA	

DESCRIPTION OF PROPOSED PROJECT – LIMIT PROJECT NEED AND DESCRIPTION TO ONE PAGE

Project Need: Description of Project Need (for example, is the project needed to address a chronic flooding issue, avoid potential stormwater damage, expand capacity, etc.):

The Lake Houston area, particularly Kingwood, has been significantly impacted by flooding and drainage-related challenges. Hurricane Harvey flooded more than 16,000 homes in the area and shed light on the condition of drainage channels and storm sewers, decreased capacity of Lake Houston and the San Jacinto River as a result of silt and sediment deposits, and emphasized the need for a coordinated approach to flood risk reduction in Kingwood. More recently, the Taylor Gully Watershed was impacted in May 2019 and Tropical Storm Imelda in September 2019 as well. In Harvey over 246 homes were flooding, while 450 structures flooded during Imelda. The community needs additional investment in order to alleviate the long-lasting consequences of flooding and build climate resilience. The City of Houston, Harris County, and Harris County Flood Control District have taken steps towards mitigating flood risk in the Kingwood and the specific area, including a watershed analysis “Kingwood Drainage Study – Conceptual Watershed Plan”. The Taylor Gully watershed, a 2.5 mile studied stream in the 100-year floodplain has a 10-year level of service (LOS) and has also undergone development with limited flood mitigation or detention. The channel, does not have a 100-year LOS and has a potential of 387 flooded structures during the 100-year, 24-hour rainfall storm event. The current channel does not have the capacity to convey a 100-year storm event, causing repetitive flooding for the community. The proposed project, described below, will provide flood relief to the Taylor Gully watershed and Kingwood residents by conduction channel improvements, aimed to directly and indirectly benefits over 4000 structures.

Project Description: Description of Project, including a bulleted list of project elements/components, and alternatives considered (including existing facilities):

Taylor Gully is a 2.5 mile channel that extends from Montgomery County and drains southeastward toward White Oak Creek, Caney Creek, and ultimately, East Fork of the San Jacinto River. The proposed project, along Taylor Gully G103-80-03, consists of channel improvements that will upgrade the conveyance capacity of the channel to provide a 100-year LOS. The improvements include channel widening, deepening and lining. Several alternatives have been considered. These include:

1. Detention
2. Bypass flow channels to either Mill Branch Creek or Mills Branch Road
3. Channel improvements

While providing upstream detention is an option evaluated in the Kingwood Drainage Study, detention would require right of water and significant excavation, driving project costs and duration. The recommended alternative for the Taylor’s Gully watershed includes improvements the channel which will benefit over 400 structures. This alternative would minimize impacts, take advantage of existing right of way, minimize costs, facilitate construction, and provide the highest benefit to the residents. The project would construct a concrete rectangular channel in the center of the existing channel, while maintaining the 3:1 grass lined side slopes which are in good condition. The recommendation aims to minimize channel slope impacts and maintain existing channel banks, with proposed improvements. The project will allow to capture increased sheet flow from Montgomery County, at the upstream end of Taylor Gully, which primarily floods due to riverine conditions. The design of the concrete low flow channel includes a 20-ft wide by 4-ft tall section which would provide the best results based on the analysis conducted by HCFCD in the Kingwood Drainage Study. Inclusion of potential additional green or natural-based infrastructure elements will be considered and evaluated as part of the design in order to maximize flood reduction while providing co-benefits to the community. This not only includes preserving channel banks, while incorporating additional features.

The project consists of two phases: (1) Design and Permitting and (2) Construction. The Design and Permitting phase would be completed within 12 months, while the estimated Period of Performance for the Construction Phase would be 24 months. The project is expected to be completed within 3 years. The first phase includes: update models, completion of drawings and specifications, environmental and regulatory permitting activities and analysis, and necessary stakeholder engagement.. This includes The Construction Phase will consist of advertisement for bid for the project, award of construction contract, construction of project elements, construction management and inspection, preparation of system operations and maintenance manuals.

The total project is estimated at \$15 Million, including an estimate of \$1.2 M for the first phase and \$13.8 for the second phase.

