

# **DRAFT FEASIBILITY REPORT FEASIBILITY ANALYSIS OF WATER SUPPLY FOR SMALL PUBLIC WATER SYSTEMS**

**SOUTH SILVER CREEK I, II, III  
PWS ID# 0270041, CCN# 11116**

*Prepared for:*

**THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY**



*Prepared by:*

**THE UNIVERSITY OF TEXAS BUREAU OF ECONOMIC  
GEOLOGY**

**AND**

**PARSONS**

*Preparation of this report was financed by the Texas Commission on Environmental  
Quality through the Drinking Water State Revolving Fund Small Systems Assistance Program*

**AUGUST 2010**

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**AUGUST 2010**

## **EXECUTIVE SUMMARY**

### **INTRODUCTION**

The University of Texas Bureau of Economic Geology (BEG) and its subcontractor, Parsons Transportation Group Inc. (Parsons), was contracted by the Texas Commission on Environmental Quality (TCEQ) to conduct a project to assist with identifying and analyzing alternatives for use by Public Water Systems (PWS) to meet and maintain Texas drinking water standards.

The overall goal of this project was to promote compliance using sound engineering and financial methods and data for PWSs with recently recorded sample results exceeding maximum contaminant levels (MCL). The primary objectives of this project were to provide feasibility studies for PWSs and the TCEQ Water Supply Division, which evaluates water supply compliance options, and to suggest a list of compliance alternatives that may be further investigated by the subject PWS for future implementation.

This feasibility report provides an evaluation of water supply alternatives for the South Silver Creek I, II, & III Water System, hereafter identified as South Silver Creek PWS, (PWS ID#0270041, Certificate of Convenience and Necessity (CCN) #11116, located in Burnet County. The South Silver Creek PWS is located at 211 Parkway in Burnet, Texas, approximately 11 miles northwest of Burnet off Farm-to-Market Road 2341 near Lake Buchanan. The South Silver Creek PWS is a community water system serving a population of 252 with 84 active connections. The water source for the South Silver Creek PWS comes from three groundwater wells, Well #2 (G0270041B), Well #3 (G0270041C) and Well #4 (G0270041D), completed to depths of 145 feet, 243 feet, and 243 feet, respectively, in the Hickory Aquifer. The wells are rated at 15 gallons per minute (gpm), 30 gpm, and 30 gpm, respectively. Well #2 is a back-up well and is not tied into the system.

The South Silver Creek PWS recorded gross alpha particle activities (gross alpha) values between 16.9 picocuries per liter (pCi/L) and 77.3 pCi/L from January 2000 and December 2008. Combined radium values ranged between 6.4 pCi/L and 43.4 pCi/L during the same period. These values are above the 15 pCi/L MCL for gross alpha and 5 pCi/L MCL for combined radium (USEPA 2010a; TCEQ 2008). The South Silver Creek PWS has also encountered water quality issues with iron, which exceeded the secondary MCL of 0.3 milligram per liter (mg/L). Therefore, it is likely the South Silver Creek PWS faces potential compliance issues under the standard.

Basic system information for the South Silver Creek PWS is shown in Table ES.1.

**Table ES.1 South Silver Creek PWS  
Basic System Information**

|                               |                                      |
|-------------------------------|--------------------------------------|
| Population served             | 252                                  |
| Connections                   | 84                                   |
| Average daily flow rate       | 0.0137 million gallons per day (mgd) |
| Peak demand flow rate         | 38.1 gallons per minute              |
| Water system peak capacity    | 0.122 mgd                            |
| Typical combined radium range | 6.4 – 43.4 pCi/L                     |
| Typical gross alpha range     | 16.9 – 77.3 pCi/L                    |

### STUDY METHODS

The methods used for this project were based on a pilot project performed in 2004 and 2005 by TCEQ, BEG, and Parsons. Methods for identifying and analyzing compliance options were developed in the pilot project (a decision tree approach).

The process for developing the feasibility study used the following general steps:

1. Gather data from the TCEQ and Texas Water Development Board databases, from TCEQ files, and from information maintained by the PWS;
2. Conduct financial, managerial, and technical (FMT) evaluations of the PWS;
3. Perform a geologic and hydrogeologic assessment of the study area;
4. Develop treatment and non-treatment compliance alternatives which, in general, consist of the following possible options:
  - a. Connecting to neighboring PWSs via new pipeline or by pumping water from a newly installed well or an available surface water supply within the jurisdiction of the neighboring PWS;
  - b. Installing new wells within the vicinity of the PWS into other aquifers with confirmed water quality standards meeting the MCLs;
  - c. Installing a new intake system within the vicinity of the PWS to obtain water from a surface water supply with confirmed water quality standards meeting the MCLs;
  - d. Treating the existing non-compliant water supply by various methods depending on the type of contaminant; and
  - e. Delivering potable water by way of a bottled water program or a treated water dispenser as an interim measure only.

1                   5. Assess each of the potential alternatives with respect to economic and non-  
2                   economic criteria;

3                   6. Prepare a feasibility report and present the results to the PWS.

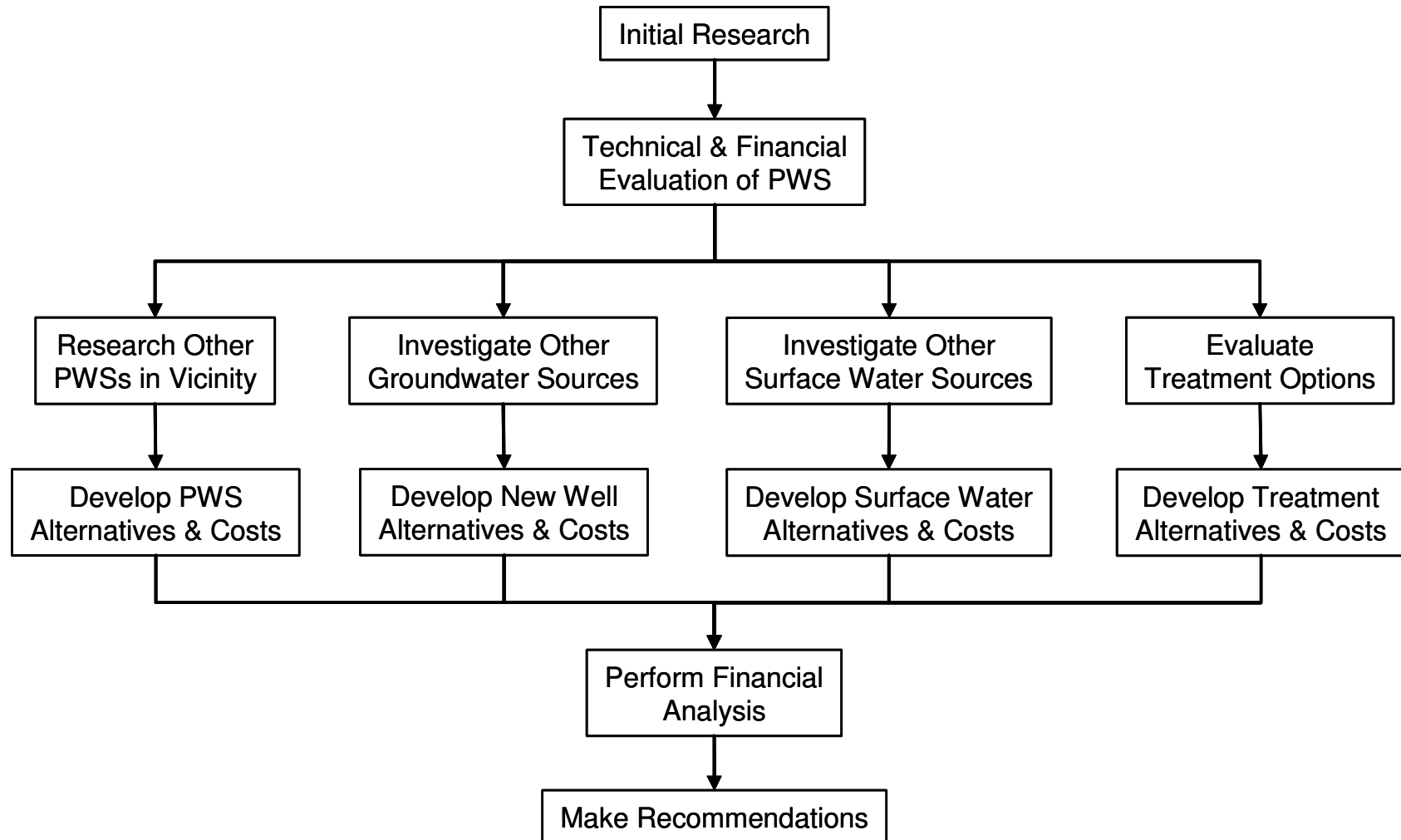
4           This basic approach is summarized in Figure ES-1.

## 5   **HYDROGEOLOGICAL ANALYSIS**

6           The South Silver Creek PWS obtains groundwater from the Hickory aquifer. Gross alpha  
7   particle activity and combined radium are commonly found in area wells at concentrations  
8   greater than the MCL. Four PWSs within 6.2 miles of the South Silver Creek wells have been  
9   shown to contain acceptable concentrations of combined radium and gross alpha particle  
10   activity. Additionally, two wells have been shown to contain acceptable concentrations of gross  
11   alpha; however, both wells have not been sampled since 1989. Before being considered as  
12   possible alternative water sources, these wells would need to be tested for both gross alpha and  
13   combined radium as well as other constituents of concern. It may be possible to do down-hole  
14   testing on the current well to determine the source of the contaminants. If the contaminants  
15   derive primarily from a single part of the formation, that part could be excluded by modifying  
16   the existing well, or avoided altogether by completing a new well.

1

Figure ES-1 Summary of Project Methods



## **COMPLIANCE ALTERNATIVES**

The South Silver Creek I, II and II water system is owned by Jones-Owen Company. The company also owns Council Creek Village water system, and South Council Creek water system. Overall, the system has a good level of FMT capacity. The system had some areas that needed improvement to be able to address future compliance issues; however, the system does have many positive aspects, including knowledgeable and dedicated staff. Areas of concern for the system included lack of compliance with drinking water standards for gross alpha and combined radium, lack of operating budget, and lack of specific water system reserve account.

There are several PWSs within 35 miles of South Silver Creek. Many of these nearby systems also have problems with gross alpha and combined radium, but there are several with good quality water. In general, feasibility alternatives were developed based on obtaining water from the nearest PWSs, either by directly purchasing water, or by expanding the existing well field. Lake Buchanan is the nearest area source of surface water. The Lower Colorado River Authority was investigating a regional alternative in 2007 to use the lake as a source for several nearby PWSs, but the project was cancelled because water availability is very limited over the entire river basin, at the county level, and within the site vicinity. The Cities of Burnet and Granite Shoals were evaluated as potential suppliers of compliant water as were two nearby PWSs with compliant groundwater, Deer Springs Water Company and Buena Vista Water Supply.

A number of centralized treatment alternatives for combined radium and gross alpha removal have been developed and were considered for this report; for example, reverse osmosis and WRT Z-88. Point-of-use (POU) and point-of-entry treatment alternatives were also considered. Temporary solutions such as providing bottled water or providing a centralized dispenser for treated or trucked-in water, were also considered as alternatives.

Developing a new well close to South Silver Creek is likely to be the best solution if compliant groundwater can be found. Having a new well close to South Silver Creek is likely to be one of the lower cost alternatives since the PWS already possesses the technical and managerial expertise needed to implement this option. The cost of new well alternatives quickly increases with pipeline length, making proximity of the alternate source a key concern. A new compliant well or obtaining water from a neighboring compliant PWS has the advantage of providing compliant water to all taps in the system.

Central treatment can be cost-competitive with the alternative of new nearby wells, but would require significant institutional changes to manage and operate. Similar to obtaining an alternate compliant water source, central treatment would provide compliant water to all water taps.

POU treatment can be cost competitive, but does not supply compliant water to all taps. Additionally, significant efforts would be required for maintenance and monitoring of the POU treatment units.

1 Providing compliant water through a central dispenser is significantly less expensive than  
2 providing bottled water to 100 percent of the population, but a significant effort is required for  
3 clients to fill their containers at the central dispenser.

#### 4 **FINANCIAL ANALYSIS**

5 Financial analysis of the South Silver Creek PWS indicated that current water rates appear  
6 to be adequate to fund operations. The current average water bill represents approximately  
7 2.9 percent of the median household income (MHI). Table ES.2 provides a summary of the  
8 financial impact of implementing selected compliance alternatives. The alternatives were  
9 selected to highlight results for the best alternatives from each different type or category.

10 Some of the compliance alternatives offer potential for shared or regional solutions. A  
11 group of PWSs could work together to implement alternatives for developing a new  
12 groundwater source or expanding an existing source, obtaining compliant water from a large  
13 regional provider, or for central treatment. Sharing the cost for implementation of these  
14 alternatives could reduce the cost on a per user basis. Additionally, merging PWSs or  
15 management of several PWSs by a single entity offers the potential for reduction in  
16 administrative costs.



1

**Table ES.2 Selected Financial Analysis Results**

| Alternative                            | Funding Option | Average Annual Water Bill | Percent of MHI |
|--|----------------|---------------------------|----------------|
| Current                                | NA             | \$1112                    | 2.9            |
| To meet current expenses               | NA             | \$1096                    | 2.9            |
| Purchase Water from the City of Burnet | 100% Grant     | \$1332                    | 3.5            |
|  | Loan/Bond      | \$3763                    | 9.9            |
| Central treatment                      | 100% Grant     | \$1757                    | 4.6            |
|  | Loan/Bond      | \$2674                    | 7.1            |
| Point-of-use                           | 100% Grant     | \$1829                    | 4.8            |
|  | Loan/Bond      | \$1888                    | 5.0            |
| Public dispenser                       | 100% Grant     | \$1490                    | 3.9            |
|  | Loan/Bond      | \$1507                    | 4.0            |

2

## TABLE OF CONTENTS

|   |            |
|---|------------|
| <b>LIST OF TABLES.....</b>                                      | <b>iv</b>  |
| <b>LIST OF FIGURES.....</b>                                     | <b>v</b>   |
| <b>ACRONYMS AND ABBREVIATIONS .....</b>                         | <b>vi</b>  |
| <b>SECTION 1 INTRODUCTION .....</b>                             | <b>1-1</b> |
| 1.1 Public Health and Compliance with MCLs .....                | 1-1        |
| 1.2 Method.....   | 1-2        |
| 1.3 Regulatory Perspective .....                                | 1-5        |
| 1.4 Abatement Options .....                                     | 1-5        |
| 1.4.1 Existing Public Water Supply Systems.....                 | 1-5        |
| 1.4.2 Potential for New Groundwater Sources.....                | 1-7        |
| 1.4.3 Potential for Surface Water Sources .....                 | 1-8        |
| 1.4.4 Identification of Treatment Technologies .....            | 1-9        |
| 1.4.5 Description of Treatment Technologies.....                | 1-10       |
| 1.4.6 Point-of-Entry and Point-of-Use Treatment Systems .....   | 1-17       |
| 1.4.7 Water Delivery or Central Drinking Water Dispensers ..... | 1-19       |
| <b>SECTION 2 EVALUATION METHOD.....</b>                         | <b>2-1</b> |
| 2.1 Decision Tree.....  | 2-1        |
| 2.2 Data Sources and Data Collection .....                      | 2-1        |
| 2.2.1 Data Search .....   | 2-1        |
| 2.2.2 PWS Interviews.....                                       | 2-7        |
| 2.3 Alternative Development and Analysis .....                  | 2-10       |
| 2.3.1 Existing PWS .....  | 2-10       |
| 2.3.2 New Groundwater Source .....                              | 2-11       |
| 2.3.3 New Surface Water Source .....                            | 2-11       |
| 2.3.4 Treatment .....   | 2-11       |
| 2.4 Cost of Service and Funding Analysis.....                   | 2-12       |
| 2.4.1 Financial Feasibility .....                               | 2-12       |
| 2.4.2 Median Household Income .....                             | 2-12       |
| 2.4.3 Annual Average Water Bill.....                            | 2-13       |
| 2.4.4 Financial Plan Development .....                          | 2-13       |
| 2.4.5 Financial Plan Results .....                              | 2-14       |

|    |   |            |
|----|---|------------|
| 1  | <b>SECTION 3 UNDERSTANDING SOURCES OF CONTAMINANTS .....</b>                      | <b>3-1</b> |
| 2  | 3.1 Overview of the study area .....  | 3-1        |
| 3  | 3.2 Contaminants of concern in the study area.....                                | 3-2        |
| 4  | 3.2.1 Gross Alpha.....  | 3-2        |
| 5  | 3.2.2 Combined Radium .....   | 3-7        |
| 6  | 3.3 Regional geology .....  | 3-12       |
| 7  | 3.4 Detailed assessment.....  | 3-14       |
| 8  | 3.5 Summary of Alternative Groundwater Sources for the South Silver Creek PWS ... | 3-17       |
| 9  | <b>SECTION 4 ANALYSIS OF THE SOUTH SILVER CREEK PWS .....</b>                     | <b>4-1</b> |
| 10 | 4.1 Description of Existing System .....  | 4-1        |
| 11 | 4.1.1 Existing System.....  | 4-1        |
| 12 | 4.1.2 Capacity Assessment for the South Silver Creek WS.....                      | 4-4        |
| 13 | 4.2 Alternative Water Source Development.....                                     | 4-7        |
| 14 | 4.2.1 Identification of Alternative Existing Public Water Supply Sources.....     | 4-7        |
| 15 | 4.2.2 Potential for New Groundwater Sources.....                                  | 4-12       |
| 16 | 4.2.3 Potential for New Surface Water Sources.....                                | 4-14       |
| 17 | 4.2.4 Options for Detailed Consideration .....                                    | 4-15       |
| 18 | 4.3 Treatment Options .....   | 4-15       |
| 19 | 4.3.1 Centralized Treatment Systems.....  | 4-15       |
| 20 | 4.3.2 Point-of-Use Systems.....   | 4-15       |
| 21 | 4.3.3 Point-of-Entry Systems .....  | 4-16       |
| 22 | 4.4 Bottled Water.....  | 4-16       |
| 23 | 4.5 Alternative Development and Analysis .....                                    | 4-16       |
| 24 | 4.5.1 Alternative SS-1: Purchase Treated Water from the City of Burnet.....       | 4-16       |
| 25 | 4.5.2 Alternative CC-2: Purchase Compliant Water from Deer Springs                |            |
| 26 | Water Company .....   | 4-17       |
| 27 | 4.5.3 Alternative SS-3: Purchase Treated Water from Buena Vista                   |            |
| 28 | Water System .....  | 4-18       |
| 29 | 4.5.4 Alternative SS-4: Purchase Treated Water from the City of                   |            |
| 30 | Granite Shoals .....  | 4-20       |
| 31 | 4.5.5 Alternative SS-5: New Well at 10 miles.....                                 | 4-21       |
| 32 | 4.5.6 Alternative SS-6: New Well at 5 miles.....                                  | 4-21       |
| 33 | 4.5.7 Alternative SS-7: New Well at 1 mile .....                                  | 4-22       |
| 34 | 4.5.8 Alternative SS-8: Central RO Treatment .....                                | 4-23       |
| 35 | 4.5.9 Alternative SS-9: Central WRT Z-88 Treatment.....                           | 4-24       |

|    |                                   |  |            |
|----|-----------------------------------|--|------------|
| 1  | 4.5.10                            | Alternative SS-10: Point-of-Use Treatment.....                       | 4-24       |
| 2  | 4.5.11                            | Alternative SS-11: Point-of-Entry Treatment .....                    | 4-26       |
| 3  | 4.5.12                            | Alternative SS-12: Public Dispenser for Treated Drinking Water.....  | 4-27       |
| 4  | 4.5.13                            | Alternative SS-13: 100 Percent Bottled Water Delivery .....          | 4-27       |
| 5  | 4.5.14                            | Alternative SS-14: Public Dispenser for Trucked Drinking Water ..... | 4-28       |
| 6  | 4.5.15                            | Summary of Alternatives .....  | 4-29       |
| 7  | 4.6                               | Cost of Service and Funding Analysis.....                            | 4-32       |
| 8  | 4.6.1                             | Financial Plan Development .....                                     | 4-32       |
| 9  | 4.6.2                             | Current Financial Condition.....                                     | 4-32       |
| 10 | 4.6.3                             | Financial Plan Results.....  | 4-33       |
| 11 | 4.6.4                             | Evaluation of Potential Funding Options.....                         | 4-34       |
| 12 | <b>SECTION 5 REFERENCES .....</b> |  | <b>5-1</b> |
| 13 | <b>APPENDICES</b>                 |  |            |
| 14 | Appendix A                        | PWS Interview Forms  |            |
| 15 | Appendix B                        | Cost Basis   |            |
| 16 | Appendix C                        | Compliance Alternative Conceptual Cost Estimates                     |            |
| 17 | Appendix D                        | Example Financial Models   |            |
| 18 | Appendix E                        | Radionuclide Chemistry   |            |
| 19 |                                   |  |            |

## LIST OF TABLES

|            |   |      |
|------------|---|------|
| Table ES.1 | South Silver Creek PWS Basic System Information .....   | ES-2 |
| Table ES.2 | Selected Financial Analysis Results .....   | ES-7 |
| Table 3.1  | Summary of Gross Alpha Activity in Groundwater Well Samples by<br>Aquifer Based on the Most Recent Sample Data from the TWDB<br>Database.....           | 3-3  |
| Table 3.2  | Summary of Median Gross Alpha Activity by Groundwater Well Depth<br>and Aquifer Based on the Most Recent Sample Data from the TWDB<br>Database.....     | 3-5  |
| Table 3.3  | Summary of Combined Radium Activity in Groundwater Well Samples<br>by Aquifer based on the Most Recent Sample Data from the TWDB<br>Database.....       | 3-7  |
| Table 3.4  | Summary of Median Combined Radium Activity by Groundwater Well<br>Depth and Aquifer Based on the Most Recent Sample Data from the<br>TWDB Database..... | 3-9  |
| Table 3.5  | Gross Alpha and Combined Radium Concentrations for South Silver<br>Creek PWS (Data from the TCEQ PWS Database). ....                                    | 3-14 |
| Table 3.6  | Most Recent Concentrations of Gross Alpha, Radium Isotopes, and<br>Combined Radium in Potential Alternative Groundwater Sources.....                    | 3-17 |
| Table 4.1  | Selected Public Water Systems within 34 Miles of the South Silver Creek<br>PWS.....   | 4-7  |
| Table 4.2  | Public Water Systems Within the Vicinity of the South Silver Creek<br>PWS Selected for Further Evaluation.....  | 4-10 |
| Table 4.3  | Summary of Compliance Alternatives for South Silver Creek PWS .....   | 4-30 |
| Table 4.4  | Financial Impact on Households for South Silver Creek PWS .....   | 4-39 |

## LIST OF FIGURES

|    |  |      |
|----|--|------|
| 1  |  |      |
| 2  | Figure ES-1 Summary of Project Methods .....                                       | ES-4 |
| 3  | Figure 1.1 South Silver Creek Location Map .....                                   | 1-3  |
| 4  | Figure 1.2 Groundwater Districts, Conservation Areas, Municipal Authorities, and   |      |
| 5  | Planning Groups .....  | 1-4  |
| 6  | Figure 2.1 Decision Tree – Tree 1 Existing Facility Analysis .....                 | 2-2  |
| 7  | Figure 2.2 Decision Tree – Tree 2 Develop Treatment Alternatives .....             | 2-3  |
| 8  | Figure 2.3 Decision Tree – Tree 3 Preliminary Analysis.....                        | 2-4  |
| 9  | Figure 2.4 Decision Tree – Tree 4 Financial and Managerial.....                    | 2-5  |
| 10 | Figure 3.1 Regional Study Area, Aquifers, TWDB Database Well locations, and        |      |
| 11 | -Location of the South Silver Creek PWS.....                                       | 3-1  |
| 12 | Figure 3.2 Spatial Distribution of Groundwater Gross Alpha Particle Activity       |      |
| 13 | in the Study Area by Aquifer.....  | 3-3  |
| 14 | Figure 3.3 Relationship Between Gross Alpha Activity and Well Depth in the         |      |
| 15 | Study Area by Aquifer.....   | 3-6  |
| 16 | Figure 3.4 Spatial Distribution of Combined Radium Activity in the Study Area..... | 3-8  |
| 17 | Figure 3.5 Relationship between Combined Radium Activity and Well Depth            |      |
| 18 | in the Study Area .....  | 3-10 |
| 19 | Figure 3.6 Relationships Between Combined Radium and Radium Isotope Activities     |      |
| 20 | in the Study Area.....   | 3-11 |
| 21 | Figure 3.7 Relationship Between Combined Radium and Gross Alpha Activities         |      |
| 22 | in the Study Area.....   | 3-12 |
| 23 | Figure 3.8 Gross Alpha Activity near South Silver Creek PWS.....                   | 3-15 |
| 24 | Figure 3.9 Combined radium activity near South Silver Creek PWS.....               | 3-16 |
| 25 | Figure 4.1 South Silver Creek.....   | 4-3  |
| 26 | Figure 4.2 Alternative Cost Summary: Falling Water Subdivision PWS.....            | 4-40 |

27

1

## ACRONYMS AND ABBREVIATIONS

|                   |   |
|-------------------|---|
| µg/L              | Micrograms per liter                      |
| °F                | Degrees Fahrenheit                        |
| AFY               | Acre feet per year                        |
| ANSI              | American National Standards Institute     |
| BAT               | Best available technology                 |
| BEG               | Bureau of Economic Geology                |
| bgs               | Below ground surface                      |
| BWA               | Brazosport Water Authority                |
| CA                | Chemical analysis                         |
| CD                | Community Development                     |
| CDBG              | Community Development Block Grants        |
| CCN               | Certificate of Convenience and Necessity  |
| CFR               | Code of Federal Regulations               |
| CO                | Correspondence                            |
| CR                | County Road                               |
| CRMWD             | Colorado River Municipal Water District   |
| DE                | Diatomaceous earth                        |
| DWSRF             | Drinking Water State Revolving Fund       |
| ED                | Electrodialysis                           |
| EDAP              | Economically Distressed Areas Program     |
| EDR               | Electrodialysis reversal                  |
| FMT               | Financial, managerial, and technical      |
| GAM               | Groundwater Availability Model            |
| gpd               | gallons per day                           |
| gpm               | Gallons per minute                        |
| gpy               | Gallons per year                          |
| ISD               | Independent School District               |
| IX                | Ion exchange                              |
| KMnO <sub>4</sub> | Hydrous manganese oxide                   |
| MCL               | Maximum contaminant level                 |
| mgd               | Million gallons per day                   |
| mg/L              | milligram per liter                       |
| MHI               | Median household income                   |
| MnO <sub>2</sub>  | Manganese oxide                           |
| MOR               | Monthly operating report                  |
| MTBE              | methyl tertiary-butyl ether               |
| NMEFC             | New Mexico Environmental Financial Center |

|         |   |
|---------|---|
| NPDWR   | National Primary Drinking Water Regulations   |
| O&M     | Operation and Maintenance                     |
| Parsons | Parsons Transportation Group, Inc.            |
| pCi/L   | picoCuries per liter                          |
| POE     | Point-of-entry                                |
| POU     | Point-of-use                                  |
| PRV     | Pressure-reducing valve                       |
| PVC     | Polyvinyl chloride                            |
| PWS     | Public water system                           |
| RO      | Reverse osmosis                               |
| RR      | Ranch Road                                    |
| RUS     | Rural Utilities Service                       |
| SDWA    | Safe Drinking Water Act                       |
| SH      | State Highway                                 |
| SRF     | State Revolving Fund                          |
| SSCT    | Small System Compliance Technology            |
| TAC     | Texas Administrative Code                     |
| TCEQ    | Texas Commission on Environmental Quality     |
| TDRA    | Texas Department of Rural Affairs             |
| TDS     | Total dissolved solids                        |
| TSS     | Total suspended solids                        |
| TWDB    | Texas Water Development Board                 |
| UGRA    | Upper Guadalupe River Authority               |
| USEPA   | United States Environmental Protection Agency |
| WAM     | Water Availability Model                      |
| WRT     | Water Treatment Technologies, Inc.            |



## SECTION 1 INTRODUCTION

The University of Texas Bureau of Economic Geology (BEG) and its subcontractor, Parsons Transportation Group Inc. (Parsons), were contracted by the Texas Commission on Environmental Quality (TCEQ) to assist with identifying and analyzing compliance alternatives for use by Public Water Systems (PWS) to meet and maintain Texas drinking water standards.

The overall goal of this project is to promote compliance using sound engineering and financial methods and data for PWSs that have recently had sample results that exceed maximum contaminant levels (MCL). The primary objectives of this project are to provide feasibility studies for PWSs and the TCEQ Water Supply Division that evaluate water supply compliance options, and to suggest a list of compliance alternatives that may be further investigated by the subject PWS with regard to future implementation. The feasibility studies identify a range of potential compliance alternatives, and present basic data that can be used for evaluating feasibility. The compliance alternatives addressed include a description of what would be required for implementation, conceptual cost estimates for implementation, and non-cost factors that could be used to differentiate between alternatives. The cost estimates are intended for comparing compliance alternatives, and to give a preliminary indication of potential impacts on water rates resulting from implementation.

It is anticipated the PWS will review the compliance alternatives in this report to determine if there are promising alternatives, and then select the most attractive alternative(s) for more detailed evaluation and possible subsequent implementation. This report contains a decision tree approach that guided the efforts for this project, and also contains steps to guide a PWS through the subsequent evaluation, selection, and implementation of a compliance alternative.

This feasibility report provides an evaluation of water supply compliance options for the South Silver Creek I, II, & III Water System, PWS ID# 0270041, Certificate of Convenience and Necessity (CCN) #11116, located in Burnet County, hereinafter referred to in this document as the “South Silver Creek PWS.” Recent sample results from the South Silver Creek water system exceeded the MCL for gross alpha particle activity (gross alpha) of 15 picoCuries per liter (pCi/L) and combined radium of 5 pCi/L (USEPA 2010a, TCEQ 2008). The location of the South Silver Creek PWS is shown on Figure 1.1. Various water supply and planning jurisdictions are shown on Figure 1.2. These water supply and planning jurisdictions are used in the evaluation of alternate water supplies that may be available in the area.

### 1.1 PUBLIC HEALTH AND COMPLIANCE WITH MCLs

The goal of this project is to promote compliance for PWSs that supply drinking water exceeding regulatory maximum contaminant levels (MCL). This project only addresses those contaminants and does not address any other violations that may exist for a PWS. As mentioned above, the South Silver Creek water system had recent sample results exceeding the MCL for gross alpha and combined radium. In general, contaminant(s) in drinking water above

the MCL(s) can have both short-term (acute) and long-term or lifetime (chronic) effects. Long-term ingestion of drinking water with any of the radionuclides (radium 226, radium 228, and/or gross alpha particle emitters) above the MCL may increase the risk of cancer (USEPA 2010b).

## **1.2 METHOD**

The method for this project follows that of a pilot project performed by TCEQ, BEG, and Parsons. The pilot project evaluated water supply alternatives for PWSs that supplied drinking water with contaminant concentrations above U.S. Environmental Protection Agency (USEPA) and Texas drinking water standards. Three PWSs were evaluated in the pilot project to develop the method (*i.e.*, decision tree approach) for analyzing options for provision of compliant drinking water. This project is performed using the decision tree approach developed for the pilot project, and which was also used for subsequent projects.

Other tasks of the feasibility study are as follows:

- Identifying available data sources;
- Gathering and compiling data;
- Conducting financial, managerial, and technical (FMT) evaluations of the selected PWSs;
- Performing a geologic and hydrogeologic assessment of the area;
- Developing treatment and non-treatment compliance alternatives;
- Assessing potential alternatives with respect to economic and non-economic criteria;
- Preparing a feasibility report; and
- Suggesting refinements to the approach for future studies.

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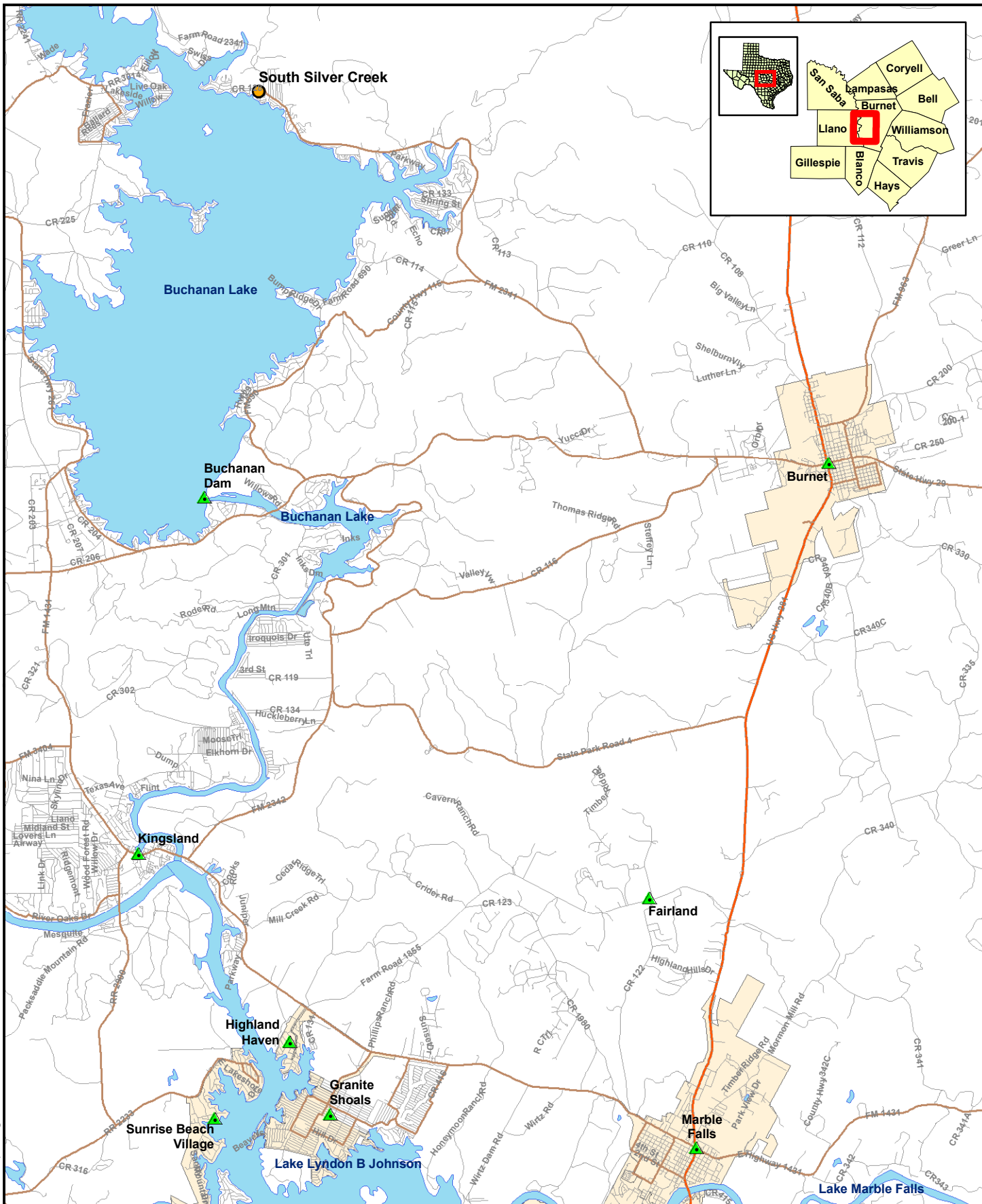
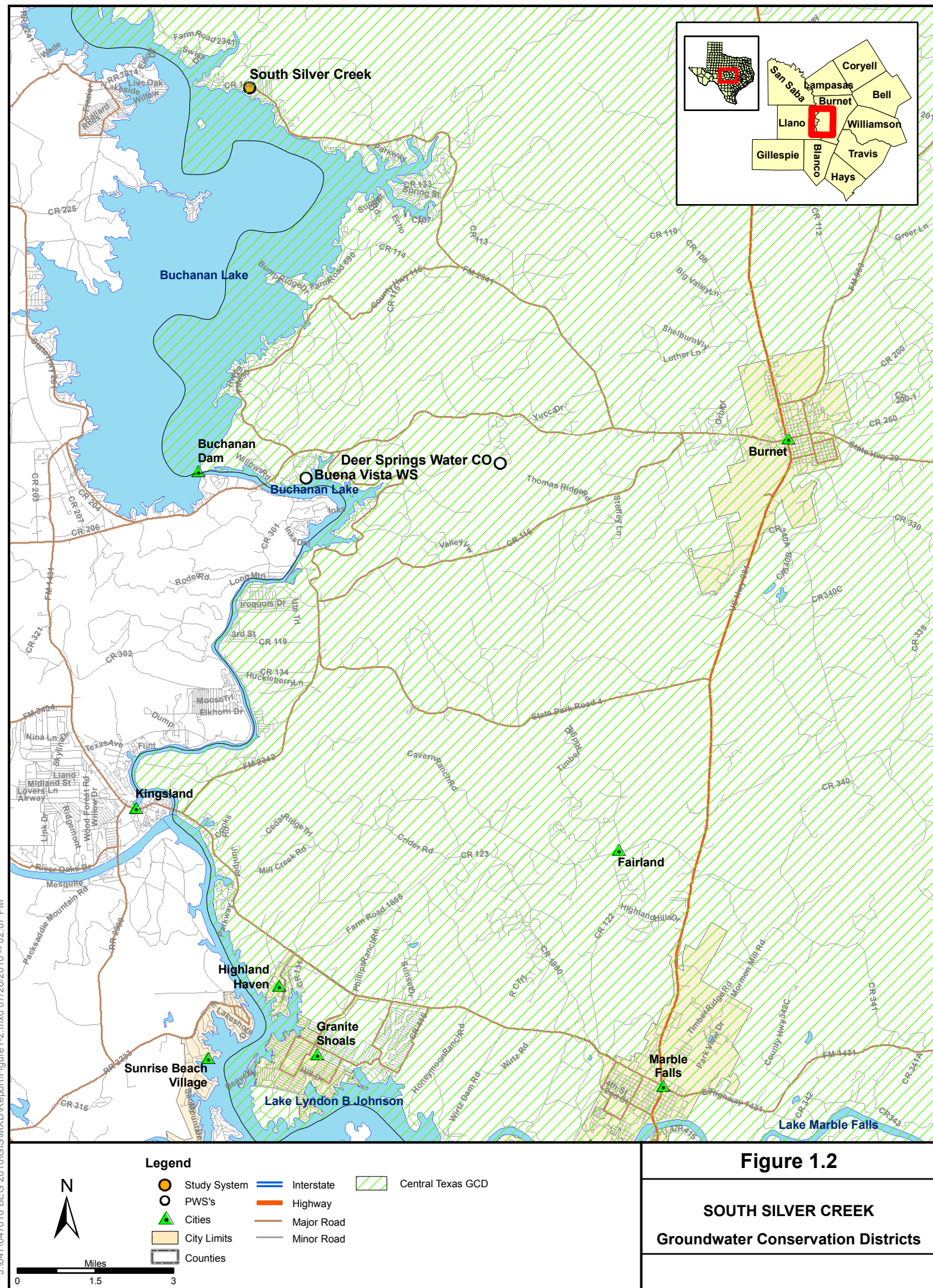


Figure 1.1

**SOUTH SILVER CREEK**  
**Location Map**

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The remainder of Section 1 of this report addresses the regulatory background, and provides a summary of radium abatement options. Section 2 describes the method used to develop and assess compliance alternatives. The groundwater sources of combined radium and gross alpha are addressed in Section 3. Findings for the South Silver Creek PWS, along with compliance alternatives development and evaluation, can be found in Section 4. Section 5 references the sources used in this report.

### **1.3 REGULATORY PERSPECTIVE**

The Utilities & Districts and Public Drinking Water Sections of the TCEQ Water Supply Division are responsible for implementing requirements of the Federal Safe Drinking Water Act (SDWA) which include oversight of PWSs and water utilities. These responsibilities include:

- Monitoring public drinking water quality;
- Processing enforcement referrals for MCL violators;
- Tracking and analyzing compliance options for MCL violators;
- Providing FMT assessment and assistance to PWSs;
- Participating in the Drinking Water State Revolving Fund program to assist PWSs in achieving regulatory compliance; and
- Setting rates for privately owned water utilities.

This project was conducted to assist in achieving these responsibilities.

### **1.4 ABATEMENT OPTIONS**

When a PWS exceeds a regulatory MCL, the PWS must take action to correct the violation. Potential MCL exceedances at the South Silver Creek PWS involve combined radium and gross alpha. The following subsections explore alternatives considered as potential options for obtaining/providing compliant drinking water.

#### **1.4.1 Existing Public Water Supply Systems**

A common approach to achieving compliance is for the PWS to make arrangements with a neighboring PWS for water supply. For this arrangement to work, the PWS from which water is being purchased (supplier PWS) must have water in sufficient quantity and quality, the political will must exist, and it must be economically feasible.

##### **1.4.1.1 Quantity**

For purposes of this report, quantity refers to water volume, flowrate, and pressure. Before approaching a PWS as a potential supplier, the non-compliant PWS should determine its water demand on the basis of average day and maximum day. Peak instantaneous demands can be met through proper sizing of storage facilities. Further, the potential for obtaining the

appropriate quantity of water to blend to achieve compliance should be considered. The concept of blending involves combining water with low levels of contaminants with non-compliant water in sufficient quantity that the resulting blended water is compliant. The exact blend ratio would depend on the quality of the water a potential supplier PWS can provide, and would likely vary over time. If high quality water is purchased, produced or otherwise obtained, blending can reduce the amount of high quality water required. Implementation of blending will require a control system to ensure the blended water is compliant.

If the supplier PWS does not have sufficient quantity, the non-compliant community could pay for the facilities necessary to increase the quantity to the extent necessary to supply the needs of the non-compliant PWS. Potential improvements might include, but are not limited to:

- Additional wells;
- Developing a new surface water supply,
- Additional or larger-diameter piping;
- Increasing water treatment plant capacity
- Additional storage tank volume;
- Reduction of system losses,
- Higher-pressure pumps; or
- Upsized, or additional, disinfection equipment.

In addition to the necessary improvements, a transmission pipeline would need to be constructed to tie the two PWSs together. The pipeline must tie-in at a point in the supplier PWS where all the upstream pipes and appurtenances are of sufficient capacity to handle the new demand. In the non-compliant PWS, the pipeline must tie in at a point where no downstream bottlenecks are present. If blending is the selected method of operation, the tie-in point must be selected to ensure all the water in the system is blended to achieve regulatory compliance.

#### **1.4.1.2 Quality**

If a potential supplier PWS obtains its water from the same aquifer (or same portion of the aquifer) as the non-compliant PWS, the quality of water may not be significantly better. However, water quality can vary significantly due to well location, even within the same aquifer. If localized areas with good water quality cannot be identified, the non-compliant PWS would need to find a potential supplier PWS that obtains its water from a different aquifer or from a surface water source. Additionally, a potential supplier PWS may treat non-compliant raw water to an acceptable level.

Surface water sources may offer a potential higher-quality source. Since there are significant treatment requirements, utilization of surface water for drinking water is typically

most feasible for larger local or regional authorities or other entities that may provide water to several PWSs. Where PWSs that obtain surface water are neighbors, the non-compliant PWS may need to deal with those systems as well as with the water authorities that supply the surface water.

## **1.4.2 Potential for New Groundwater Sources**

### **1.4.2.1 Existing Non-Public Supply Wells**

Often there are wells not associated with PWSs located in the vicinity of the non-compliant PWS. The current use of these wells may be for irrigation, industrial purposes, domestic supply, stock watering, and other purposes. The process for investigating existing wells as a viable alternative source is as follows:

- Existing data sources (see below) will be used to identify wells in the areas that have satisfactory quality. For the South Silver Creek PWS, the following standards could be used to identify compliant groundwater in surrounding systems:
  - Nitrate (measured as nitrogen) concentrations less than 8 milligrams per liter (mg/L) (below the MCL of 10 mg/L);
  - Fluoride concentration less than 2.0 mg/L (below the Secondary MCL of 2 mg/L);
  - Arsenic concentration less than 0.008 mg/L (below the MCL of 0.01 mg/L);
  - Uranium concentration less than 0.024 mg/L (below the MCL of 0.030 mg/L; and
  - Selenium concentration less than 0.04 mg/L (below the MCL of 0.05 mg/L).
- The recorded well information will be reviewed to eliminate those wells that appear to be unsuitable for the application. Often, the “Remarks” column in the Texas Water Development Board (TWDB) hard-copy database provides helpful information. Wells eliminated from consideration generally include domestic and stock wells, dug wells, test holes, observation wells, seeps, and springs, destroyed wells, wells used by other communities, etc.
- Wells of sufficient size are identified. Some may be used for industrial or irrigation purposes. Often the TWDB database will include well yields, which may indicate the likelihood that a particular well is a satisfactory source.
- At this point in the process, the local groundwater control district (if one exists) should be contacted to obtain information about pumping restrictions. Also, preliminary cost estimates should be made to establish the feasibility of pursuing further well development options.
- If particular wells appear to be acceptable, the owner(s) should be contacted to ascertain their willingness to work with the PWS. Once the owner agrees to participate in the program, additional data should be collected to characterize the quality and quantity of the well water. Many owners have more than one well, and

would probably be the best source of information regarding the latest test dates, who tested the water, flow rates, and other well characteristics.

- After collecting as much information as possible from cooperative owners, the non-compliant PWS would then narrow the selection of wells and sample and analyze them for quality. Wells with good quality water would then be potential candidates for test pumping. In some cases, a particular well may need to be refurbished before test pumping. Information obtained from test pumping would then be used in combination with information about the general characteristics of the aquifer to determine whether a well at that location would be suitable as a supply source.
- Where financial resources allow, it is recommended that new wells be installed instead of using existing wells to ensure the well characteristics are known and the well meets current construction standards.
- Permit(s) would then be obtained from the groundwater control district or other regulatory authority, and an agreement with the owner (purchase or lease, access easements, etc.) would then be negotiated.

#### **1.4.2.2 Develop New Wells**

If no existing wells are available for development, the PWS or group of PWSs has an option of developing new wells. Records of existing wells, along with other hydrogeologic information and modern geophysical techniques, should be used to identify potential locations for new wells. In some areas, the TWDB's Groundwater Availability Model (GAM) may be applied to indicate potential sources. Once a general area is identified, landowners and regulatory agencies should be contacted to determine an exact location for a new well or well field. Pump tests and water quality tests would be required to determine if a new well will produce an adequate quantity of good quality water. Permits from the local groundwater control district or other regulatory authority could also be required for a new well.

#### **1.4.3 Potential for Surface Water Sources**

Water rights law dominates the acquisition of water from surface water sources. For a PWS, 100 percent availability of water is required, except where a back-up source is available. For PWSs with an existing water source, although it may be non-compliant because of elevated concentrations of one or more parameters, water rights may not need to be 100 percent available.

##### **1.4.3.1 Existing Surface Water Sources**

"Existing surface water sources" of water refers to municipal water authorities and cities that obtain water from surface water sources. The process of obtaining water from such a source is generally less time consuming and less costly than the process of developing a new source; therefore, it should be a primary course of investigation. An existing source would be limited by its water rights, the safe yield of a reservoir or river, or by its water treatment or water conveyance capability. The source must be able to meet the current demand and honor



contracts with communities it currently supplies. In many cases, the contract amounts reflect projected future water demand based on population or industrial growth.

A non-compliant PWS would look for a source with sufficient spare capacity. Where no such capacity exists, the non-compliant PWS could offer to fund the improvements necessary to obtain the capacity. This approach would work only where the safe yield could be increased (perhaps by enlarging a reservoir) or where treatment capacity could be increased. In some instances water rights, where they are available, could possibly be purchased.