The project will benefit of 400 structures, 387 directly benefitted from 100-year stream inundations. An additional 62 structures would be indirectly benefitted. Exhibit 10 of the Kingwood Drainage Analysis depicts the total project benefit. A previously conducted benefit costs analysis indicates that a detention basin could provide significant reduction of up to 456 homes, a total benefit of \$23.7 Million in avoided losses. It is assumed that the channel improvements will benefit a similar amount of homes. When compared to the costs of the \$15 M channel improvements, only for the homes directly benefitted, a preliminary benefit cost ratio of 1.58 is obtained (greater than the detention basin).

FLOOD INFRASTRUCTURE FUND QUESTIONS

Category 2: Planning, Acquisition, and Design, Construction / Rehabilitation (All Combinations)

General Project Information

1. Attach a map showing project location and delineation of project watershed, conforming to 31 TAC §363.408(b)(4).
2. U.S. Geological Survey Map. Attach a geological survey map at the appropriate scale to show the project area and all major project components. Please clearly label project components.
 Attached NA
3. For construction-oriented projects, is the Benefit-Cost Ratio (BCR) of the proposed project >1.0, in accordance with the 2020 Flood Intended Use Plan?
 - A. Yes. Please briefly describe the methodology used: See Appendix 3: TWDB FIF 13791 Taylor Gully BCA Explanation 3a and TWDB FIF 13791 Taylor Gully LIA Report 2019 3b
 - B. No. Please attach an explanation.
4. If the project is a flood control project and project watershed is partially located outside the boundaries of the political subdivision applying for funding, has the applicant submitted an executed Memorandum of Understanding (MOU) relating to the management of the project watershed? Must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed.
 - a. Yes, Attach Documentation (Template: TWDB-0170) No MOU required per TWDB information. Project is within COH boundaries.
 - b. No
5. Has the applicant acted cooperatively with other eligible political subdivisions to address flood control needs in the area?
 - a. Yes, Attach Documentation (Flood Application Affidavit TWDB-0172 or TWDB-0173) Yes, applicant is cooperating and collaborating with other agencies to address flood control needs in the area. The details of this work are evidenced by the ongoing efforts in the region. Specific details related to this project are being determined.
 - b. No
6. Have all of the eligible political subdivisions that would be substantially affected by the proposed flood project participated in the project development process? Providing adequate notice and ample opportunity to any such eligible political subdivision that elects not to participate further would fulfill this requirement, provided evidence of notification is included in the application.
 - a. Yes, Attach Documentation (Flood Application Affidavit TWDB-0172, TWDB-0173, or evidence of adequate notification) Yes, applicant is cooperating and collaborating with other agencies to address flood control needs in the area. The details of this work are evidenced by the ongoing efforts in the region. Specific details related to this project are being determined.
 - b. No
7. Have these political subdivisions held public meetings (separately or cooperatively) to accept comments on the proposed flood project from interested parties?
 - a. Yes, Attach Documentation (Flood Application Affidavit TWDB-0172 or TWDB-0173) Yes, applicant is cooperating and collaborating with other agencies to address flood control needs in the area.

The details of this work are evidenced by the ongoing efforts in the region
<https://www.hcfcd.org/Find-Your-Watershed/San-Jacinto-River/F-14-General-Drainage-Improvements-Near-Kingwood>
Specific details related to this project are being determined.

b. No

8. Have the appropriate authorities for the area to be served by the project adopted and continue to enforce floodplain ordinances or management standards equivalent to the National Flood Insurance Program (NFIP) standards (TWDB NFIP Portal)?

- a. Yes, meet minimum requirement, Attach Supporting Documentation
- b. Yes, a member in good standing of the NFIP, Attach Supporting Documentation
- c. No, please attach explanation

Communities that do not participate in the NFIP may not be eligible to receive federal funding

9. In the "Special Flood Hazard Area" to be served by the project, as defined by the current Flood Insurance Rate Map (FIRM) or best available data, provide the following information:

- a. The estimated population; 11,397
- b. Number of bridges and low water crossings; 0
- c. Number of residential structures; 456
- d. Number of other structures and type (eg. commercial, industrial, etc.); and Agricultural or other assets. 0

10. Is the proposed solution structural, non-structural, or both? Check all that apply:

Structural Non-Structural

11. If a flood control project, has the applicant conducted an analysis of whether the proposed flood project could use floodwater capture techniques for water supply purposes, including floodwater harvesting, detention or retention basins, or other methods of capturing storm flow or unappropriated flood flow?

- Yes, conducted analysis and project could use floodwater capture techniques
- Yes, conducted analysis and project could not use floodwater capture techniques
- NA, please explain

The proposed project evaluated 4 different options to provide flood relief to the Taylor Gully Watershed. A detention pond was analyzed; however, the feasibility of the project was determined to be limited as a result of right-of-way acquisition and total costs. Channel improvements will minimize flood risk, while also reducing additional impacts as the project would remain within existing right-of-way and limit disturbance.

12. Does the funding request include redundant funding for activities already performed and/or funded (or has funding been applied for) through another source?

- a. Yes, please explain
- b. No

13. Attach a Project Schedule that includes:

- a. Estimated date to submit environmental planning documents.
- b. Estimated date of Environmental Determination issued by TWDB staff.
- c. Estimated date to submit engineering planning documents.
- d. Estimated date for completion of design.
- e. Estimated Construction start date for first contract.
- f. Estimated Construction end date for last contract.

Attached NA, please explain

14. Applicants Consultants. Please attach copies of all draft and/or executed contracts for consultant services to be used by the applicant. If there are any significant scope components that the applicant will be handling in-house, please attach a brief description of those services. Contract scope not yet available, template provided.

Legal Information

15. Legal Documents:

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

Attached Scheduled for City Council Agenda 10/28/2020 and will be provided upon City Council approval.

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

Attached

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

Attached

16. 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: The City of Houston works with Harris County Flood Control District have coordinated efforts in Kingwood. Current efforts are being coordinated and Affidavit of No Objection is pending.

17. 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) Consent Decree

No

18. Ownership Interests of the Project. Attach a breakdown of ownership interests, an allocation of project costs, and an explanation of the allocation of liability. Applicant is cooperating and collaborating with other agencies to address flood control needs in the area. The details of this work are evidenced by the ongoing efforts in the region. Specific details related to this project are being determined, therefore specific breakdown of ownership, liabilities and maintenance agreements are pending.

19. Stormwater Management Agreements. Is the project intended to allow the applicant to discharge or receive stormwater to or from another entity? If yes, the applicant must attach, at a minimum, the proposed draft agreement, contract, or other documentation establishing the stormwater management relationship, with the final and binding agreements provided prior to loan closing.

Yes (Attached)

No

Engineering/Environmental Information

20. Engineering Feasibility Report.

- a. If the project includes funding for planning, acquisition, or design, please attach a complete Preliminary Engineering Feasibility Report (PEFR). A PEFR must address the items listed in the respective PEFR program guidance, including but not limited to:

A description and purpose of the project, including existing facilities.

FIF projects must address issues scored in the Intended Use Plan submittal.

A description of alternatives the applicant has considered (or to be considered during detailed planning) and reasons for the selection of the project proposed.

Attached

- b. If the project is for Construction only, then attach the appropriate Engineering Feasibility Report:

Stormwater: TWDB-0554

21. Total Population Affected by the Project. Provide the total population to be impacted by the proposed project: 11,397

22. Project Cost Estimate. Attach the most current itemized project cost estimate, utilizing the TWDB Budget Form TWDB-1201. Include all costs and funding sources. If applying for pre-construction costs only (i.e., Planning, Acquisition, Design) then itemize only the relevant portions in the attached budget template.

Attached

23. Water Supply Benefit. If the project includes a water supply benefit, please indicate the following information regarding new supply, new reuse supply, new conservation savings, or increased infiltration capacity or rate.

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

24. Stormwater Permit for Municipal Separate Storm Sewer Systems (MS4s). Does your project alter the discharge from a MS4?

Yes No N/A

If yes, please attach evidence that an application for a new stormwater 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:

The proposed channel improvements will not alter discharge, rather will increase conveyance capacity of the channel receiving discharge from municipal storm sewer systems.

25. Property Water Rights & Permits. If the 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. N/A – No to (a), (b), and (c) above

- b. 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)

c. 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:

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

26. **Water Well Permits.** If the project will result in drilling a new well for aquifer storage or recharge, the applicant must demonstrate that it has acquired all necessary permits.

- a. N/A
- b. Applicant has already acquired all necessary permits. Permitting entity and ID No: _____
- c. If all permits needed for this project have not yet been acquired, identify the permits that will need to be acquired and provide the anticipated date by which the applicant expects to have acquired such permits:

Type of Water Permit	Entity from Which the Permit Must Be Acquired	Acquired by Lease or Full Ownership	Expected Acquisition Date	Permit I.D. No.