In addition to securing the water supply from an existing source, the non-compliant PWS would need to arrange for transmission of the water to the PWS. In some cases, that could require negotiations with, contracts with, and payments to an intermediate PWS (an intermediate PWS is one where the infrastructure is used to transmit water from a “supplier” PWS to a “supplied” PWS, but does not provide any additional treatment to the supplied water). The non-compliant PWS could be faced with having to fund improvements to the intermediate PWS in addition to constructing its own necessary transmission facilities.

#### 1.4.3.2 New Surface Water Sources

Communication with the TCEQ and relevant planning groups from the beginning is essential in the process of obtaining a new surface water source. Preliminary assessment of the potential for acquiring new rights may be based on surface water availability maps located on the TWDB website. Where water rights appear to be available, the following activities need to occur:

- Discussions with TCEQ to indicate the likelihood of obtaining those rights. The TCEQ may use the Water Availability Model (WAM) to assist in the determination.
- Discussions with landowners to indicate potential treatment plant locations.
- Coordination with U.S. Army Corps of Engineers and local river authorities.
- Preliminary engineering design to determine the feasibility, costs, and environmental issues of a new treatment plant.

Should these discussions indicate that the best option is a new surface water source, the community would proceed with more intensive planning (initially obtaining funding), permitting, land acquisition, and detailed designs.

#### 1.4.4 Identification of Treatment Technologies

Various treatment technologies were also investigated as compliance alternatives for reduction of radium and gross alpha radioactivity to regulatory levels (*i.e.*, MCLs). The reduction of gross alpha activity typically is achieved by reducing radium, which appears to be responsible for a major part of the gross alpha activity of the groundwater. Radium-226 and Radium-228 are cations ( $Ra^{2+}$ ) dissolved in water and are not removed by particle filtration. A

2002 USEPA document (*Radionuclides in Drinking Water: A Small Entity Compliance Guide, EPA 815-R-02-001*) lists a number of small system compliance technologies that can remove radium (combined radium-226 and radium-228) from water. These technologies include ion exchange, reverse osmosis (RO), electrodialysis/electrodialysis reversal (ED/EDR), lime softening, greensand filtration, re-formed hydrous manganese oxide filtration (KMnO<sub>4</sub>-filtration), and co-precipitation with barium sulfate. A relatively new process using the Water Remediation Technologies, Inc. (WRT) Z-88 media that is specific for radium adsorption has been demonstrated to be an effective radium removal technology. Lime softening and co-precipitation with barium sulfate are technologies that are relatively complex and require chemistry skills that are not practical for small systems with limited resources and hence they are not evaluated further.

#### 1.4.5 Description of Treatment Technologies

The application of radium removal treatment technologies include ion exchange (IX), WRT-Z-88 media adsorption, RO, ED/EDR, and KMnO<sub>4</sub>-greensand filtration. A description of these technologies follows.

##### 1.4.5.1 Ion Exchange

Process – In solution, salts separate into positively charged cations and negatively charged anions. Ion exchange is a reversible chemical process in which ions from an insoluble, permanent, solid resin bed are exchanged for ions in the water. The process is based on the preferential adsorption of specific ions on the ion exchange resin. Operation begins with a fully charged cation or anion bed, having enough positively or negatively charged ions to carry out the cation or anion exchange. Usually a polymeric resin bed is composed of millions of spherical beads about the size of medium sand grains. As water passes the resin bed, the charged ions are released into the water, being substituted or replaced with the contaminants in the water (IX). When the resin becomes saturated with the contaminant ions, the bed must be regenerated by passing or pumping a concentrated sodium chloride solution over the resin, displacing the contaminant ions with sodium ions for cation exchange resins and chloride ions for anion exchange resins. Many different types of resins can be used depending on the specific contaminant to be removed.

The IX treatment train for groundwater typically consists of an ion exchange system containing cation or anion resin, chlorine disinfection, and clear well storage. The ion exchange system has provisions for regeneration with salt (sodium chloride) and generates approximately 2 to 4 percent of waste or “spent” regeneration solutions. Treatment trains for surface water may also include raw water pumps, debris screens, and filters for pre-treatment. Additional treatment or management of the spent regeneration salt solutions and the removed solids will be necessary prior to disposal, especially for radium removal resins that have elevated radioactivity.

For radium removal, a strong acid cation exchange resin in the sodium form can remove 95-99 percent of the radium. The strong acid resin has less capacity for radium on water with

high hardness and it has the following adsorption preference:  $Ra^{2+} > Ba^{2+} > Ca^{2+} > Mg^{2+} > Na^{+}$ . Because of the selectivity radium and barium are much more difficult to remove from the resin during regeneration than calcium and magnesium. Economical regeneration removes most of the hardness ions, but radium and barium buildup on the resin after repeated cycles to the point where equilibrium is reached and then radium and barium will begin to breakthrough shortly after hardness. Regeneration of the sodium form strong acid resin for water with 200 mg/L of hardness with application of 6.5 lb NaCl/ft<sup>3</sup> resin would produce 2.4 bed volumes (BV) of 16,400 mg/L TDS brine per 100 BV of product water. This results in waste liquids equaling about 2.4% of the volume of water treated. The radium concentration in the regeneration waste would be approximately 40 times the influent radium concentration in groundwater.

The strong acid cation exchange process produces a pleasing water supply that reduces scaling in pipes. However, it increases an average daily sodium intake by 200 to 400 mg compared to an estimated average daily intake of 2,000 to 7,000 mg. Increased sodium levels from all sodium chloride regenerated ion exchange process are a concern to some people, particularly those on low salt diets, but in most cases the increase will amount to no more than approximately 10% of the average dietary intake of sodium.

Pretreatment – Pretreatment guidelines are available on accepted limits for pH, organics, turbidity, and other raw water characteristics. Pretreatment may be required to reduce excessive amounts of total suspended solids (TSS), iron, and manganese, which could plug the resin bed, and typically includes media or carbon filtration.

Maintenance – The IX resin requires regular on-site regeneration, the frequency of which depends on raw water characteristics (especially hardness), the contaminant concentration, and the size and number of IX vessels. Many systems have undersized the IX vessels only to realize higher than necessary operating costs. Preparation of the sodium chloride solution is required. If used, filter replacement and backwashing will be required.

Waste Disposal – Approval from local authorities is usually required for disposal of concentrate from the regeneration cycle (highly concentrated salt solution with radioactivity); occasional solids waste (in the form of broken resin beads) backwashed during regeneration; and if used, spent filters and backwash wastewater.

### **Advantages**

- Well established process for radium removal.
- Fully automated and highly reliable process.
- Suitable for small and large installations.
- Operates on demand
- Relatively insensitive to source water pH.

### **Disadvantages**

- Requires salt storage; regular regeneration.

- Generates a brine liquid waste requiring disposal.
- Liquid spent regenerate brine can contain high levels of radium.
- Resins are sensitive to the presence of competing ions such as calcium and magnesium, which reduce the effectiveness for radium removal.

In considering application of IX for inorganic, it is important to understand what the effect of competing ions will be, and to what extent the brine can be recycled. Conventional IX cationic resin removes calcium and magnesium in addition to radium and thus the capacity for radium removal and frequency of regeneration depend on the hardness of the water to be treated. Spent regenerant is produced during IX bed regeneration, and it may have concentrations of the sorbed contaminants that would be expensive to treat and/or dispose because of hazardous waste regulations.

#### 1.4.5.2 WRT Z-88 Media

Process – The WRT Z-88 radium treatment process is a proprietary process using a radium specific adsorption resin or zeolite supplied by WRT. The Z-88 process is similar to IX except that the radium ions are irreversibly adsorbed or attached to the Z-88 resin and no regeneration is conducted. The resin is disposed upon exhaustion. The Z-88 does not remove calcium and magnesium and thus it can last for a long time relative to conventional IX (two to three years according to WRT) before replacement is necessary. The process is operated in an upflow, fluidized mode with a surface loading rate of 10.5 gallons per minute per square foot. Pilot testing of this technology has been conducted successfully for radium removal in many locations including in the State of Texas. Seven full-scale systems with capacities of 750 to 1,200 gallons per minute (gpm) have been constructed in the Village of Oswego, Illinois since July 2005. The treatment equipment is owned by WRT and the ownership of spent media would be transferred to an approved disposal site. The customer pays WRT based on an agreed upon treated water unit cost (e.g., \$1.00-6.70/kgal, depending on water characteristics, flow capacity and annual production for the water systems).

Dow Chemical Company produces a radium selective complexer resin (DOWEX RSC) that has similar characteristics.

Pretreatment – Pretreatment may be required to reduce excess amounts of TSS, iron, and manganese that could plug the resin bed. Pretreatment typically includes media or carbon filtration. No chemical addition is required for radium removal.

Maintenance – Maintenance is relatively low for this technology as no regeneration or chemical handling is required. Periodical water quality monitoring and inspection of mechanical equipment are required.

Waste Disposal – The Z-88 media would be disposed of in an approved low level radioactive waste landfill by WRT once every 2-3 years. No liquid waste is generated for this process. However, if pretreatment filters are used then spent filters and backwash wastewater

disposal is required. Generally since WRT owns the equipment and adsorption media, communities are not responsible for disposal of the spent media.

### Advantages

- Simple and fully automated process.
- No liquid waste disposal.
- No chemical handling, storage, or feed systems.
- No change in water quality except radium reduction.
- Low capital cost as WRT owns the equipment.

### Disadvantages

- Relatively new technology.
- Proprietary technology without much direct competition.
- Long term contract with WRT required.

From a small utilities point of view the Z-88 process is a desirable technology for radium removal as an operation and maintenance (O&M) effort is minimal and no regular liquid waste is generated. However, this technology has been in use for only 3 to 5 years and has limited long-term full-scale operating experience. But since the equipment is owned by WRT and the performance is guaranteed by WRT the financial risk to a community can be minimized.

### 1.4.5.3 Reverse Osmosis

Process – RO is a pressure-driven membrane separation process capable of removing dissolved solutes from water by means of ion size and electrical charge. The raw water is typically called feed; the product water is called permeate, and the concentrated reject is called concentrate. Common RO membrane materials include asymmetric cellulose acetate and polyamide thin film composite. Common RO membrane configurations include spiral wound and hollow fine fiber but most RO systems to date are of the spiral wound type. A typical RO installation includes a high pressure feed pump with chemical feed, parallel first and second stage membrane elements in pressure vessels, and valving and piping for feed, permeate, and concentrate streams. Factors influencing membrane selection are cost, recovery, rejection, raw water characteristics, and pretreatment. Factors influencing performance are raw water characteristics, pressure, temperature, and regular monitoring and maintenance. RO is capable of achieving over 95 percent removal of radium. The treatment process is relatively insensitive to pH. Water recovery is 60-80 percent, depending on the raw water characteristics. This means that for every 100 gallons of water entering the system, 60 to 80 gallons of product water and 20 to 40 gallons of “concentrate” or waste are produced. Disposal of the concentrate can have a significant cost depending on options available.

The RO process is not selective for radium and gross alpha removal. A majority of salts and dissolved materials in the water are removed. This is an advantage if the water has high concentrations of total dissolved solids (TDS).

Pretreatment – RO requires careful review of raw water characteristics and pretreatment needs to prevent membranes from fouling, scaling or other membrane degradation. Removal or sequestering of suspended and colloidal solids is necessary to prevent fouling, and removal of sparingly soluble constituents such as calcium, magnesium, silica, sulfate, barium, *etc.* may be required to prevent scaling. Iron and manganese must be removed prior to RO. Pretreatment can include media filters, ion exchange softening, acid and antiscalant feed, activated carbon or bisulfite feed to dechlorinate, and cartridge filters to remove any remaining suspended solids to protect membranes from upsets.

Maintenance – Monitoring rejection percentage is required to ensure contaminant removal below MCL. Regular monitoring of membrane performance is necessary to determine fouling, scaling, or other membrane degradation. Acidic or caustic solutions are regularly flushed through the system at high volume/low pressure with a cleaning agent to remove foulants and scalants. Frequency of membrane replacement is dependent on raw water characteristics, pretreatment, and maintenance.

Waste Disposal – Pretreatment waste streams, concentrate flows, spent filters and membrane elements all required approved disposal methods. The disposal of the significant volume of the concentrate stream is a problem for many utilities.

#### **Advantages**

- Can remove radium effectively.
- Can remove other undesirable dissolved constituents.

#### **Disadvantages**

- Relatively expensive to install and operate.
- Needs sophisticated monitoring systems.
- Needs to handle multiple chemicals.
- Concentrate disposal.
- Waste of water because of the significant concentrate flows.

RO is an expensive alternative to remove radium and is usually not economically competitive with other processes unless nitrate and/or TDS removal is also required. The biggest drawback for using RO to remove radium is the waste of water through concentrate disposal, which is also difficult or expensive because of the relatively large volume involved.

#### **1.4.5.4 Electrodialysis/Electrodialysis Reversal**

Process – Electrodialysis is an electrochemical separation process in which ions migrate through ion-selective semi-permeable membranes as a result of their attraction to two electrically charged electrodes. The driving force for ion transfer is direct electric current. ED is different from RO in that it removes only dissolved inorganics but not particulates, organics, and silica. Electrodialysis reversal is an improved form of ED in which the polarity of the direct current is changed approximately every 15 minutes. The change of polarity helps to

1 reduce the formation of scale and fouling films and thus a higher water recovery can be  
2 achieved. EDR has been the dominant form of ED system used for the past 25-30 years. A  
3 typical EDR system includes a membrane stack with a number of cell pairs, each consisting of a  
4 cation transfer membrane, a demineralized water flow spacer, an anion transfer membrane, and  
5 a concentrate flow spacer. Electrode compartments are at opposite ends of the stack. The  
6 influent feed water (chemically treated to prevent precipitation) and concentrate reject flow in  
7 parallel across the membranes and through the demineralized water and concentrate flow  
8 spacers, respectively. The electrodes are continually flushed to reduce fouling or scaling.  
9 Careful consideration of flush feed water is required. Typically, the membranes are cation or  
10 anion exchange resins cast in sheet form; the spacers are high density polyethylene; and the  
11 electrodes are inert metal. EDR stacks are tank-contained and often staged. Membrane  
12 selection is based on review of raw water characteristics. A single-stage EDR system usually  
13 removes 40-50 percent of the dissolved salts including radium, and multiple stages may be  
14 required to meet the MCL if radium concentration is high. The conventional EDR treatment  
15 train typically includes EDR membranes, chlorine disinfection, and clearwell storage.

16 Pretreatment – Guidelines are available on acceptable limits on pH, organics, turbidity, and  
17 other raw water characteristics. EDR typically requires acid and antiscalant feed to prevent  
18 scaling and a cartridge filter for prefiltration. Treatment of surface water may also require  
19 pretreatment steps such as raw water pumps, debris screens, rapid mix with addition of a  
20 coagulant, flocculation basin, sedimentation basin or clarifier, and gravity filters.  
21 Microfiltration could be used in place of flocculation, sedimentation, and filtration.

22 Maintenance – EDR membranes are durable, can tolerate pH from 1-10, and temperatures  
23 to 115°F for cleaning. The can be removed from the unit and scrubbed. Solids can be washed  
24 off by turning the power off and letting water circulate through the stack. Electrode washes  
25 flush out byproducts of electrode reaction. The byproducts are hydrogen, formed in the cathode  
26 space, and oxygen and chlorine gas, formed in the anode spacer. If the chlorine is not removed,  
27 toxic chlorine gas may form. Depending on raw water characteristics, the membranes will  
28 require regular maintenance or replacement. If used, pretreatment filter replacement and  
29 backwashing will be required. The EDR stack must be disassembled, mechanically cleaned,  
30 and reassembled at regular intervals.

31 Waste Disposal – Highly concentrated reject flows, electrode cleaning flows, and spent  
32 membranes require approved disposal methods. Pretreatment process residuals and spent  
33 materials also require approved disposal methods.

## 34 **Advantages**

- 35 • EDR can operate with minimal fouling, scaling, or chemical addition.
- 36 • Low pressure requirements; typically quieter than RO.
- 37 • Long membrane life expectancy.
- 38 • More flexible than RO in tailoring treated water quality requirements.

## Disadvantages

- Not specific to radium, also removes many TDS constituents.
- Not suitable for high levels of iron, manganese, hydrogen sulfide, and hardness.
- Relatively expensive process and high energy consumption.
- Does not remove particulates, organics, or silica.

EDR can be quite expensive to run because of the energy it uses. If radium removal is the only purpose it is probably more expensive than other technologies. However, if nitrate and/or TDS removal is also required, then EDR is a competitive process.

### 1.4.5.5 Potassium Permanganate Greensand Filtration

Process – Manganese dioxide, ( $\text{MnO}_2$ ) has capacity to adsorb radium from water.  $\text{MnO}_2$  can be formed by oxidation of  $\text{Mn}^{2+}$  occurring in natural waters and/or reduction of potassium permanganate ( $\text{KMnO}_4$ ) added to the water. The  $\text{MnO}_2$  is in the form of colloidal  $\text{MnO}_2$ , which has a large surface area for adsorption. The  $\text{MnO}_2$  does not adsorb calcium and magnesium so hardness is not a factor but iron and manganese and other heavy metal cations can compete strongly with radium adsorption. If these cations are present it would be necessary to install a good iron and manganese removal process before the  $\text{MnO}_2$ -filtration process to ensure that  $\text{MnO}_2$  is still available for radium sorption. The  $\text{KMnO}_4$ -greensand filtration process can accomplish this purpose as the greensand is coated with  $\text{MnO}_2$ , which is regenerated by the continuous feeding of  $\text{KMnO}_4$ . Many operating treatment systems utilizing continuous feed  $\text{KMnO}_4$ , 30-minute contact time, and manganese greensand remove radium to concentrations below the MCL. The treatment system equipment includes a  $\text{KMnO}_4$  feed system, a pressurized reaction tank, and a manganese greensand filter. Backwashing of the greensand filter is usually required but periodic regeneration is not required. The overall radium removal is typically 65 to 95%.

Pretreatment – The  $\text{KMnO}_4$ -greensand filtration process usually does not require pretreatment except if the turbidity is very high. The greensand filter usually has an anthracite layer to filter larger particles while the greensand adsorbs dissolved cations such as radium.

Maintenance – The greensand requires periodic backwashing to rid of suspended materials and metal oxides.  $\text{KMnO}_4$  is usually supplied in the powder form and preparation of  $\text{KMnO}_4$  solution is required. Occasional monitoring to ensure no overfeeding of  $\text{KMnO}_4$  (pink water) is important to avoid problems in distribution system and household fixtures.

Waste Disposal – Approval from local authorities is usually required for the backwash wastewater. If local sewer is not available, a backwash water storage and settling tank would be required to recycle settled water to the process and disposed of the settled solids periodically.

## Advantages

- Well established process for radium removal.
- No regeneration waste generated.



- Low pressure operation and no repumping required.
- No additional process for iron and manganese removal.

### Disadvantages

- Need to handle powdered  $\text{KMnO}_4$ , which is an oxidant.
- Need to monitor and backwash regularly.
- Need to manage backwash
- Disposal of settled solids is required.
- Limited effectiveness if  $\text{KMnO}_4$  is under dosed.

The  $\text{KMnO}_4$ -greensand filtration is a well established iron and manganese removal process and is effective for radium removal. It is suitable for small and large systems and is cost competitive with other alternative technologies.

### 1.4.6 Point-of-Entry and Point-of-Use Treatment Systems

Point-of-entry (POE) and Point-of-use (POU) treatment devices or systems rely on many of the same treatment technologies used in central treatment plants. However, while central treatment plants treat all water distributed to consumers to the same level, POU and POE treatment devices are designed to treat only a portion of the total flow. POU devices treat only the water intended for direct consumption, typically at a single tap or limited number of taps, while POE treatment devices are typically installed to treat all water entering a single home, business, school, or facility. POU and POE treatment systems may be an option for PWSs where central treatment is not affordable. Updated USEPA guidance on use of POU and POE treatment devices is provided in “*Point-of-Use or Point-of-Entry Treatment Options for Small Drinking Water Systems*,” EPA 815-R-06-010, April 2006 (USEPA 2006).

Point-of-entry and POU treatment systems can be used to provide compliant drinking water. These systems typically use small adsorption or reverse osmosis treatment units installed “under the sink” in the case of POU, and where water enters a house or building in the case of POE. It should be noted that the POU treatment units would need to be more complex than units typically found in commercial retail outlets to meet regulatory requirements, making purchase and installation more expensive. Point-of-entry and POU treatment units would be purchased and owned by the PWS. These solutions are decentralized in nature, and require utility personnel entry into houses or at least onto private property for installation, maintenance, and testing. Due to the large number of treatment units that would be employed and would be largely out of the control of the PWS, it is very difficult to ensure 100 percent compliance. Prior to selection of a POE or POU program for implementation, consultation with TCEQ would be required to address measurement and determination of level of compliance.

The National Primary Drinking Water Regulations (NPDWR), 40 CFR Section 141.100, covers criteria and procedures for PWSs using POE devices and sets limits on the use of these devices. According to the regulations (July 2005 Edition), the PWS must develop and obtain

TCEQ approval for a monitoring plan before POE devices are installed for compliance with an MCL. Under the plan, POE devices must provide health protection equivalent to central water treatment meaning the water must meet all NPDWR and would be of acceptable quality similar to water distributed by a well-operated central treatment plant. In addition, monitoring must include physical measurements and observations such as total flow treated and mechanical condition of the treatment equipment. The system would have to track the POE flow for a given time period, such as monthly, and maintain records of device inspection. The monitoring plan should include frequency of monitoring for the contaminant of concern and number of units to be monitored. For instance, the system may propose to monitor every POE device during the first year for the contaminant of concern and then monitor one-third of the units annually, each on a rotating schedule, so each unit would be monitored every three years. To satisfy the requirement that POE devices must provide health protection, the water system may be required to conduct a pilot study to verify the POE device can provide treatment equivalent to central treatment. Every building connected to the system must have a POE device installed, maintained, and properly monitored. Additionally, TCEQ must be assured that every building is subject to treatment and monitoring, and that the rights and responsibilities of the PWS customer convey with title upon sale of property.

Effective technology for POE devices must be properly applied under the monitoring plan approved by TCEQ and the microbiological safety of the water must be maintained. TCEQ requires adequate certification of performance, field testing, and, if not included in the certification process, a rigorous engineering design review of the POE devices. The design and application of the POE devices must consider the tendency for increase in heterotrophic bacteria concentrations in water treated with activated carbon. It may be necessary to use frequent backwashing, post-contactor disinfection, and Heterotrophic Plate Count monitoring to ensure that the microbiological safety of the water is not compromised.

The SDWA [§1412(b)(4)(E)(ii)] regulates the design, management and operation of POU and POE treatment units used to achieve compliance with an MCL. The requirements associated with these regulations, relevant to MCL compliance are:

- POU and POE treatment units must be owned, controlled, and maintained by the water system, although the utility may hire a contractor to ensure proper O&M and MCL compliance. The water system must retain unit ownership and oversight of unit installation, maintenance and sampling; the utility ultimately is the responsible party for regulatory compliance. The water system staff need not perform all installation, maintenance, or management functions, as these tasks may be contracted to a third party-but the final responsibility for the quality and quantity of the water supplied to the community resides with the water system, and the utility must monitor all contractors closely. Responsibility for O&M of POU or POE devices installed for SDWA compliance may not be delegated to homeowners.
- POU and POE units must have mechanical warning systems to automatically notify customers of operational problems. Each POU or POE treatment device must be equipped with a warning device (e.g., alarm, light) that would alert users when their

unit is no longer adequately treating their water. As an alternative, units may be equipped with an automatic shut-off mechanism to meet this requirement.

- If the American National Standards Institute (ANSI) issued product standards for a specific type of POU or POE treatment unit, only those units that have been independently certified according to those standards may be used as part of a compliance strategy.

The following observations with regard to using POE and POU devices for SDWA compliance were made by Raucher, *et al.* (2004):

- If POU devices are used as an SDWA compliance strategy, certain consumer behavioral changes will be necessary (e.g., encouraging people to drink water only from certain treated taps) to ensure comprehensive consumer health protection.
- Although not explicitly prohibited in the SDWA, USEPA indicates that POU treatment devices should not be used to treat for radon or for most volatile organic contaminants to achieve compliance, because POU devices do not provide 100 percent protection against inhalation or contact exposure to those contaminants at untreated taps (e.g., shower heads).
- Liability – PWSs considering unconventional treatment options (POU, POE, or bottled water) must address liability issues. These could be meeting drinking water standards, property entry and ensuing liabilities, and damage arising from improper installation or improper function of the POU and POE devices.

#### 1.4.7 Water Delivery or Central Drinking Water Dispensers

Current USEPA regulations 40 Code of Federal Regulations (CFR) 141.101 prohibit the use of bottled water to achieve compliance with an MCL, except on a temporary basis. State regulations do not directly address the use of bottled water. Use of bottled water at a non-compliant PWS would be on a temporary basis. Every 3 years, the PWSs that employ interim measures are required to present the TCEQ with estimates of costs for piping compliant water to their systems. As long as the projected costs remain prohibitively high, the bottled water interim measure is extended. Until USEPA amends the noted regulation, the TCEQ is unable to accept water delivery or central drinking water dispensers as compliance solutions.

Central provision of compliant drinking water would consist of having one or more dispensers of compliant water where customers could come to fill containers with drinking water. The centralized water source could be from small to medium-sized treatment units or could be compliant water delivered to the central point by truck.

Water delivery is an interim measure for providing compliant water. As an interim measure for a small impacted population, providing delivered drinking water may be cost effective. If the susceptible population is large, the cost of water delivery would increase significantly.

- 1           • Water delivery programs require consumer participation to a varying degree. Ideally,  
2           consumers would have to do no more than they currently do for a piped-water  
3           delivery system. Least desirable are those systems that require maximum effort on  
4           the part of the customer (*e.g.*, customer has to travel to get the water, transport the  
5           water, and physically handle the bottles).

## SECTION 2 EVALUATION METHOD

### 2.1 DECISION TREE

The decision tree is a flow chart for conducting feasibility studies for a non-compliant PWS. The decision tree is shown in Figures 2.1 through 2.4. The tree guides the user through a series of phases in the design process. Figure 2.1 shows Tree 1, which outlines the process for defining the existing system parameters, followed by optimizing the existing treatment system operation. If optimizing the existing system does not correct the deficiency, the tree leads to six alternative preliminary branches for investigation. The groundwater branch leads through investigating existing wells to developing a new well field. The treatment alternatives address centralized and on-site treatment. The objective of this phase is to develop conceptual designs and cost estimates for the six types of alternatives. The work done for this report follows through Tree 1 and Tree 2, as well as a preliminary pass through Tree 4.

Tree 3, which begins at the conclusion of the work for this report, starts with a comparison of the conceptual designs, selecting the two or three alternatives that appear to be most promising, and eliminating those alternatives that are obviously infeasible. It is envisaged that a process similar to this would be used by the study PWS to refine the list of viable alternatives. The selected alternatives are then subjected to intensive investigation, and highlighted by an investigation into the socio-political aspects of implementation. Designs are further refined and compared, resulting in the selection of a preferred alternative. The steps for assessing the financial and economic aspects of the alternatives (one of the steps in Tree 3) are given in Tree 4 in Figure 2.4.

### 2.2 DATA SOURCES AND DATA COLLECTION

#### 2.2.1 Data Search

##### 2.2.1.1 Water Supply Systems

The TCEQ maintains a set of files on public water systems, utilities, and districts at its headquarters in Austin, Texas. The files are organized under two identifiers: a PWS identification number and a CCN number. The PWS identification number is used to retrieve four types of files:

- CO – Correspondence,
- CA – Chemical analysis,
- MOR – Monthly operating reports (quality/quantity), and
- FMT – Financial, managerial and technical issues.

Figure 2.1  
TREE 1 – EXISTING FACILITY ANALYSIS

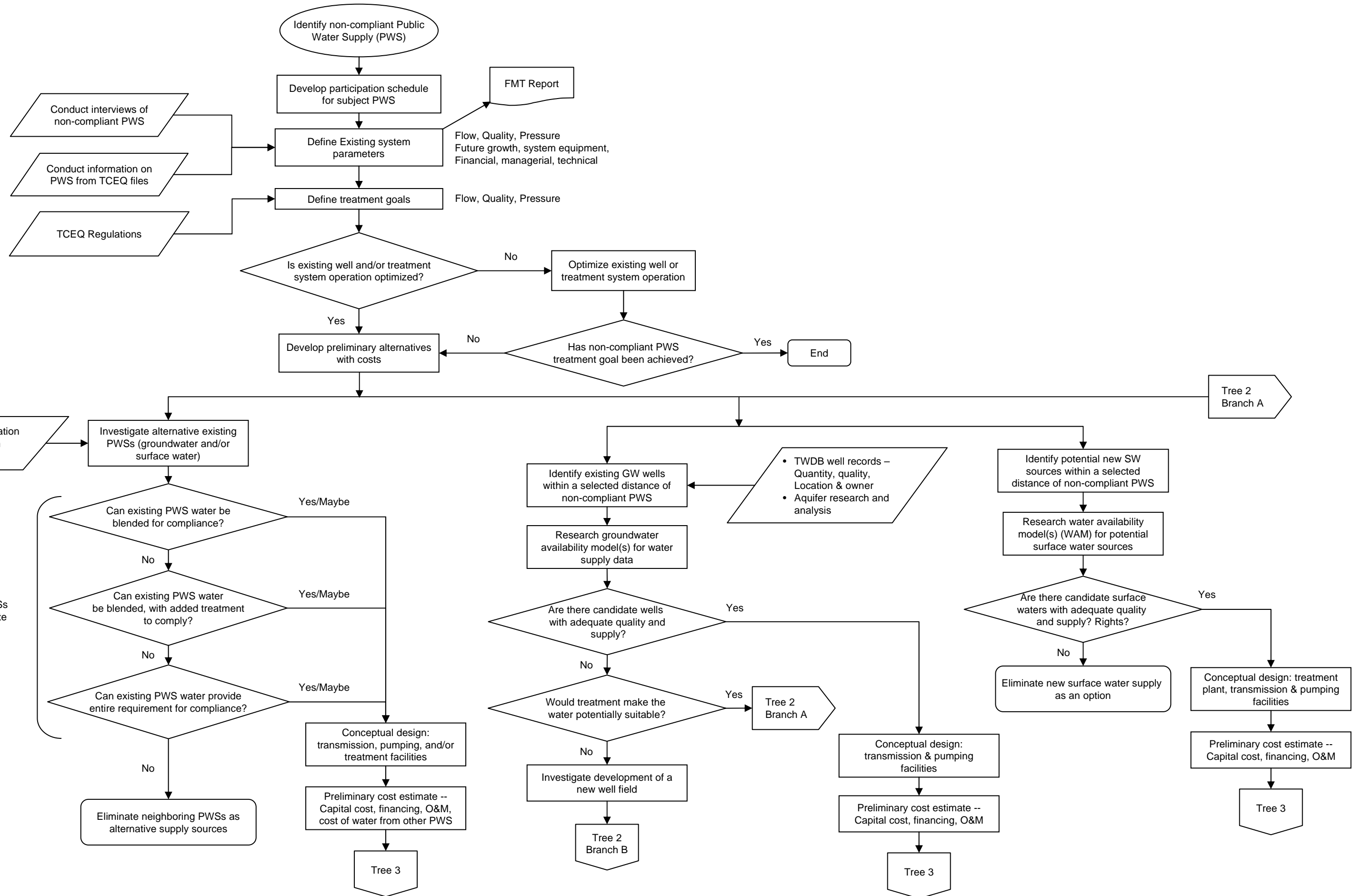


Figure 2.2  
TREE 2 – DEVELOP TREATMENT ALTERNATIVES

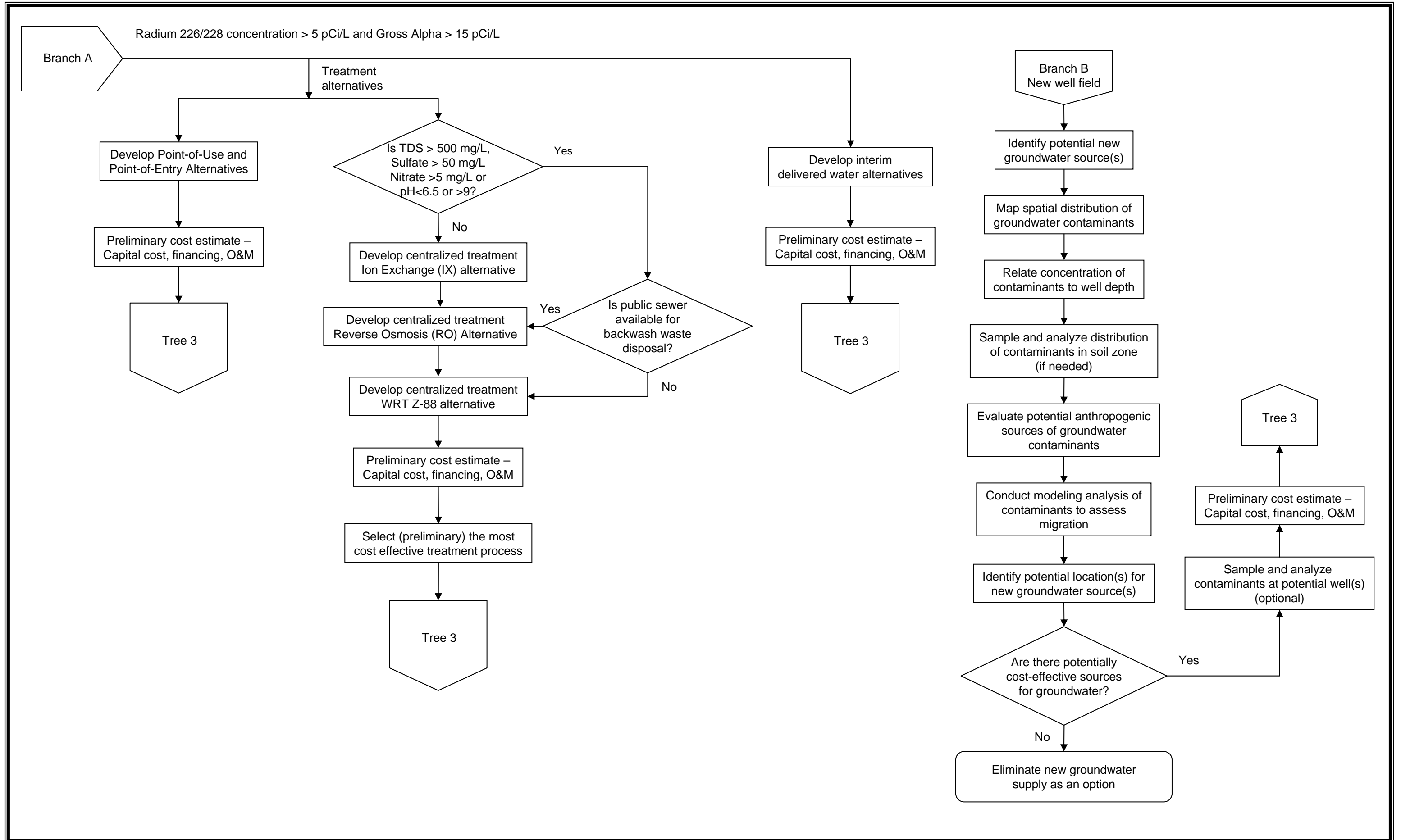
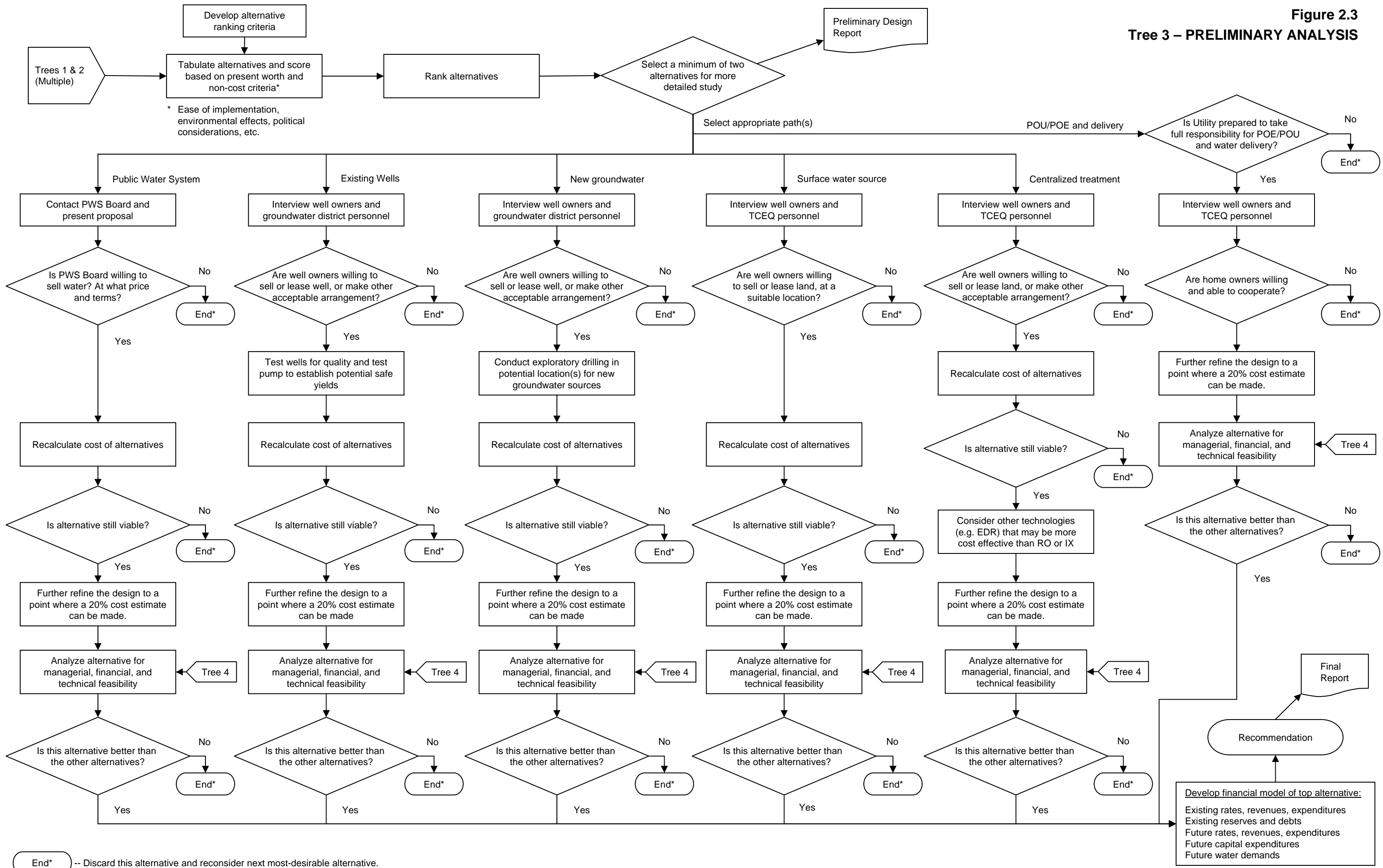


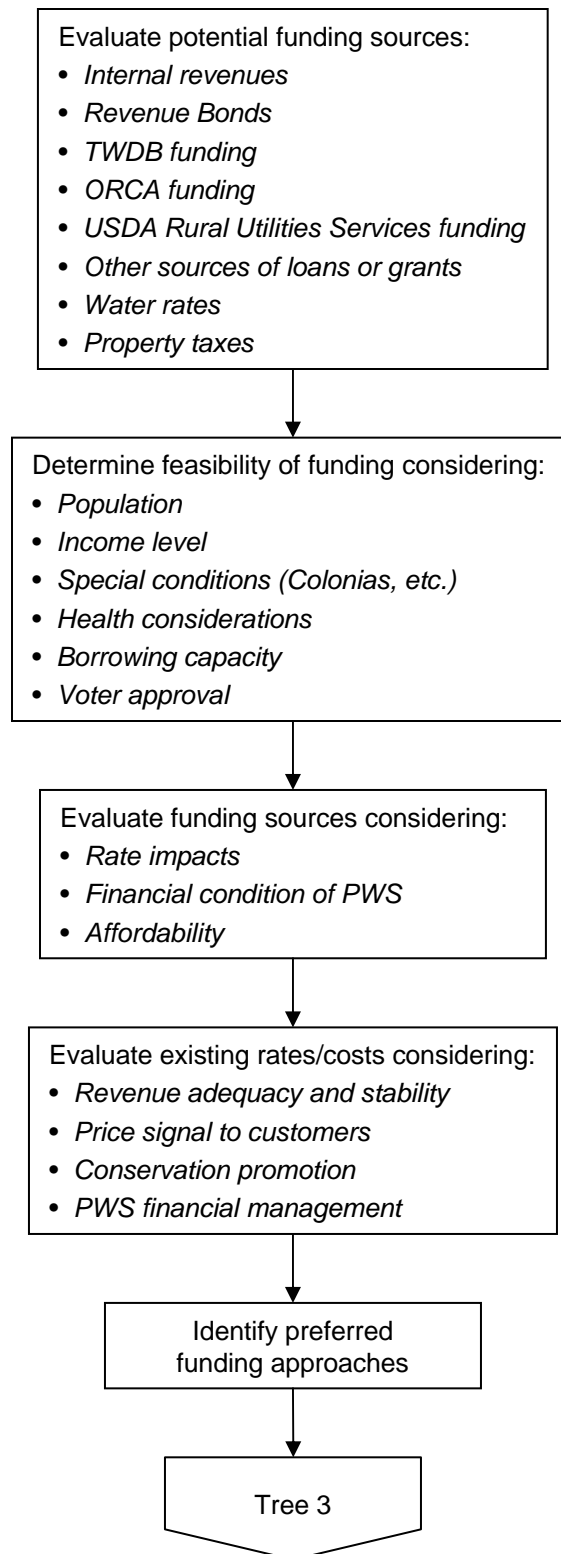
Figure 2.3

Tree 3 – PRELIMINARY ANALYSIS





**Figure 2.4**  
**TREE 4 – FINANCIAL**



The CCN files generally contain a copy of the system’s Certificate of Convenience and Necessity, along with maps and other technical data.

These files were reviewed for the PWS and surrounding systems.

The following websites were consulted to identify the water supply systems in the area:

- Texas Commission on Environmental Quality  
[www3.tceq.state.tx.us/iwud/](http://www3.tceq.state.tx.us/iwud/).
- USEPA Safe Drinking Water Information System  
[www.epa.gov/safewater/data/getdata.html](http://www.epa.gov/safewater/data/getdata.html)

Groundwater Control Districts were identified on the TWDB web site, which has a series of maps covering various groundwater and surface water subjects. One of those maps shows groundwater control districts in the State of Texas.

#### **2.2.1.2 Existing Wells**

The TWDB maintains a groundwater database available at [www.twdb.state.tx.us](http://www.twdb.state.tx.us) that has two tables with helpful information. The “Well Data Table” provides a physical description of the well, owner, location in terms of latitude and longitude, current use, and for some wells, items such as flowrate, and nature of the surrounding formation. The “Water Quality Table” provides information on the aquifer and the various chemical concentrations in the water.

#### **2.2.1.3 Surface Water Sources**

Regional planning documents were consulted for lists of surface water sources.

#### **2.2.1.4 Groundwater Availability Model**

GAMs are numerical computer models of the major and minor Texas aquifers developed by the TWDB to assess groundwater availability over a 50-year planning period, and the possible effects of various proposed water management strategies on the aquifer systems. Groundwater availability data for the Hickory, Ellenburger-San Saba and Marble Falls aquifers in central Texas were used to identify potential new groundwater resources for the PWS.

#### **2.2.1.5 Water Availability Model**

The WAM is a computer-based simulation predicting the amount of water that would be in a river or stream under a specified set of conditions. WAMs are used to determine whether water would be available for a newly requested water right or amendment. If water is available, these models estimate how often the applicant could count on water under various conditions (e.g., whether water would be available only one month out of the year, half the year, or all year, and whether that water would be available in a repeat of the drought of record).

WAMs provide information that assist TCEQ staff in determining whether to recommend the granting or denial of an application.

#### **2.2.1.6 Financial Data**

An evaluation of existing data will yield an up-to-date assessment of the financial condition of the water system. As part of a site visit, financial data were collected in various forms such as electronic files, hard copy documents, and focused interviews. Data sought included:

- Annual Budget
- Audited Financial Statements
  - Balance Sheet
  - Income & Expense Statement
  - Cash Flow Statement
  - Debt Schedule
- Water Rate Structure
- Water Use Data
  - Production
  - Billing
  - Customer Counts

#### **2.2.1.7 Demographic Data**

Basic demographic data were collected from the 2000 Census to establish incomes and eligibility for potential low cost funding for capital improvements. Median household income (MHI) and number of families below poverty level were the primary data points of significance. If available, MHI for the customers of the PWS should be used. In addition, unemployment data were collected from current U.S. Bureau of Labor Statistics. These data were collected for the following levels: national, state, and county.

### **2.2.2 PWS Interviews**

#### **2.2.2.1 PWS Capacity Assessment Process**

Capacity assessment is the industry standard term for evaluation of a water system's FMT capacity to effectively deliver safe drinking water to its customers now and in the future at a reasonable cost, and to achieve, maintain and plan for compliance with applicable regulations. The assessment process involves interviews with staff and management who have a responsibility in the operations and management of the system.

Financial, managerial, and technical capacity are individual yet highly interrelated components of a system's capacity. A system cannot sustain capacity without maintaining adequate capability in all three components.

**Financial capacity** is a water system's ability to acquire and manage sufficient financial resources to allow the system to achieve and maintain compliance with SDWA regulations. Financial capacity refers to the financial resources of the water system, including but not limited to, revenue sufficiency, credit worthiness, and fiscal controls.

**Managerial capacity** is the ability of a water system to conduct its affairs so the system is able to achieve and maintain compliance with SDWA requirements. Managerial capacity refers to the management structure of the water system, including but not limited to, ownership accountability, staffing and organization, and effective relationships with customers and regulatory agencies.

**Technical capacity** is the physical and operational ability of a water system to achieve and maintain compliance with SDWA regulations. It refers to the physical infrastructure of the water system, including the adequacy of the source water, treatment, storage and distribution infrastructure. It also refers to the ability of system personnel to effectively operate and maintain the system and to otherwise implement essential technical knowledge.

Many aspects of water system operations involve more than one component of capacity. Infrastructure replacement or improvement, for example, requires financial resources, management planning and oversight, and technical knowledge. A deficiency in any one area could disrupt the entire operation. A system that is able to meet both its immediate and long-term challenges demonstrates that it has sufficient FMT capacity.

Assessment of FMT capacity of the PWS was based on an approach developed by the New Mexico Environmental Finance Center (NMEFC), which is consistent with the TCEQ FMT assessment process. This method was developed from work the NMEFC did while assisting USEPA Region 6 in developing and piloting groundwater comprehensive performance evaluations. The NMEFC developed a standard list of questions that could be asked of water system personnel. The list was then tailored slightly to have two sets of questions – one for managerial and financial personnel, and one for operations personnel (the questions are included in Appendix A). Each person with a role in the FMT capacity of the system was asked the applicable standard set of questions individually. The interviewees were not given the questions in advance and were not told the answers others provided. Also, most of the questions are open ended type questions so they were not asked in a fashion to indicate what would be the “right” or “wrong” answer. The interviews lasted between 45 minutes to 75 minutes depending on the individual's role in the system and the length of the individual's answers.

In addition to the interview process, visual observations of the physical components of the system were made. A technical information form was created to capture this information. This form is also contained in Appendix A. This information was considered supplemental to the

interviews because it served as a check on information provided in the interviews. For example, if an interviewee stated he or she had an excellent preventative maintenance schedule and the visit to the facility indicated a significant amount of deterioration (more than would be expected for the age of the facility) then the preventative maintenance program could be further investigated or the assessor could decide that the preventative maintenance program was inadequate.

Following interviews and observations of the facility, answers that all personnel provided were compared and contrasted to provide a clearer picture of the true operations at the water system. The intent was to go beyond simply asking the question, “Do you have a budget?” to actually finding out if the budget was developed and being used appropriately. For example, if a water system manager was asked the question, “Do you have a budget?” he or she may say, “yes” and the capacity assessor would be left with the impression that the system is doing well in this area. However, if several different people are asked about the budget in more detail, the assessor may find that although a budget is present, operations personnel do not have input into the budget, the budget is not used by the financial personnel, the budget is not updated regularly, or the budget is not used in setting or evaluating rates. With this approach, the inadequacy of the budget would be discovered and the capacity deficiency in this area would be noted.