27. **Decrease in Stormwater Runoff.** Will the project result in a decrease in the volume of stormwater runoff contributed to a surface water source?

- a. Yes, please explain: _____
- b. No

28. **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).

Engineering Permit	Issuing Entity	Permit Acquired (Y/N)
NA		
NA		
NA		
NA		
NA		

29. **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) Applicant is cooperating and collaborating with other agencies to address flood control needs in the area. The details of this work are evidenced by the ongoing efforts in the region.

Specific details related to this project are being determined, therefore affidavit is Pending.

30. **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. (<http://www.twdb.texas.gov/waterplanning/waterusesurvey/index.asp>.)

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

31. **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

32. **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 10(a)(1)(B) incidental take permit, Clean Water Act Section 404 Individual Permit, or Rivers and Harbors Act Section 10 Permit).

Permit	Issuing Entity	Permit Acquired (Y/N)
NA		
NA		
NA		
NA		
NA		

Comments: These permits are not anticipated as work will remain within existing channel and no additional right of way is intended to be disturbed.

33. **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

34. **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 See Kingwood Drainage Study – Conceptual Watershed Plan – Options Evaluation Page 97-102.
These will be further evaluated during the design phase.

LOAN COMPONENT QUESTIONS – APPLICANTS NOT SEEKING FUNDING IN THE FORM OF A LOAN DO NOT NEED TO ANSWER THE QUESTIONS BELOW

Legal Information

1. **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)
2. **Proposed Debt Issue.** Provide the full legal name of the security for the proposed debt issue(s).
City of Houston, Texas Public Improvement Bonds, Series 2021 (TBC)
3. **Parity of Debt.** Is the applicant proposing to issue Certificates of Obligation or bonds on parity with outstanding obligations?
 Yes No See City of Houston Public Improvement Refunding Bonds Ordinance
 If yes:
 - a. Please describe any reserve requirements and additional debt requirements: See City of Houston Public Improvement Refunding Bonds Ordinance
 - b. Attach the most recent resolution ordinance authorizing the outstanding parity debt.
4. **Rate Covenants.** Describe any existing rate covenants.
 N/A

Financial Information

5. **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
6. **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		N/A	\$	\$	\$

Comments: _____

7. **Authorized Rates/Fees/Charges Schedules.** Please attach a schedule of current water, wastewater, and/or storm/drainage rates or fees (whichever is applicable) and the proposed rates/fees needed to finance the project and ongoing maintenance and operation (include the tentative schedule for the necessary proposed rate/fee increase).
 Attached
8. **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.

N/A

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

N/A

a. WATER

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

N/A - No water service provided by applicant

b. WASTEWATER

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

N/A - No wastewater service provided by applicant

10. **Customer Usage.** List the top TEN customers of the water/wastewater system by annual usage in gallons and percentage total use.

N/A

a. WATER

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

Comments: _____

N/A - No water service provided by applicant

b. WASTEWATER

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

Comments: _____

N/A - No wastewater service provided by applicant

11. **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.

N/A

a. WATER

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

Comments: _____

N/A - No water service provided by applicant

b. WASTEWATER

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

		\$	%
		\$	%
		\$	%
		\$	%

Comments: _____

N/A - No wastewater service provided by applicant

12. 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 - No water service provided by applicant

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

Tax-Exempt Taxable N/A

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

Yes No

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

\$2.50 per \$100 Per Texas Constitution N/A

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

<u>Name</u>	<u>Number of Employees</u>
HEB	>20,000
Houston Methodist	>20,000
Memorial Hermann Health System	>20,000
UT MD Anderson Cancer Center	>20,000
Walmart	>20,000
ExxonMobil	>10,000
HCA	>10,000
Kroger	>10,000
Schlumberger	>10,000
Shell Oil Co	>10,000

Comments (example: any anticipated changes to the tax base, employers etc.): TWDB FIF 13791 GHP Employers Report

17. **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	08/09/2019	Aa3	08/12/2019	AA	06/24/2019
Revenue	NA	NA	NA	NA	NA	NA