Following the comparison of answers, the next step was to determine which items noted as a potential deficiency truly had a negative effect on the system’s operations. If a system had what appeared to be a deficiency, but this deficiency was not creating a problem in terms of the operations or management of the system, it was not considered critical and may not have needed to be addressed as a high priority. As an example, the assessment may have revealed an insufficient number of staff members to operate the facility. However, it may also have been revealed that the system was able to work around that problem by receiving assistance from a neighboring system, so no severe problems resulted from the number of staff members. Although staffing may not be ideal, the system does not need to focus on this particular issue. The system needs to focus on items that are truly affecting operations. As an example of this type of deficiency, a system may lack a reserve account which can then lead the system to delay much-needed maintenance or repair on its storage tank. In this case, the system needs to address the reserve account issue so proper maintenance can be completed.

The intent was to develop a list of capacity deficiencies with the greatest impact on the system’s overall capacity. Those were the most critical items to address through follow-up technical assistance or by the system itself.

#### **2.2.2.2 Interview Process**

PWS personnel were interviewed by the project team, and each was interviewed separately. Interview forms were completed during each interview.

## **2.3 ALTERNATIVE DEVELOPMENT AND ANALYSIS**

The initial objective for developing alternatives to address compliance issues is to identify a comprehensive range of possible options that can be evaluated to determine the most promising for implementation. Once the possible alternatives are identified, they must be defined in sufficient detail so a conceptual cost estimate (capital and O&M costs) can be developed. These conceptual cost estimates are used to compare the affordability of compliance alternatives, and to give a preliminary indication of rate impacts. Consequently, these costs are pre-planning level and should not be viewed as final estimated costs for alternative implementation. The basis for the unit costs used for the compliance alternative cost estimates is summarized in Appendix B. Other non-economic factors for the alternatives, such as reliability and ease of implementation, are also addressed.

### **2.3.1 Existing PWS**

The neighboring PWSs were identified, and the extents of their systems were investigated. PWSs farther than 35 miles from the non-compliant PWSs were not considered because the length of the pipeline required would make the alternative cost prohibitive. The quality of water provided was also investigated. For neighboring PWSs with compliant water, options for water purchase and/or expansion of existing well fields were considered. The neighboring PWSs with non-compliant water were considered as possible partners in sharing the cost for obtaining compliant water either through treatment or developing an alternate source.

The neighboring PWSs were investigated to get an idea of the water sources in use and the quantity of water that might be available for sale. They were contacted to identify key locations in their systems where a connection might be made to obtain water, and to explore on a preliminary basis their willingness to partner or sell water. Then, the major system components that would be required to provide compliant water were identified. The major system components included treatment units, wells, storage tanks, pump stations, and pipelines.

Once the major components were identified, a preliminary design was developed to identify sizing requirements and routings. A capital cost estimate was then developed based on the preliminary design of the required system components. An annual O&M cost was also estimated to reflect the change in O&M expenditures that would be needed if the alternative was implemented.

Non-economic factors were also identified. Ease of implementation was considered, as well as the reliability for providing adequate quantities of compliant water. Additional factors were whether implementation of an alternative would require significant increase in the management or technical capability of the PWS, and whether the alternative had the potential for regionalization.

### **2.3.2 New Groundwater Source**

It was not possible in the scope of this project to determine conclusively whether new wells could be installed to provide compliant drinking water. To evaluate potential new groundwater source alternatives, three test cases were developed based on distance from the PWS intake point. The test cases were based on distances of 10 miles, 5 miles, and 1 mile. It was assumed a pipeline would be required for all three test cases, and a storage tank and pump station would be required for the 10-mile and 5-mile alternatives. It was also assumed that new wells would be installed, and that their depths would be similar to the depths of the existing wells, or other existing drinking water wells in the area.

A preliminary design was developed to identify sizing requirements for the required system components. A capital cost estimate was then developed based on the preliminary design of the required system components. An annual O&M cost was also estimated to reflect the change (*i.e.*, from current expenditures) in O&M expenditures that would be needed if the alternative was implemented.

Non-economic factors were also identified. Ease of implementation was considered, as well as the reliability for providing adequate quantities of compliant water. Additional factors were whether implementation of an alternative would require significant increase in the management or technical capability of the PWS, and whether the alternative had the potential for regionalization.

### **2.3.3 New Surface Water Source**

New surface water sources were also considered. Availability of adequate quality water from rivers and major reservoirs in the surrounding area were investigated. TCEQ WAMs were inspected, and the WAM was run, where appropriate.

### **2.3.4 Treatment**

Treatment technologies considered potentially applicable to radium removal are IX, WRT Z-88™ media, RO, EDR, and KMnO<sub>4</sub>-greensand filtration. RO and EDR are membrane processes that produce a considerable amount of rejected liquid waste. As a result, more water needs to be pumped than that which is introduced into the distribution system. This disadvantage is somewhat offset by split treatment of the raw water wherein a fraction of the water is treated through the RO unit, and is then blended back to the raw source water. For this analysis RO and WRT Z-88™ media treatments are considered. The WRT Z-88 media system is unique in that the WRT vendor brings in the media and removes it. The charge to the PWS is on the basis of the amount of water used. The treatment units are sized based on flow rates, and capital and annual O&M cost estimates were made based on the size of the treatment equipment required.

Non-economical factors were also identified. Ease of implementation was considered, as well as the reliability for providing adequate quantities of compliant water. Additional factors

were whether implementation of an alternative would require significant increase in the management or technical capability of the PWS, and whether the alternative had the potential for regionalization.

## **2.4 COST OF SERVICE AND FUNDING ANALYSIS**

The primary purpose of the cost of service and funding analysis is to determine the financial impact of implementing compliance alternatives, primarily by examining the required rate increases, and also the fraction of household income that water bills represent. The current financial situation of the non-compliant PWS is also reviewed to determine what rate increases are necessary to achieve or maintain long-term financial viability.

### **2.4.1 Financial Feasibility**

A key financial metric is the comparison of average annual household water bill for a PWS customer to the MHI for the area. MHI data from the 2000 Census are used, at the most detailed level available for the community. Typically, county level data are used for small rural water utilities due to small population sizes. Annual water bills are determined for existing, base conditions, including consideration of additional rate increases needed under current conditions. Annual water bills are also calculated after adding incremental capital and operating costs for each of the alternatives to determine feasibility under several potential funding sources. It has been suggested by agencies such as USEPA that federal and state programs consider several criteria to determine “disadvantaged communities” with one based on the typical residential water bill as a percentage of MHI.

Additionally, the use of standard ratios provides insight into the financial condition of any business. Three ratios are particularly significant for water utilities:

- Current Ratio = current assets (liquid assets that could be readily converted to cash) divided by current liabilities (accounts payable, accrued expenses, and other short-term financial obligations) provides insight into the ability to meet short-term payments. For a healthy utility, the value should be greater than 1.0.
- Debt to Net Worth Ratio = total debt (total amount of long-term debt) divided by net worth (total assets minus total liabilities) shows to what degree assets of the company have been funded through borrowing. A lower ratio indicates a healthier condition.
- Operating Ratio = total operating revenues divided by total operating expenses show the degree to which revenues cover ongoing expenses. The value is greater than 1.0 if the utility is covering its expenses.

### **2.4.2 Median Household Income**

The 2000 U.S. census is used as the basis for MHI. In addition to consideration of affordability, the annual MHI may also be an important factor for sources of funds for capital programs needed to resolve water quality issues. Many grant and loan programs are available to lower income rural areas, based on comparisons of local income to statewide incomes. In the



2000 Census, MHI for the State of Texas was \$39,927, compared to the U.S. level of \$41,994. The census broke down MHIs geographically by block group and ZIP code. The MHIs can vary significantly for the same location, depending on the geographic subdivision chosen. The MHI for each PWS was estimated by selecting the most appropriate value based on block group or ZIP code based on results of the site interview and a comparison with the surrounding area.

### 2.4.3 Annual Average Water Bill

The annual average household water bill was calculated for existing conditions and for future conditions incorporating the alternative solutions. Average residential consumption is estimated and applied to the existing rate structure to estimate the annual water bill. The estimates are generated from a long-term financial planning model that details annual revenue, expenditure, and cash reserve requirements over a 30-year period.

### 2.4.4 Financial Plan Development

The financial planning model uses available data to establish base conditions under which the system operates. The model includes, as available:

- Accounts and consumption data
- Water tariff structure
- Beginning available cash balance
- Sources of receipts:
  - Customer billings
  - Membership fees
  - Capital Funding receipts from:
    - ❖ Grants
    - ❖ Proceeds from borrowing
- Operating expenditures:
  - Water purchases
  - Utilities
  - Administrative costs
  - Salaries
- Capital expenditures
- Debt service:
  - Existing principal and interest payments
  - Future principal and interest necessary to fund viable operations

- Net cash flow
- Restricted or desired cash balances:
  - Working capital reserve (based on 1-4 months of operating expenses)
  - Replacement reserves to provide funding for planned and unplanned repairs and replacements

From the model, changes in water rates are determined for existing conditions and for implementing the compliance alternatives.

## **2.4.5 Financial Plan Results**

Results from the financial planning model are summarized in two areas: percentage of household income and total water rate increase necessary to implement the alternatives and maintain financial viability.

### **2.4.5.1 Funding Options**

Results are summarized in a table that shows the following according to alternative and funding source:

- Percentage of the median annual household income the average annual residential water bill represents.
- The first year in which a water rate increase would be required
- The total increase in water rates required, compared to current rates

Water rates resulting from the incremental capital costs of the alternative solutions are examined under a number of funding options. The first alternative examined is always funding from existing reserves plus future rate increases. Several funding options were analyzed to frame a range of possible outcomes.

- Grant funds for 100 percent of required capital. In this case, the PWS is only responsible for the associated O&M costs.
- Grant funds for 75 percent of required capital, with the balance treated as if revenue bond funded.
- Grant funds for 50 percent of required capital, with the balance treated as if revenue bond funded.
- State revolving fund loan at the most favorable available rates and terms applicable to the communities.
- If local MHI > 75 percent of state MHI, standard terms, currently at 3.8 percent interest for non-rated entities. Additionally:
  - If local MHI = 70-75 percent of state MHI, 1 percent interest rate on loan.

- If local MHI = 60-70 percent of state MHI, 0 percent interest rate on loan.
- If local MHI = 50-60 percent of state MHI, 0 percent interest and 15 percent forgiveness of principal.
- If local MHI less than 50 percent of state MHI, 0 percent interest and 35 percent forgiveness of principal.
- Terms of revenue bonds assumed to be 25-year term at 6.0 percent interest rate.

#### 2.4.5.2 General Assumptions Embodied in Financial Plan Results

The basis used to project future financial performance for the financial plan model includes:

- No account growth (either positive or negative).
- No change in estimate of uncollectible revenues over time.
- Average consumption per account unchanged over time.
- No change in unaccounted for water as percentage of total (more efficient water use would lower total water requirements and costs).
- No inflation included in the analyses (although the model has provisions to add escalation of O&M costs, doing so would mix water rate impacts from inflation with the impacts from the alternatives being examined).
- Minimum working capital fund established for each district, based on specified months of O&M expenditures.
- O&M for alternatives begins 1 year after capital implementation.
- Balance of capital expenditures not funded from primary grant program is funded through debt (bond equivalent).
- Cash balance drives rate increases, unless provision chosen to override where current net cash flow is positive.

#### 2.4.5.3 Interpretation of Financial Plan Results

Results from the financial plan model are presented in a Table 4.4 which shows the percentage of MHI represented by the annual water bill that results from any rate increases necessary to maintain financial viability over time. In some cases, this may require rate increases even without implementing a compliance alternative (the no action alternative). The table shows any increases such as these separately. The results table shows the total increase in rates necessary, including both the no-action alternative increase and any increase required for the alternative. For example, if the no action alternative requires a 10 percent increase in rates and the results table shows a rate increase of 25 percent, then the impact from the alternative is an increase in water rates of 15 percent. Likewise, the percentage of household income in the table reflects the total impact from all rate increases.

#### 2.4.5.4 Potential Funding Sources

A number of potential funding sources exist for Water Supply Corporations, which typically provide service to less than 50,000 people. Both state and federal agencies offer grant and loan programs to assist rural communities in meeting their infrastructure needs. Most are available to “political subdivisions” such as counties, municipalities, school districts, special districts, or authorities of the state with some programs providing access to private individuals. Grant funds are made more available with demonstration of economic stress, typically indicated with MHI below 80 percent that of the state. The funds may be used for planning, design, and construction of water supply construction projects including, but not limited to, line extensions, elevated storage, purchase of well fields, and purchase or lease of rights to produce groundwater. Interim financing of water projects and water quality enhancement projects such as wastewater collection and treatment projects are also eligible. Some funds are used to enable a rural water utility to obtain water or wastewater service supplied by a larger utility or to finance the consolidation or regionalization of neighboring utilities. Three Texas agencies that offer financial assistance for water infrastructure are:

- Texas Water Development Board has several programs that offer loans at interest rates lower than the market offers to finance projects for public drinking water systems that facilitate compliance with primary drinking water regulations. Additional subsidies may be available for disadvantaged communities. Low interest rate loans with short and long-term finance options at tax exempt rates for water or water-related projects give an added benefit by making construction purchases qualify for a sales tax exemption. Generally, the program targets customers with eligible water supply projects for all political subdivisions of the state (at tax exempt rates) and Water Supply Corporations (at taxable rates) with projects.
- Texas Department Rural Affairs (TDRA) is a Texas state agency with a focus on rural Texas by making state and federal resources accessible to rural communities. Funds from the U.S. Department of Housing and Urban Development Community Development Block Grants (CDBG) are administered by TDRA for small, rural communities with populations less than 50,000 that cannot directly receive federal grants. These communities are known as non-entitlement areas. One of the program objectives is to meet a need having a particular urgency, which represents an immediate threat to the health and safety of residents, principally for low- and moderate-income persons.
- U.S. Department of Agriculture Rural Development Texas (Texas Rural Development) coordinates federal assistance to rural Texas to help rural Americans improve their quality of life. The Rural Utilities Service (RUS) programs provide funding for water and wastewater disposal systems.

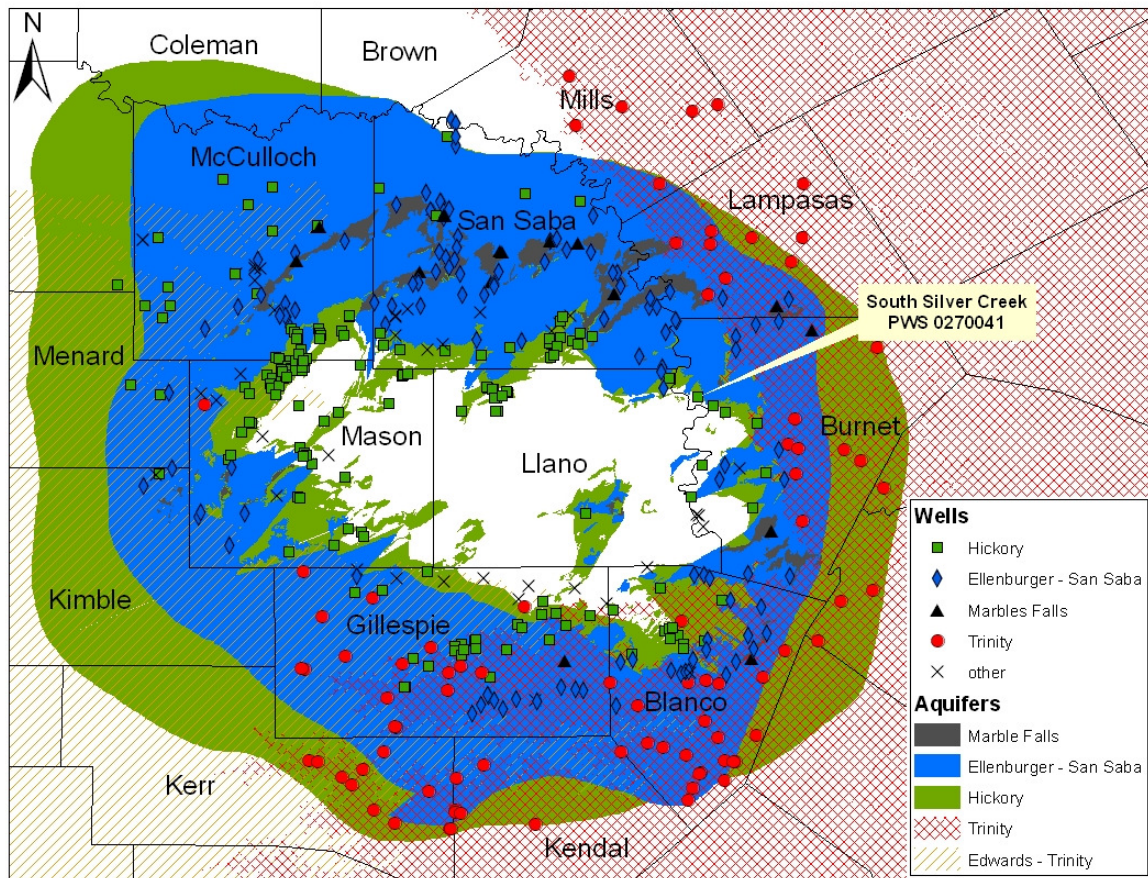
The application process, eligibility requirements, and funding structure vary for each of these programs. There are many conditions that must be considered by each agency to determine eligibility and ranking of projects. The principal factors that affect this choice are population, percent of the population under the state MHI, health concerns, compliance with

- 1 standards, Colonia status, and compatibility with regional and state plans. Technical assistance
- 2 is available to assist local entities with the preparation of funding request applications from
- 3 each agency.

## SECTION 3 UNDERSTANDING SOURCES OF CONTAMINANTS

### 3.1 OVERVIEW OF THE STUDY AREA

Aquifers in Burnet County and the surrounding area overlie Precambrian granite, and schists in the Llano Uplift and are of Paleozoic age (from oldest to youngest: Hickory, Ellenburger–San Saba, and Marble Falls aquifers) and of Cretaceous age (mainly within the Trinity Group) (Bluntzer 1992). The regional study area is defined primarily by the spatial extents of the Hickory and Ellenburger–San Saba aquifers, which are the primary aquifers in the Llano Uplift area. Additional water sources include the Trinity aquifer in the eastern and southeastern region of the study area where the Trinity overlies the Hickory and Ellenburger–San Saba aquifers. The South Silver Creek Public Water Supply (PWS) is located in Burnet County and operates three wells completed in the Hickory aquifer (Figure 3.1).



**Figure 3.1 Regional Study Area, Aquifers, TWDB Database Well locations, and Location of the South Silver Creek PWS.**

Data used for this study include information from two sources:

- Texas Water Development Board (TWDB) groundwater database available at [www.twdb.state.tx.us](http://www.twdb.state.tx.us). The database includes information on the location and construction of wells throughout the state as well as historical measurements of water levels and chemistry in the wells.
- Texas Commission on Environmental Quality (TCEQ) Public Water Supply database (not publicly available). The database includes information on the location, type, and construction of water sources used by PWS systems in Texas, along with historical measurements of water levels and chemistry.

## 3.2 CONTAMINANTS OF CONCERN IN THE STUDY AREA

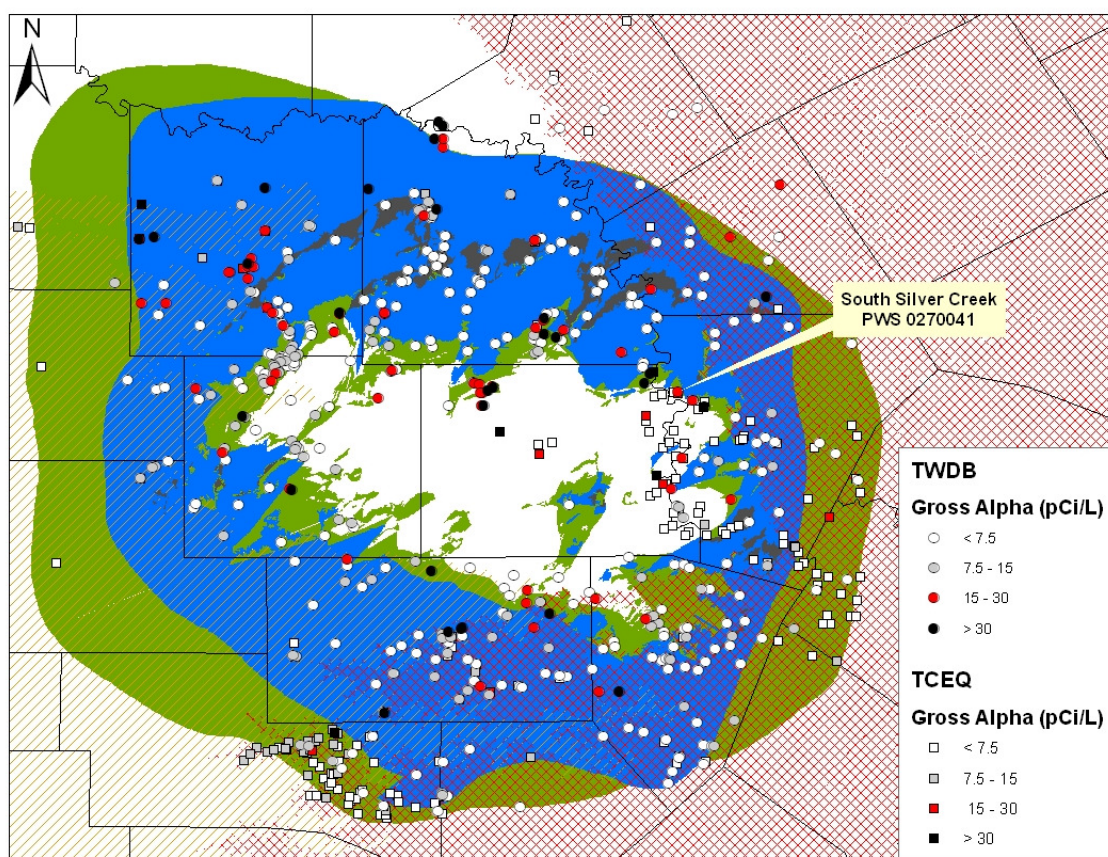
Contaminants of concern to South Silver Creek PWS include gross alpha particle activity and combined radium activity. Gross alpha and radium concentrations are expressed in units of radioactivity as picocuries per liter (pCi/L). The maximum contaminant level (MCL) allowed for public drinking water systems by the U.S. Environmental Protection Agency is 15 pCi/L for gross alpha and 5 pCi/L for combined radium, which is the sum total of both radium-226 and radium-228 isotope activity. Exposure to either contaminant is associated with an increased risk of cancer.

Alpha particles are a result of the radioactive decay of unstable isotopes. Radium-226, the most abundant isotope of radium, has a half-life of 1602 yr and is a decay-chain product of uranium-238, the most abundant isotope of uranium. Radium-228, the second-most abundant isotope of radium, has a half-life of 5.75 yr and is a decay-chain product of thorium-232, the most abundant isotope of thorium. Both uranium-238 and thorium-232 have extremely long half-lives ( $^{238}\text{U}$ : 4.5 billion yr,  $^{232}\text{Th}$ : 14 billion yr) and thus represent persistent sources of radioactive daughter products when present in the environment. Uranium and thorium are common trace elements in granitic rocks, which formed the core of the Llano Uplift region. Radium-226 and radium-228 and their decay-chain products, including radon, decay by alpha radiation. Radon is a noble gas that is chemically inert (i.e., does not combine with other elements) and thus is highly mobile in the environment. Radon also decays by alpha radiation.

### 3.2.1 Gross Alpha

Figure 3.2 shows the spatial distribution of gross alpha in the study area. Data from the TWDB database are summarized in Table 3.1 and represent the most recent samples for 442 wells. Most samples are relatively dated. Sample dates range from 1977 to 2009 (median 1994). Only 37 percent of samples have been analyzed since 2001. Gross alpha activity exceeded the MCL (15 pCi/L) in 77 (17%) of wells sampled and ranged from <0.9 to 605 pCi/L regionally (median 5.7 pCi/L). Gross alpha activity levels exceeded the MCL in every named aquifer sampled in the study area except for the Marble Falls aquifer.





**Figure 3.2 Spatial Distribution of Groundwater Gross Alpha Particle Activity in the Study Area by Aquifer.**

Points represent locations of groundwater wells and gross alpha activity using the most recent sample data available from both the TWDB and TCEQ databases.

**Table 3.1 Summary of Gross Alpha Activity in Groundwater Well Samples by Aquifer Based on the Most Recent Sample Data from the TWDB Database.**

| Aquifer              | Wells with measurements | Median (pCi/L) | Range (pCi/L) | Wells that exceed MCL | % of wells that exceed MCL |
|----------------------|-------------------------|----------------|---------------|-----------------------|----------------------------|
| Hickory              | 179                     | 9.9            | <1.3 – 87     | 46                    | 26                         |
| Ellenburger–San Saba | 118                     | 3.2            | <1.1 – 605    | 14                    | 12                         |
| Marble Falls         | 19                      | 6.8            | <0.9 – 15     | 0                     | 0                          |
| Trinity              | 84                      | 4.1            | <1.1 – 44     | 2                     | 2                          |
| Other                | 42                      | 9.4            | <1.4 – 82     | 15                    | 36                         |
| Total                | 442                     | 5.7            | <0.9 – 605    | 77                    | 17                         |



Wells completed in the Hickory aquifer have the highest median gross alpha activity (9.9 pCi/L) and the highest percentage of wells that exceeded the MCL (26%) with approximately 10 percent of measurements >30 pCi/L (twice the MCL). The Ellenburger–San Saba aquifer had the lowest median gross alpha activity (3.2 pCi/L) but also had the highest measured value (605 pCi/L), although only 12 percent of wells exceeded the MCL. The Trinity aquifer had only two wells exceeding the MCL (2%) while the Marble Falls aquifer had no exceedances. Aquifers collectively classified as “Other” include several formations, including Precambrian granite, the Cambrian system, and the Welge sandstone, which are locally water bearing and as a group had the second highest median gross alpha activity (9.4 pCi/L) with the highest percentage of wells that exceeded the MCL (36%).

Well depth information is available for a subset of 378 (86%) of the 442 wells that have had gross alpha activity analyses (Table 3.2). Both the median gross alpha activity and the percentage of wells that exceeded the gross alpha MCL for the different aquifers are very similar for the subset and the total well population and are thus considered representative of the total population. Gross alpha activities generally show trends with well depth in all of the aquifers except the Marble Falls, for which there were insufficient data (Figure 3.3). When grouped by 20<sup>th</sup> percentiles of well depth, median gross alpha activities increase overall with median well depth in the Ellenburger–San Saba, Trinity, and combined Other aquifers and decrease overall with median depth in the Hickory aquifer.

Wells completed in the Hickory aquifer at depths shallower than ~150 ft had the highest median gross alpha activity (11 pCi/L) in that aquifer, but the percentage of wells that exceed the MCL does not display a consistent trend with depth and varies from 18 percent to 32 percent

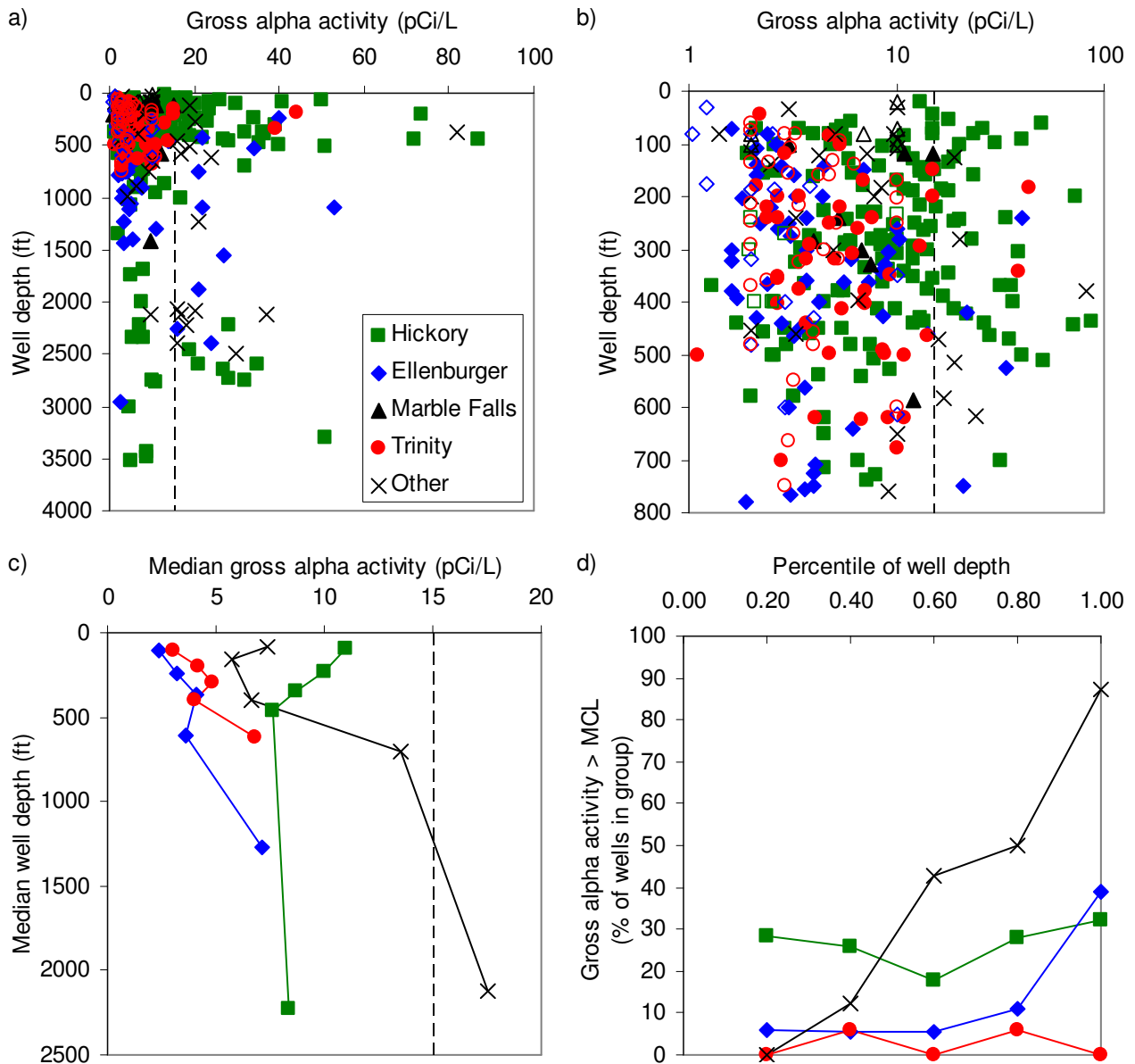
Median gross alpha activity increases fairly regularly with increasing well depth in the Ellenburger–San Saba aquifer, from a low of 2.4 pCi/L for wells shallower than 180 ft to a high of 7.2 pCi/L for wells between ~800 and ~3300 ft deep. Wells that exceed the MCL in the Ellenburger–San Saba are primarily completed at depths below ~800 ft where approximately 40 percent of wells are non-compliant.

Median gross alpha activity also increases fairly regularly with increasing well depth in the Trinity aquifer, from a low of 3.1 pCi/L for wells shallower than ~150 ft to a high of 6.8 pCi/L for wells between ~500 and 750 ft deep. Wells that exceed the MCL in the Trinity do not show a trend with increasing well depth and only 3 percent of wells are non-compliant.

The highest median gross alpha activities (13.5 to 17.5 pCi/L) are associated with wells completed in the combined “Other” aquifer category at depths between ~500 and 2,500 ft. Wells in this category also have the highest percentages of MCL exceedances, which increase regularly from 43 percent to 88 percent for wells completed at depths between 280 and 2,500 ft.

**Table 3.2 Summary of Median Gross Alpha Activity by Groundwater Well Depth and Aquifer Based on the Most Recent Sample Data from the TWDB Database.**

| Percentile                  | Number of wells in group | Group median gross alpha (pCi/L) | Well depth (ft) |                   | Wells > MCL |           |
|-----------------------------|--------------------------|----------------------------------|-----------------|-------------------|-------------|-----------|
|                             |                          |                                  | Median          | Range             | Number      | %         |
| <i>Hickory</i>              |                          |                                  |                 |                   |             |           |
| 0.20                        | 35                       | 11.0                             | 93              | 21 – 151          | 10          | 29        |
| 0.40                        | 35                       | 10.0                             | 232             | 152 – 280         | 9           | 26        |
| 0.60                        | 34                       | 8.7                              | 345             | 284 – 400         | 6           | 18        |
| 0.80                        | 32                       | 7.7                              | 463             | 414 – 620         | 9           | 28        |
| 1.00                        | 34                       | 8.4                              | 2,227           | 650 – 3,520       | 11          | 32        |
| Total                       | 170                      | 9.3                              | 338             | 21 – 3,520        | 45          | 26        |
| <i>Ellenburger-San Saba</i> |                          |                                  |                 |                   |             |           |
| 0.20                        | 17                       | 2.4                              | 109             | 31 – 175          | 1           | 6         |
| 0.40                        | 18                       | 3.2                              | 245             | 180 – 304         | 1           | 6         |
| 0.60                        | 18                       | 4.1                              | 364             | 320 – 432         | 1           | 6         |
| 0.80                        | 18                       | 3.6                              | 607             | 442 – 765         | 2           | 11        |
| 1.00                        | 18                       | 7.2                              | 1,268           | 780 – 3,310       | 7           | 39        |
| Total                       | 89                       | 3.6                              | 364             | 31 – 3,310        | 12          | 13        |
| <i>Trinity</i>              |                          |                                  |                 |                   |             |           |
| 0.20                        | 16                       | 3.1                              | 105             | 45 – 155          | 0           | 0         |
| 0.40                        | 17                       | 4.2                              | 200             | 160 – 240         | 1           | 6         |
| 0.60                        | 15                       | 4.8                              | 290             | 249 – 325         | 0           | 0         |
| 0.80                        | 17                       | 4.0                              | 400             | 341 – 480         | 1           | 6         |
| 1.00                        | 15                       | 6.8                              | 619             | 490 – 750         | 0           | 0         |
| Total                       | 80                       | 4.2                              | 290             | 45 – 750          | 2           | 3         |
| <i>Other</i>                |                          |                                  |                 |                   |             |           |
| 0.20                        | 8                        | 7.4                              | 80              | 30 – 115          | 0           | 0         |
| 0.40                        | 8                        | 5.7                              | 162             | 120 – 240         | 1           | 13        |
| 0.60                        | 7                        | 6.6                              | 395             | 280 – 470         | 3           | 43        |
| 0.80                        | 8                        | 13.5                             | 705             | 514 – 1,230       | 4           | 50        |
| 1.00                        | 8                        | 17.5                             | 2,121           | 2,060 – 2,500     | 7           | 88        |
| Total                       | 39                       | 9.8                              | 395             | 30 – 2,500        | 15          | 38        |
| <i>All</i>                  | <b>378</b>               | <b>6.2</b>                       | <b>330</b>      | <b>21 – 3,520</b> | <b>74</b>   | <b>20</b> |



**Figure 3.3 Relationship Between Gross Alpha Activity and Well Depth in the Study Area by Aquifer.**

Vertical dashed lines represent the gross alpha activity MCL (15 pCi/L). Values below sample analytical detection limits are shown using open symbols. Figure b) magnifies the upper-left region of Figure a) and has a log scale to provide detail. Points in Figure c) represent median values by aquifer for groups based on the 20th percentiles of well depth. Points in Figure d) represent the percentage of wells that exceed the MCL within each group shown in c). There were insufficient data to show the Marble Falls aquifer in Figures c) and d).

### 3.2.2 Combined Radium

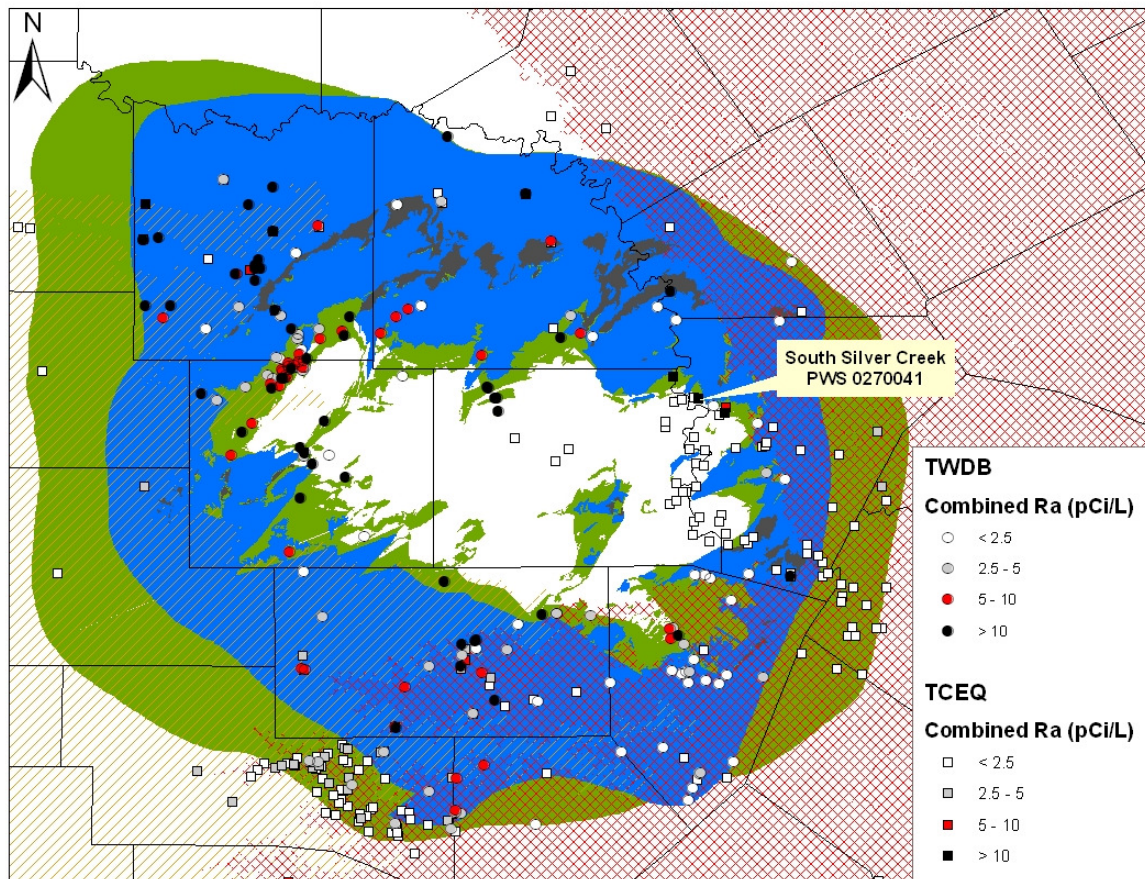
Radium in groundwater has been less frequently analyzed in the study area relative to gross alpha activity, likely due to the cost of analysis and also because guidelines provide that analyzing for radium is generally indicated only where gross alpha activity exceeds 5 pCi/L. Data from the TWDB database are summarized in Table 3.3 and represent the most recent 175 samples. Figure 3.4 shows the spatial distribution of combined radium activity measured in well samples in the study area. As with gross alpha, most samples are relatively dated. Samples for which combined radium can be calculated have a median sample date of 1994 and range from 1983 to 2009. Only 68 samples (39%) have been analyzed for combined radium since 2004. As with gross alpha activity, combined radium activity levels exceeded the MCL in every named aquifer in the study area except for the Marble Falls aquifer, for which no analysis results are reported in the database.

**Table 3.3 Summary of Combined Radium Activity in Groundwater Well Samples by Aquifer based on the Most Recent Sample Data from the TWDB Database.**

| Aquifer              | Wells with measurements | Median (pCi/L) | Range (pCi/L) | Wells that exceed MCL | % of wells that exceed MCL |
|----------------------|-------------------------|----------------|---------------|-----------------------|----------------------------|
| Hickory              | 94                      | 7.8            | <0.4 – 105    | 61                    | 65                         |
| Ellenburger–San Saba | 30                      | 1.9            | <0.7 – 28     | 4                     | 13                         |
| Trinity              | 34                      | 3.1            | <0.3 – 13     | 9                     | 26                         |
| Other                | 17                      | 10.6           | 2.3 – 40      | 13                    | 76                         |
| Total                | 175                     | 5.6            | <0.3 – 105    | 87                    | 50                         |

Combined radium activity ranged from <0.3 to 105 pCi/L regionally (median 5.6 pCi/L) and exceeded the MCL (5 pCi/L) in 50 percent of wells analyzed. Most (70%) of the wells that exceed the MCL in the region are completed in the Hickory aquifer. Wells completed in the Hickory aquifer also had the highest median combined radium activity (7.8 pCi/L) and the highest percentage of wells that exceeded the MCL (65%), with approximately 37 percent of the measurements >10 pCi/L (twice the MCL).

The Ellenburger–San Saba aquifer had the lowest median combined radium activity (1.9 pCi/L) and the lowest percentage of wells exceeding the MCL (13%). The Trinity aquifer had 26 percent of wells that exceeded the MCL and also had the smallest range of combined radium activity (<0.3 to 13 pCi/L). There are no sample analyses available for the Marble Falls aquifer. Aquifers collectively classified as “Other” include several local water-bearing units, including Precambrian granite, the Cambrian system, and Welge sandstone, which as a group had the highest median combined radium activity (10.6 pCi/L) and the highest percentage of wells that exceeded the MCL (76%) with 59 percent of the measurements >10 pCi/L.



**Figure 3.4 Spatial Distribution of Combined Radium Activity in the Study Area.**

**Points represent locations of groundwater wells and combined radium activity using the most recent sample data available from both the TWDB and TCEQ databases.**

Well depth information is available for a subset of 163 (93%) of the 175 wells that have had gross alpha activity analyses (Table 3.2). Median gross alpha activities and percentages of wells that exceeded the combined radium MCL for the different aquifers are the same or very similar for both the subsets and the larger well populations and thus the subsets are considered representative of the larger population. Combined radium activities show trends with well depth (Table 3.4, Figure 3.5), generally similar to gross alpha activities. When grouped by 25<sup>th</sup> percentiles of well depth, median combined radium activities increase overall with median depth in most of the aquifers.

Wells completed in the Hickory aquifer have median combined radium activities that exceeded the MCL at all depths, with the highest median value (9.0 pCi/L) associated with wells completed at depths <180 ft. As with gross alpha activity, there is no strong overall trend between well depth and the percentage of wells that exceeded the MCL in the Hickory, which varies from 59 percent to 82 percent at different depths.

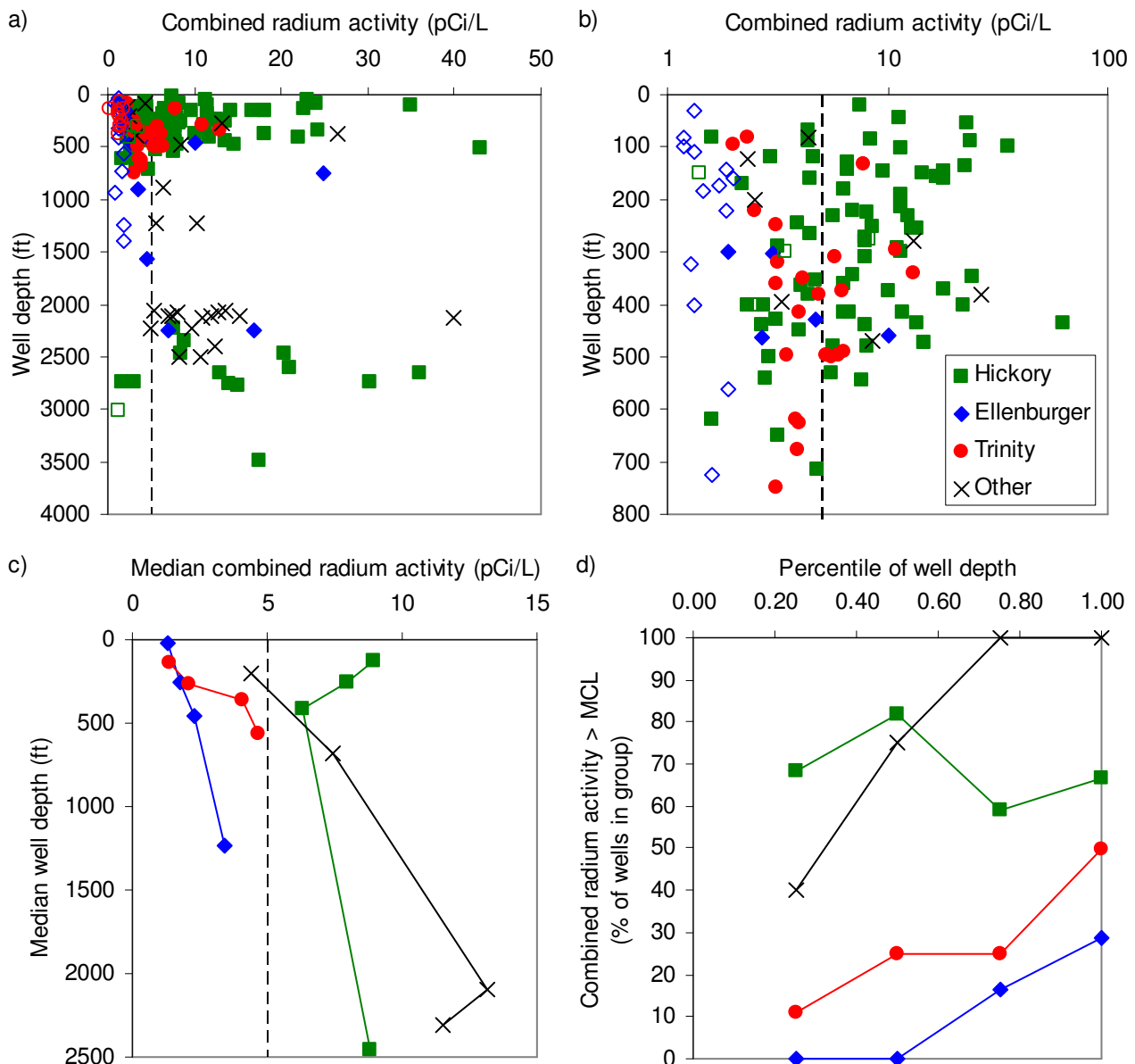


Median activity increases systematically with increasing depth but remains less than the MCL for all depth categories in both the Ellenburger–San Saba and the Trinity aquifers. Wells that exceeded the MCL in the Ellenburger–San Saba are at least 460 ft deep, while all but one of the wells that exceeded the MCL in the Trinity are at least 295 ft deep.

Median combined radium activity also increases systematically with increasing depth for wells in the combined “Other” aquifer category. The highest median activities range from 7.5 to 13.2 pCi/L for wells completed between 400 and 2500 ft, where 75 percent to 100 percent of wells exceeded the MCL.