Attached – See Attached Official Statement 7.8.2020

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

Attached City of Houston CAFR 2019 Page 232 NA

19. **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 (\$) (in thousands)</u>	<u>Tax Rate</u>	<u>Maintenance & Operating Rate</u>	<u>Interest & Sinking Rate</u>	<u>Tax Levy (\$) (in thousands)</u>	<u>Percentage Current Collections (in thousands)</u>	<u>Percentage Total Collections</u>
2016	\$204,300,968	\$0.60112	\$0.44219	\$0.15893	\$1,215,449	99.2	98.9
2017	\$200,692,709	\$0.58642	\$0.45446	\$0.13196	\$1,293,073	98.7	99.5
2018	\$227,519,681	\$0.58421	\$0.42023	\$0.16398	\$1,312,804	99.6	98.8
2019	\$229,630,283	\$0.58831	\$0.41924	\$0.16907	\$1,336,997	99.2	99.2
2020	\$245,582,919	\$0.56792	\$0.40413	\$0.16379	\$1,372,632	99.2	99.1

N/A

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

Attached City of Houston CAFR 2019 Page 225 No direct tax assessed N/A

21. **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>
Centerpoint Energy	\$2,204,939	0.97%
Chevron Chemical Company	\$1,032,609	0.45%
PKY City West 1-4, POC, San Felipe	\$843,913	0.37%
Memorial City Medical, Mall, Towers	\$815,712	0.36%
One Two Three Allen Center	\$788,054	0.35%
BSREP	\$786,878	0.35%
Shell	\$786,445	0.35%
GWP	\$736,958	0.32%
HG Galleria	\$713,931	0.31%
ConocoPhillips	\$486,147	0.21%

Comments: See City of Houston CAFR 2019 Page 228

No direct tax assessed

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

Yes City of Houston Official Statement 7.8.2020 No

<u>Fiscal Year Ending</u>	<u>Total Collections (in thousands)</u>
2017	\$631,993
2018	\$674,279
2019	\$692,271
2020	\$680,000
2021	\$675,000

23. 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 See City of Houston CAFR 2019

24. Five-Year Comparative System Operating Statement. Please attach:

- a five-year comparative statement including audited prior years, and
- unaudited year-to-date statement of the following: Operating Statement (not condensed), Balance Sheet, Statement of Cash Flows

See City of Houston CAFR 2019

See City of Houston MOFR <https://www.houstontx.gov/budget/mfr/fy21/aug/fr.pdf>

25. 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

26. **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) (NA)
- Authorized but Unissued Debt (Attached) within MOFR Page 14
- Other Debt
- None

27. **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

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

- Yes
- No

If yes, explain:

ATTACHMENT CHECKLIST

- | ✓ | N/A | <u>Attachment Description</u> |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Project Budget and Explanation of Funds |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Map showing project location and delineation of project watershed |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Explanation of BCR < 1.0 |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Memorandum of Understanding (MOU) (Template: TWDB-0170) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | National Flood Insurance Program (NFIP) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Flood Application Affidavit (TWDB-0172 or TWDB-0173) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Evidence of Adequate Notification |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution (TWDB-0201A) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Application Affidavit (TWDB-0201) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Certificate of Secretary (TWDB-0201B) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Environmental Determination |
| <input type="checkbox"/> | <input type="checkbox"/> | Affidavit of No Objection |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Enforcement Actions by TCEQ or EPA |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Stormwater Management Agreements |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Social or Environmental Issues |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Benefit-Cost Ratio required information |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Project Schedule |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Preliminary Engineering Feasibility Report (PEFR) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Engineering Feasibility Report (EFR) - Stormwater (TWDB-0554) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Project Cost Estimate Budget (TWDB-1201) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Stormwater Permit for Municipal Separate Storm Sewer Systems (MS4s) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Property Water Rights & Permits – Surface Water (WRD-208A); Groundwater (WRD-208B) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Site Certificate – Evidence of Land Ownership (ED-101) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Water Use Survey |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Water Loss Audit |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | List of entities receiving the proposed MOU and project description |
| ✓ | N/A | <u>Loan Component Attachment Description</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | The most recent resolution or ordinance authorizing outstanding parity debt |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Rate Schedule |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Bond Ratings |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Overlapping Debt and Tax Rate Table |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Tax Assessed Values by Classification |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Annual Audit & Management Letter |

- Five Year Comparative Operating Statement
- Proforma/Amortization Schedule