**Table 3.4 Summary of Median Combined Radium Activity by Groundwater Well Depth and Aquifer Based on the Most Recent Sample Data from the TWDB Database.**

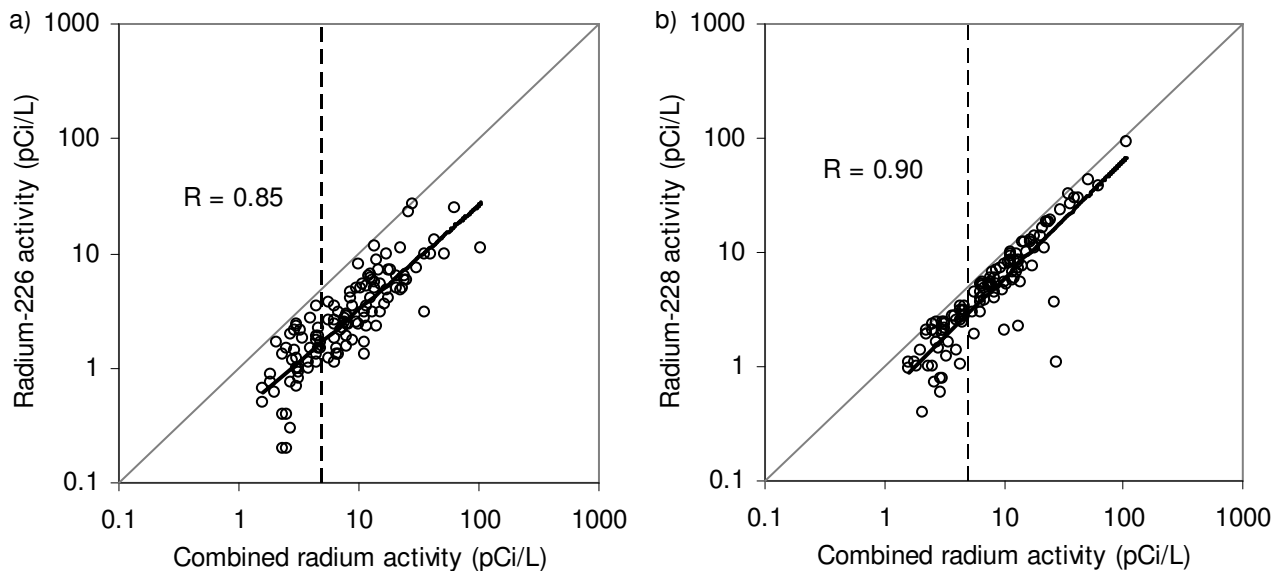
| Percentile                  | Number of wells in group | Group median combined radium (pCi/L) | Well depth (ft) |                   | Wells > MCL |           |
|-----------------------------|--------------------------|--------------------------------------|-----------------|-------------------|-------------|-----------|
|                             |                          |                                      | Median          | Range             | Number      | %         |
| <i>Hickory</i>              |                          |                                      |                 |                   |             |           |
| 0.25                        | 22                       | 9.0                                  | 125             | 21 – 170          | 15          | 68        |
| 0.50                        | 22                       | 8.0                                  | 261             | 180 – 346         | 18          | 82        |
| 0.75                        | 22                       | 6.3                                  | 414             | 355 – 480         | 13          | 59        |
| 1.00                        | 21                       | 8.8                                  | 2,460           | 500 – 3,488       | 14          | 67        |
| Total                       | 87                       | 7.9                                  | 346             | 21 – 3,488        | 60          | 69        |
| <i>Ellenburger-San Saba</i> |                          |                                      |                 |                   |             |           |
| 0.25                        | 7                        | <1.3                                 | 23              | 31 – 160          | 0           | 0         |
| 0.50                        | 6                        | <1.8                                 | 260             | 175 – 323         | 0           | 0         |
| 0.75                        | 6                        | 2.3                                  | 462             | 400 – 725         | 1           | 17        |
| 1.00                        | 7                        | 3.4                                  | 1,236           | 750 – 2,249       | 2           | 29        |
| Total                       | 26                       | 1.9                                  | 362             | 31 – 2,249        | 3           | 12        |
| <i>Trinity</i>              |                          |                                      |                 |                   |             |           |
| 0.25                        | 9                        | <1.4                                 | 133             | 60 – 180          | 1           | 11        |
| 0.50                        | 8                        | 2.1                                  | 270             | 215 – 310         | 2           | 25        |
| 0.75                        | 8                        | 4.1                                  | 365             | 320 – 415         | 2           | 25        |
| 1.00                        | 8                        | 4.7                                  | 560             | 490 – 750         | 4           | 50        |
| Total                       | 33                       | 3.1                                  | 310             | 60 – 750          | 9           | 27        |
| <i>Other</i>                |                          |                                      |                 |                   |             |           |
| 0.25                        | 5                        | 4.4                                  | 200             | 80 – 380          | 2           | 40        |
| 0.50                        | 4                        | 7.5                                  | 682             | 395 – 1,230       | 3           | 75        |
| 0.75                        | 4                        | 13.2                                 | 2,097           | 2,060 – 2,114     | 4           | 100       |
| 1.00                        | 4                        | 11.5                                 | 2,313           | 2,127 – 2,500     | 4           | 100       |
| Total                       | 17                       | 10.6                                 | 355             | 80 – 2,500        | 13          | 76        |
| <i>All</i>                  | <b>163</b>               | <b>5.6</b>                           | <b>355</b>      | <b>21 – 3,488</b> | <b>85</b>   | <b>52</b> |



**Figure 3.5 Relationship between Combined Radium Activity and Well Depth in the Study Area**

Vertical dashed lines represent the combined radium activity MCL (5 pCi/L). Values below sample analytical detection limits are shown using open symbols. Figure b) magnifies the upper-left region of Figure a) and has a log scale to provide detail. Points in Figure c) represent median values by aquifer for groups based on the 25<sup>th</sup> percentiles of well depth. Points in Figure d) represent the percentage of wells that exceed the MCL within each group shown in c).

As expected, both radium-226 and radium-228 are both highly correlated with combined radium activity ( $R=0.85$  and  $R=0.90$ , respectively) (Figure 3.6). Combined radium is generally dominated by radium-228 activity, which accounts for a median of 68 percent of the value (range 4% to 92%) whereas radium-226 activity accounts for a median of 32 percent of the value (range 8% to 96%).

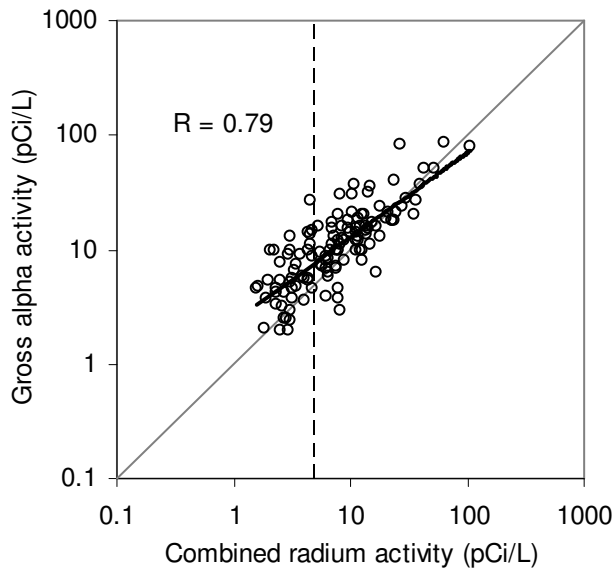


**Figure 3.6 Relationships Between Combined Radium and Radium Isotope Activities in the Study Area.**

**Diagonal gray lines represent the 1:1 relationships. Black lines represent power-law regression fits to the data.**

Gross alpha activity is also highly correlated with combined radium activity ( $R=0.79$ ), although the strength of correlation is somewhat lower than with the radium isotope–combined radium relationships, reflecting other sources of alpha activity besides radium (Figure 3.7). Based on 125 samples for which both gross alpha and combined radium activities were measured, gross alpha accounted for a median of 133 percent of combined radium activity but ranged widely from 36 percent to 587 percent. Gross alpha activity should be greater than combined radium activity in all cases due to the presence of other radionuclides that also emit alpha particles, particularly radon. However, 30 percent of gross alpha activity measurements in the study area are less than the measured combined radium activity, indicating that some measurements are inaccurate.





**Figure 3.7 Relationship Between Combined Radium and Gross Alpha Activities in the Study Area.**

**Diagonal gray line represents the 1:1 relationship. Black line represents a power-law regression fit to the data.**

### 3.3 REGIONAL GEOLOGY

Burnet County is one of several central Texas counties located on the Llano Uplift, a primarily granitic Precambrian core overlaid by Paleozoic formations that dip away in all directions around a core area formed by Llano and east Mason Counties (Bluntzer 1992). Cretaceous formations lie directly above the Paleozoic sequence and complete the stratigraphic column in west McCulloch County (Anaya and Jones 2000) and east Burnet County (RWHA 2003).

Burnet County is located in the east section of the Llano Uplift, where Precambrian igneous and metamorphic rock are exposed. The geology is complex, but the details are not pertinent to this study. The Cambrian Hickory Member, consisting mainly of sandstone, represents the oldest formation overlying the Precambrian basement. The Ordovician Ellenburger Group, consisting mainly of carbonates, to which is added the San Saba Member of Upper Cambrian age, contains several hydraulically connected water bearing formations. Another water bearing formation, appropriately called the Mid-Cambrian aquifer, consisting mainly of sandstone, is present between them. The Mid-Cambrian aquifer is not recognized by the State of Texas, as opposed to the Hickory and Ellenburger–San Saba aquifers, which are classified as minor aquifers by the state (Ashworth and Hopkins 1995). A fourth unit, the Pennsylvanian age Marble Falls Formation, consisting mainly of carbonate, is also classified as a minor aquifer. The remaining Paleozoic section contains formations that are able to produce some water but not in significant quantity.

1       The Paleozoic aquifers are compartmentalized by faults that became inactive prior to the  
2 deposition of Cretaceous sediments. However, the stratigraphic section does not change  
3 significantly between compartments and the general dip is <2.3% (120 ft/mile) (Mason 1961).  
4 The next youngest preserved layers are of Cretaceous age located in eastern Burnet and western  
5 McCulloch Counties and were deposited on a mostly flat platform. The first described  
6 formation is the Travis Peak Formation, itself part of the Trinity Group: the Hosston Sand and  
7 Hensell Sand with intermediate confining beds. The Hosston Sand pinches out around the  
8 uplift and to the northwest and has mostly disappeared or merged with the Hensell Sand in  
9 McCulloch County. The Travis Peak Formation (also called the Twin Mountains Formation  
10 further north) is overlain by the Glen Rose Formation, which acts as a confining unit, and then  
11 by the Paluxy Sand, which pinches out just south of Burnet County (RWHA 2003) and does not  
12 exist in McCulloch County. Toward the west, the Trinity Group is much thinner and sandier,  
13 with little or no Glen Rose Formation present, and is called the Antlers Sand (Klemm et al. 1975;  
14 Baker et al. 1990, p. 13). Overlying the Trinity Group, the Fredericksburg Group, which  
15 includes the Edwards Formation, completes the section. Mostly sandy units of the Trinity  
16 Group form the Trinity aquifer, classified as a major aquifer by the State of Texas (Ashworth  
17 and Hopkins 1995). The dip of the Cretaceous formations is generally small (< 0.5%) toward  
18 the south and east.

19       The Llano Uplift Precambrian rock does not yield significant amounts of water unless  
20 fractured or weathered (Bluntzer 1992), in which case the water is of generally good quality.  
21 Depth to the top of the Hickory aquifer ranges from zero at the outcrop to more than 2,500 ft.  
22 The Hickory varies in thickness because it was deposited on an irregular surface and ranges  
23 between 150 and 400 ft (Bluntzer 1992). The Mid-Cambrian aquifer, which can yield small  
24 quantities of water, is 50-100 ft thick and is separated from the Hickory by 400 to 600 ft of  
25 confining layers. Water quality in the Hickory (LBG-Guyton Associates 2003) and Mid-  
26 Cambrian (Mason 1961) aquifers is good. The thickness of the Ellenburger–San Saba aquifer  
27 ranges from 250 ft near the outcrop to 2,000 ft in Burnet County and 750 ft (locally >1,250 ft)  
28 in San Saba County (Core Laboratories Inc. 1972, p.26). The water is hard but otherwise of  
29 good quality (LBG-Guyton Associates 2003). More than 300 ft of limestone and shale  
30 separates the Ellenburger–San Saba aquifer from the Mid-Cambrian aquifer. The Marble Falls  
31 aquifer is about 400 ft thick and is separated from the Ellenburger–San Saba aquifer by 50 ft of  
32 confining beds. The Marble Falls aquifer has good water quality in the outcrop (mainly in San  
33 Saba County) and is also likely to have good quality water in downdip areas. Water quality in  
34 the Trinity Group is also good (LBG-Guyton Associates, 2003). The uppermost water-bearing  
35 formation is the Edwards limestone under water-table conditions, unlike other aquifers that are  
36 mostly confined.

### 3.4 DETAILED ASSESSMENT

#### South Silver Creek I, II & III (PWS 0270041)

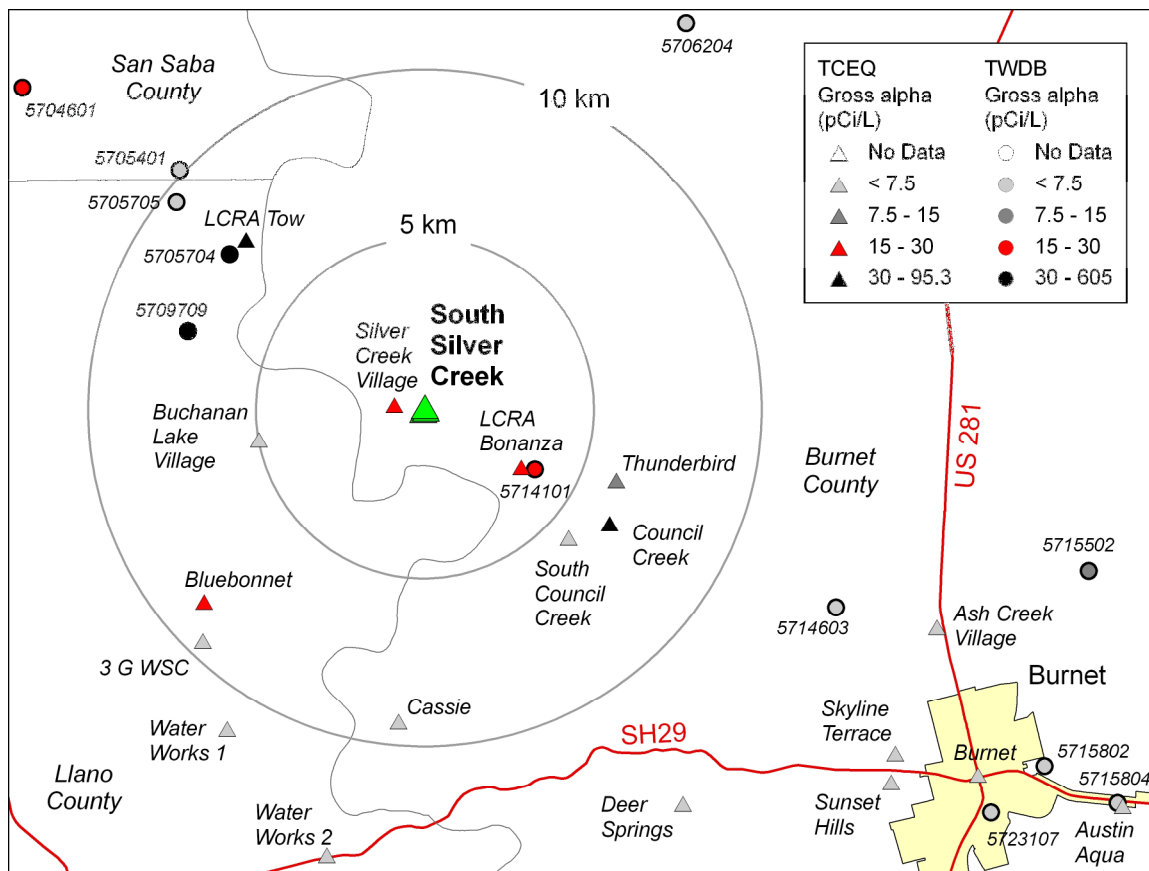
The South Silver Creek PWS has three wells: G0270041B (Well B, 145 ft deep), G0270041C (Well C, 243 ft deep), and G0270041D (Well D, 243 ft deep), all completed in the Hickory aquifer. Wells C and D are classified as operational while Well B is classified as demand. The system has 101 metered connections.

**Table 3.5 Gross Alpha and Combined Radium Concentrations for South Silver Creek PWS (Data from the TCEQ PWS Database).**

| Sample Date | Sample Location | Gross alpha (pCi/L) | <sup>226</sup> Ra (pCi/L) | <sup>228</sup> Ra (pCi/L) | Combined Ra (pCi/L) |
|-------------|-----------------|---------------------|---------------------------|---------------------------|---------------------|
| 01/31/00    | Well B          | 34.0                | 9.1                       | 34.3                      | 43.4                |
| 05/23/01    | EP 1            | 27.3                | 4.7                       | 12.3                      | 17.0                |
| 08/29/01    | D               | 35.3                | 4.7                       | 11.3                      | 16.0                |
| 11/14/02    | EP 1            | 36.1                | 4.3                       | 13.8                      | 18.1                |
| 11/12/03    | EP 1            | 38.9                | 4.0                       | 13.9                      | 17.9                |
| 12/06/04    | EP 1            | 37.8                | 4.9                       | 12.9                      | 17.8                |
| 01/28/05    | EP 1            | 22.7                | 4.2                       | 10.8                      | 15.0                |
| 10/25/05    | EP 1            | 30.4                | 4.7                       | 13.8                      | 18.5                |
| 01/31/06    | EP 1            | 16.9                | 2.3                       | 4.1                       | 6.4                 |
| 06/16/06    | EP 1            | 29.7                | 4.2                       | 11.5                      | 15.7                |
| 07/26/06    | EP 1            | 21.8                | 4.5                       | 13.1                      | 17.6                |
| 11/30/06    | EP 1            | 25.1                | 4.5                       | 13.6                      | 18.1                |
| 01/31/07    | EP 1            | 19.2                | 4.6                       | 13.0                      | 17.6                |
| 06/13/07    | EP 1            | 33.4                | 5.2                       | 13.6                      | 18.8                |
| 08/29/07    | EP 1            | 30.3                | 4.1                       | 13.6                      | 17.7                |
| 11/05/07    | EP 1            | 19.4                | 4.2                       | 13.5                      | 17.7                |
| 03/13/08    | EP 1            | 77.3                | 16.5                      | 8.3                       | 24.8                |
| 05/14/08    | EP 1            | 26.0                | 4.4                       | 14.9                      | 19.3                |
| 08/29/08    | EP 1            | 36.3                | 5.2                       | 15.0                      | 20.2                |
| 12/05/08    | EP 1            | 22.7                | 4.6                       | 14.2                      | 18.8                |

Sample Location: EP; entry point and number, D; distribution point in system, Well B; raw water sample from well, Combined Ra: the sum of Ra-226 and Ra-228.

All 20 samples analyzed between 2000 and 2008 for gross alpha activity exceeded the MCL (15 pCi/L). All samples also exceeded the MCL for combined radium (5 pCi/L) calculated as the sum of radium-226 and radium-228 concentrations. The distributions of gross alpha and combined radium activities measured in nearby wells are shown in Figures 3-8 and 3-9, respectively.

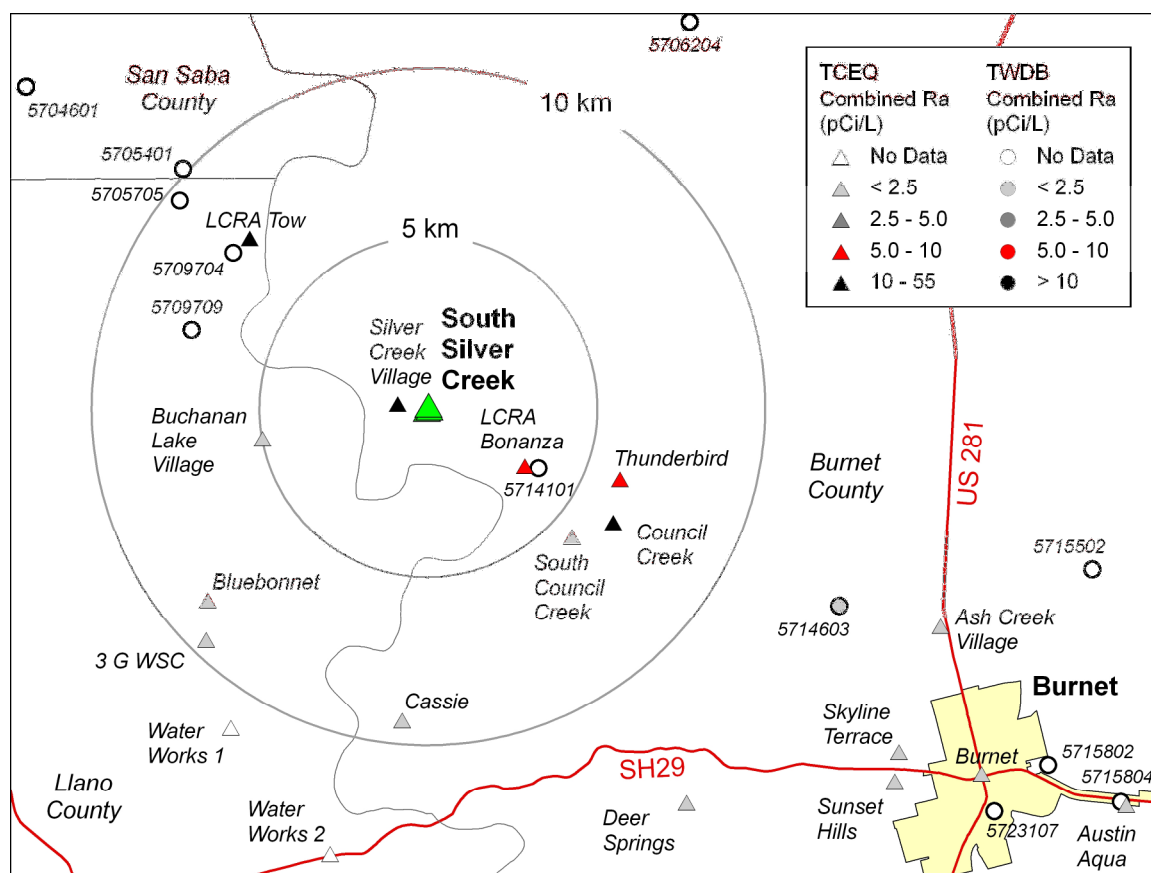


**Figure 3.8 Gross Alpha Activity near South Silver Creek PWS.**

Sample data shown represent the most recent sample. Data in the TCEQ PWS database represent entry point samples that may combine water from multiple wells and also may reflect post-treatment concentrations. Samples from the TWDB database are samples from single wells and represent raw water concentrations.

There are 10 public water supply systems located within 10 km of the South Silver Creek PWS. Five systems have gross alpha activity below the MCL, including Cassie, Thunderbird Resort, South Council Creek 2, Buchanan Lake Village, and 3 G water systems.

Excluding public water supply wells, there are five groundwater wells listed in the TWDB data base located within 10 km of South Silver Creek PWS analyzed for gross alpha activity. These analyses were performed between 1977 and 2001 and may not represent current conditions. Only two of these wells were compliant with the gross alpha MCL (5705401 and 5705705). Both wells are completed in the Ellenburger–San Saba, although no well depth information is available. Both of the compliant wells were sampled in 1989 and had gross alpha activity <2.0 pCi/L at that time.



**Figure 3.9 Combined radium activity near South Silver Creek PWS**

Sample data shown represent the most recent sample. Data in the TCEQ PWS database represent entry point samples that may combine water from multiple wells and also may reflect post-treatment concentrations. Samples from the TWDB database are samples from single wells and represent raw water concentrations.

Four of the 10 PWS systems located within 10 km of the South Silver Creek PWS have analyses for combined radium activity that are compliant with the MCL (5 pCi/L) in the most recent samples, including Cassie WS, Buchanan Lake Village, 3G WSC, and Bluebonnet Cove Mobile Home Park (Table 3.6). A fifth system, South Council Creek 2 PWS, is likely also compliant with the combined radium MCL. Though the most recent sample for South Council Creek was not analyzed for radium-226, radium-228 was not detected and radium-226 activity tends to be similar to or less than radium-228 activity. There are no combined radium analyses for wells located with 10 km of the South Silver Creek PWS in the TWDB database. A single analysis for radium-226 was performed in 1997 (well 5714101, radium-226 = 1.9 pCi/L).

**Table 3.6 Most Recent Concentrations of Gross Alpha, Radium Isotopes, and Combined Radium in Potential Alternative Groundwater Sources.**

| PWS / well ID        | System / Owner           | Aquifer              | Sample date | Gross alpha (pCi/L) | <sup>226</sup> Ra (pCi/L) | <sup>228</sup> Ra (pCi/L) | Combined Ra (pCi/L) |
|----------------------|--------------------------|----------------------|-------------|---------------------|---------------------------|---------------------------|---------------------|
| <b>TCEQ Database</b> |                          |                      |             |                     |                           |                           |                     |
| 0270014              | Council Creek Village    | Hickory              | 12/05/08    | 95.3                | 21.4                      | 16.0                      | 37.4                |
| 0270018              | LCRA Bonanza Beach       | Hickory              | 08/22/08    | 19.7                | 2.9                       | 6.0                       | 8.9                 |
| 0270021              | Silver Creek Village WSC | Hickory, Ellenburger | 12/05/08    | 27.5                | 5.3                       | 12.8                      | 18.1                |
| 0270047              | Cassie Water System      | Other (Precambrian)  | 12/07/06    | 2.2                 | 0.5                       | <1.0                      | <1.5                |
| 0270058              | Thunderbird Resort       | Hickory              | 02/02/00    | 13.6                | 4.1                       | 2.8                       | 6.7                 |
| 0270080              | South Council Creek 2    | Hickory              | 05/14/08    | 2.8                 |                           | <1.0                      |                     |
| 1500003              | Buchanan Lake Village    | Other (Precambrian)  | 12/29/06    | 4.7                 | <0.2                      | <1.0                      | <1.2                |
| 1500006              | 3 G WSC                  | Other (Precambrian)  | 06/20/06    | 4.7                 | 0.3                       | <1.0                      | <1.3                |
| 1500011              | LCRA Tow WS              | Hickory              | 09/23/08    | 84.8                | 23.2                      | 31.8                      | 55.0                |
| 1500033              | Bluebonnet Cove MHP      | Other (Precambrian)  | 06/20/06    | 16.1                | 1.2                       | 1.1                       | 2.3                 |
| <b>TWDB Database</b> |                          |                      |             |                     |                           |                           |                     |
| 5705401              | Fall Creek Vineyards     | Ellenburger          | 07/10/89    | <2.0                | –                         | –                         | –                   |
| 5705704              | Fall Creek Vineyards     | Hickory              | 04/26/89    | 73.4                | –                         | –                         | –                   |
| 5705705              | Fall Creek Vineyards     | Ellenburger          | 07/10/89    | <2.0                | –                         | –                         | –                   |
| 5709709              | Roger Crowder            | Ellenburger          | 07/23/01    | 605.0               | –                         | –                         | –                   |
| 5714101              | Raymond Greenwich        | Hickory              | 12/29/77    | 16.7                | 1.9                       | –                         | –                   |

### 3.5 SUMMARY OF ALTERNATIVE GROUNDWATER SOURCES FOR THE SOUTH SILVER CREEK PWS

There are five public water supply systems located within 10 km of South Silver Creek PWS that are compliant with the gross alpha activity MCL in the most recent sample. Of these, three systems are also compliant with the combined radium activity MCL, including Cassie WS, Buchanan Lake Village, and 3 G WSC. Though a more current complete analysis of combined radium has not been performed, a recent radium-228 analysis indicates that South Council Creek 2 is likely also compliant because radium-228 concentrations tend to be similar to or greater than radium-226 concentrations and both tend to be low when one is low. There are two wells in the TWDB database located within 10 km of South Silver Creek PWS that are compliant with the gross alpha activity MCL, although these analyses were performed over 20 years ago and may not reflect current values. None of the TWDB wells located within 10 km of South Silver Creek PWS have been analyzed for combined radium activity.

## SECTION 4 ANALYSIS OF THE SOUTH SILVER CREEK PWS

### 4.1 DESCRIPTION OF EXISTING SYSTEM

#### 4.1.1 Existing System

As shown in Figure 4.1, the South Silver Creek PWS is located approximately 11 miles north of State Highway 29, which is adjacent to Lake Buchanan and west of Burnet, Texas. The water supply system serves a population of 252 and has 84 connections. The water source for this PWS is three wells, completed in the Hickory Sandstone formation, that range in depths between 145 feet and 243 feet and have a total production of 0.123 million gallons per day (mgd). Wells 3 and 4 both produce approximately 30 gpm, while Well #2 produces 15 gpm and is used only for back-up purposes and is not tied into the system. The wells, all located within the small community, discharge to one ground storage tank (0.028 million gallons). Two service pumps (130 gpm each) take suction from the storage tank and discharges water to the distribution system through a 2,500 gallon capacity pressure tank. Disinfection with hypochlorite is injected in each wellhead before water is pumped into the distribution system.

Combined radium has been detected between 6.4 pCi/L and 43.4 pCi/L from 2000 to 2008, which exceeds the MCL of 5 pCi/L, and gross alpha has been detected at levels between 16.9 pCi/L and 77.3 pCi/L, which exceed the MCL of 15 pCi/L. The South Silver Creek PWS has also encountered water quality issues with iron, which exceeded the secondary MCL of 0.3 mg/L. Typical total dissolved solids concentrations are in the range of 431 to 672 mg/L.

The treatment employed for disinfection is not appropriate or effective for removal of combined radium or gross alpha, so optimization is not expected to be effective for increasing removal of this contaminant. However, there is a potential opportunity for system optimization to reduce contaminant concentration. The system has more than one well, and since contaminant concentrations can vary significantly between wells, combined radium and gross alpha concentrations should be determined for each well. If one or more wells happens to produce water with acceptable contaminant levels, as much production as possible should be shifted to that well. It may also be possible to identify contaminant-producing strata through comparison of well logs or through sampling of water produced by various strata intercepted by the well screen.

Basic system information is as follows:

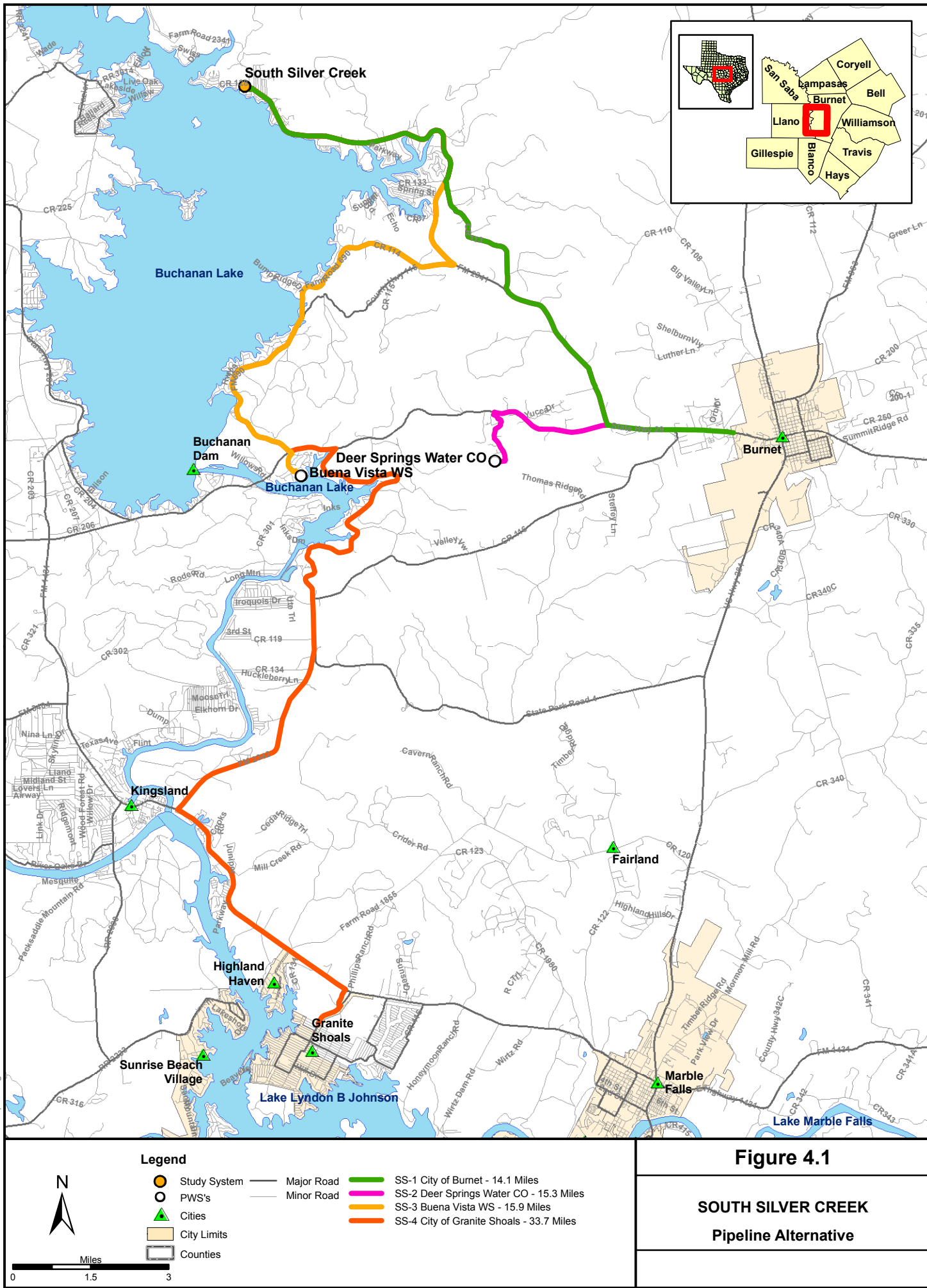
- Population served: 252
- Connections: 84
- Average daily flow: 0.0137 mgd
- Total production capacity: 0.123 mgd
- Typical total combined radium range: 6.4 pCi/L to 43.4 pCi/L

- 1 • Typical gross alpha particle activity range: 16.9 pCi/L to 77.3 pCi/L
- 2 • Typical combined uranium range: 2.0 to 8.9 pCi/L
- 3 • Typical total dissolved solids range: 431 to 672 mg/L
- 4 • Typical sulfate range: 25 to 70 mg/L
- 5 • Typical arsenic range: 0.002 mg/L
- 6 • Typical nitrate range: 0.01 to 3.31 mg/L
- 7 • Typical bicarbonate ( $\text{CaCO}_3$ ) range: 375 to 426 mg/L
- 8 • Typical fluoride range: 0.1 to 0.4 mg/L
- 9 • Typical iron range: 0.01 to 1.07 mg/L
- 10 • Typical manganese range: 0.001 to 0.019 mg/L
- 11 • Typical nitrate range: 0.01 to 3.31 mg/L
- 12 • Typical selenium range: 0.0025 to 0.0036 mg/L
- 13 • Typical sulfate range: 25 to 70 mg/L
- 14 • Typical hardness (as  $\text{CaCO}_3$ ) range: 360 to 553 mg/L

15 The typical ranges for water quality data listed above are based on a TCEQ database that  
16 contains data updated through the beginning of 2010.

17





#### 4.1.2 Capacity Assessment for the South Silver Creek WS

The project team conducted a capacity assessment of the South Silver Creek water system on June 30, 2010. The results of this evaluation are separated into four categories: general assessment of capacity, positive aspects of capacity, capacity deficiencies, and capacity concerns. The general assessment of capacity describes the overall impression of the technical, managerial, and financial capability of the water system. The positive aspects of capacity describe the strengths of the system. These factors can provide the building blocks for the system to improve capacity deficiencies. The capacity deficiencies noted are those aspects that are creating a particular problem for the system related to long-term sustainability. Primarily, these problems are related to the system's ability to meet current or future compliance, ensure proper revenue to pay the expenses of running the system, and to ensure the proper operation of the system. The last category, capacity concerns, includes items that are not causing significant problems for the system at this time. However, the system may want to address them before they become problematic.

To complete this analysis, the project team interviewed the following people:

- Jack Owen, Owner
- Charles Hughes, Manager/Operator

##### 4.1.2.1 General Information about the Water System

The South Silver Creek I, II and II water system is owned by Jones-Owen Company. The company also owns Council Creek Village water system, and South Council Creek water system. About half of the homes served by the water system are second homes for the owners.

The manager/operator, Charles Hughes, has a Class C license and has been with the company for 26 years. Three other operators, each of whom has been with the company for 1 ½ years, have Class D licenses. In addition, the owner, Jack Owen, holds a Class C license. All of the operators are on call 24 hours a day and are responsible for the 3 water systems. The operators meet every morning to discuss tasks for the day. In addition, the company has a contract with Hoover Construction for all major repairs.

As of March 15, 2010 the customer rates are \$70 per month base rate with no water included; \$4 per 1,000 gallons up to 4,000 gallons; and \$6 per 1,000 gallons after that. The rate had been \$34 a month for the past 10 years. The system is allowed to charge a \$50 deposit but the owner does not require it. The owner is just beginning to disconnect customers with accounts that are delinquent by 2 months or more. At the time of the assessment, there were approximately 20 connections that were 2 months or more past due. Last year the owner was unable to collect \$2,000 for Silver Creek.

The Jones-Owen Company was the developer for the subdivisions in the area. There are a few lots still undeveloped, but there will not be any significant growth. The County has a water

commission, but there is no ordinance in place to prevent private wells from being drilled, and some of the homeowners are on private wells.

#### **4.1.2.2 General Assessment of Capacity**

Based on the team's assessment, this system has a good level of capacity. There are some positive technical, managerial, and financial aspects of the water system, but there are also some areas of concern. The deficiency noted could prevent the water system from being able to achieve compliance now or in the future and may also impact the water system's long-term sustainability.

#### **4.1.2.3 Positive Aspects of Capacity**

In assessing a system's overall capacity, it is crucial to look at all aspects – positive and negative. It is important for systems to understand those characteristics that are working well, so those activities can be continued or strengthened. In addition, these positive aspects can assist the system in addressing the capacity deficiencies or concerns. The factor that was particularly important for South Silver Creek water system is listed below.

- **Knowledgeable and Dedicated Staff:** The manager/operator has been involved with the system for 26 years and is extremely knowledgeable about the system. He is very dedicated and will respond to calls from customers 24 hours a day. The operations staff meets every morning to receive work orders for the day. The water operators rotate being on-call, so the system is covered 24/7. In addition, the manager/operator provides on the job training for operators and all operators attend training to keep their certifications current.

#### **4.1.2.4 Capacity Deficiency**

- **Lack of Compliance with Drinking Water Standards:** South Silver Creek has been under an agreement with TCEQ for violations of drinking water standards for two groups of radionuclide contaminants: Gross alpha and combined radium (226 and 228). The agreement ended in April 2010 and the owner is unsure of the next step TCEQ will take. The system issues quarterly public notices required by TCEQ. The owner has investigated different treatment options. He was aware of a specific treatment system in south Texas, but his understanding is that the media would last about two to three years, and then he would have to have a permit to dispose of the radioactive waste. In addition, he has attempted to obtain an alternative water source because he believed it would be less expensive than paying an estimated \$100,000 for a radionuclide treatment system. He had planned to purchase Lake Buchanan water from the Lower Colorado River Authority, but that contract was cancelled.

#### 4.1.2.5 Potential Capacity Concern

The following items were concerns regarding capacity but no specific operational, managerial, or financial problems can be attributed to this item at this time. The system should consider the items listed below to further improve technical, managerial, and financial capabilities and to improve the system's long-term sustainability.

- **Lack of Operating Budget:** There does not appear to be a separate operating budget for the individual water systems, although some expenses may be tracked separately. Without tracking expenses and revenues on a monthly basis, it is not possible to know if the revenue collected through user charges is sufficient to cover the cost of current operations; repair and replacement; compliance with the Radionuclides regulations; and to provide a reserve fund. At this time, it is unknown if the new rate structure will provide sufficient revenue to cover the costs of service. The owner stated that his business will cover any additional expenses not covered by the revenues. The owner believes that with the rate increase, they will collect an additional \$40,000 per year for the South Silver Creek and Council Creek water systems.
- **No Reserve Account:** The owner indicated there is no specific water system reserve account and does not know if revenues cover costs. It does not appear that funds have been specifically set aside to address the current radionuclide compliance issue. The owner indicated his company will pay whatever costs are necessary to keep the system compliant with all TCEQ regulations. In the past, he spent \$2 million to rebuild the South Silver Creek and Council Creek Village water systems in order to bring them up to TCEQ standards.
- **Water Quantity Issues:** The manager/operator has implemented a flushing program which includes flushing 3 to 4 connections per day, so that all service lines are flushed each month. The operator indicated that the lines are flushed until he gets appropriate chlorine residual and until the water is clear of sediment. The storage tanks are flushed either once a week or twice a month. There are meters at all of the taps that are flushed and the manager/operator is able to track all of the water that is flushed. However, because of the compliance issues, the systems may want to investigate any possible options to reduce the amount of water that is lost through flushing. A reduction in water loss would reduce the amount of water that must be pumped and treated. Reducing water losses could result in a cost savings, depending on the compliance alternative implemented.
- **Contractual Issues.** The owner maintains a contract with Hoover Construction for \$1,000 a week. Hoover is on call 24 hours a day to respond to emergency line repairs and any other major repair or replacement work. Hoover has equipment that can dig through bedrock to reach the water lines, which means the owner does not have to invest in major equipment. The company constructed the original water systems and is very familiar with them. They are able to respond quickly in the

event of a line break. However, it might be worth reviewing the current arrangement and consider if there is another type of arrangement that could be implemented that might result in a cost saving.

## 4.2 ALTERNATIVE WATER SOURCE DEVELOPMENT

### 4.2.1 Identification of Alternative Existing Public Water Supply Sources

Using data drawn from the TCEQ drinking water and TWDB groundwater well databases, the PWSs surrounding the South Silver Creek PWS were reviewed with regard to their reported drinking water quality and production capacity. PWSs that appeared to have water supplies with water quality issues were ruled out from evaluation as alternative sources, while those without identified water quality issues were investigated further. Small systems were only considered if they were established residential or non residential systems within 16 miles of the South Silver Creek PWS. Large systems or systems capable of producing greater than four times the daily volume produced by the study system were considered if they were within 34 miles of the study system. A distance of 34 miles was considered to be the upper limit of economic feasibility for constructing a new water line. Table 4.1 is a list of the selected PWSs based on these criteria for large and small PWSs within 34 miles of the South Silver Creek PWS. If it was determined these PWSs had excess supply capacity and might be willing to sell the excess, or might be a suitable location for a new groundwater well, the system was taken forward for further consideration and identified with “EVALUATE FURTHER” in the comments column of Table 4.1.

**Table 4.1 Selected Public Water Systems within 34 Miles of the South Silver Creek PWS**

| PWS ID  | PWS Name                                      | Distance from South Silver Creek (miles) | Comments/Other Issues   |
|---------|---|--|---|
| 0270021 | SILVER CREEK VILLAGE WATER SUPPLY CORPORATION | 0.55                                     | Small GW system. WQ issues: Radium 226 and 228  |
| 1500008 | LCRA PARADISE POINT SUBDIVISION               | 2  | Small surface water system. WQ issues: None. Located on opposite side of Lake Buchanan. |
| 1500083 | BUCHANAN VILLAGE RV PARK                      | 2.7                                      | Small GW system. WQ issues: None. Located on opposite side of Lake Buchanan.            |
| 0270115 | CANYON OF THE EAGLES PARK                     | 2.71                                     | Small GW system. WQ issues: Insufficient data.  |
| 0270018 | LCRA BONANZA BEACH                            | 2.78                                     | Small GW system. WQ issues: Gross Alpha, Radium 228, Gross Alpha Particle Activity      |
| 1500104 | J & S QUICK STOP                              | 3.09                                     | Small GW system. WQ issues: Manganese   |
| 1500003 | BUCHANAN LAKE VILLAGE                         | 3.1                                      | Small GW system. WQ issues: None. Located on opposite side of Lake Buchanan.            |
| 0270080 | SOUTH COUNCIL CREEK 2                         | 3.58                                     | Small GW system. WQ issues: Gross Alpha, Total Radium                                   |
| 1500048 | BLUFFTON TRAILER PARK                         | 3.7                                      | Small GW system. WQ issues: Nitrate (as N)  |
| 1500113 | NANAS KITCHEN                                 | 3.78                                     | Small GW system. WQ issues: Nitrate (as N)  |
| 0270058 | THUNDERBIRD RESORT                            | 3.8                                      | Small GW system. WQ issues: Iron, Manganese, TDS, Radium 226                            |

| PWS ID  | PWS Name                                      | Distance from South Silver Creek (miles) | Comments/Other Issues  |
|---------|---|--|--|
| 0270014 | COUNCIL CREEK VILLAGE                         | 4.03                                     | Small GW system. WQ issues: Radium 226 and 228, Gross Alpha Particle Activity                            |
| 1500011 | LCRA TOW WATER SYSTEM                         | 4.57                                     | Small GW system. WQ issues: Iron, Radium 226 and 228, Gross Alpha Particle Activity                      |
| 1500033 | BLUEBONNET COVE MOBILE HOME PARK              | 5.39                                     | Small GW system. WQ issues: Gross Alpha Particle Activity  |
| 1500049 | BEACHCOMBER PARK                              | 5.39                                     | Small GW system. WQ issues: TDS  |
| 0270047 | CASSIE WATER SYSTEM                           | 5.78                                     | Small GW system. WQ issues: TDS  |
| 1500006 | 3 G WSC                                       | 5.91                                     | Small GW system. WQ issues: Fluoride   |
| 1500018 | WATER WORKS 1 FLOYD ACRES                     | 6.93                                     | Small purchased water system. WQ issues: None. Purchasers are not considered.                            |
| 1500037 | LCRA UPPER HIGHLAND LAKES WATER SUPPLY SYSTEM | 7.53                                     | Large surface water system. WQ issues: None. Located on opposite side of Lake Buchanan.                  |
| 0270008 | BUENA VISTA WS                                | 7.67                                     | Small surface water system. WQ issues: None. <b>Evaluate Further.</b>                                    |
| 1500045 | CAMP LONGHORN MAIN CAMP                       | 8.35                                     | Small surface water system. WQ issues: None. Not considered.   |
| 1500019 | WATER WORKS 2 ISLAND LODGES                   | 8.41                                     | Small purchased water system. WQ issues: None. Purchasers are not considered.                            |
| 0270006 | DEER SPRINGS WATER CO                         | 8.72                                     | Small GW system. WQ issues: None. <b>Evaluate Further</b>  |
| 1500099 | SHADY OAKS RV PARK                            | 8.94                                     | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 1500023 | GRAVES LONG MOUNTAIN RV PARK INC              | 9.4                                      | Small GW system. WQ issues: Nitrate (as N), TDS  |
| 0270065 | RIVER OAKS WATER SYSTEM                       | 9.56                                     | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270022 | CITY OF GRANITE SHOALS SHERWOOD SHORES III    | 9.96                                     | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270088 | ASH CREEK VILLAGE                             | 10.32                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270053 | CAMP LONGHORN INDIAN SPRINGS                  | 10.57                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270001 | CITY OF BURNET                                | 10.76                                    | Large GW and surface system. WQ issues: None. <b>Evaluate Further.</b>                                   |
| 0270017 | SKYLINE TERRACE SUBDIVISION                   | 10.79                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270043 | SUNSET HILLS SUBDIVISION                      | 11.06                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270089 | CAMP BUCKNER                                  | 11.73                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 0270031 | TPWD LONGHORN CAVERNS STATE PARK              | 12.34                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 2060013 | TPWD COLORADO BEND STATE PARK                 | 13                                       | Small GW and surface water system. WQ issues: None. Other well options located closer.                   |
| 1500012 | KINGSLAND WSC                                 | 13.78                                    | Large GW, surface water and purchased water system. WQ issues: None. Located on other side of Inks Lake. |
| 0270055 | HANSON AGGREGATE CENTRAL INC                  | 14.08                                    | Small GW system. WQ issues: None. Other well options located closer.                                     |
| 1500117 | RIO VISTA RESORT                              | 14.14                                    | Small GW system. WQ issues: TDS  |

| PWS ID  | PWS Name                          | Distance from South Silver Creek (miles) | Comments/Other Issues   |
|---------|-----------------------------------|--|---|
| 0270049 | CITY OF GRANITE SHOALS            | 14.27                                    | Large GW and surface water system. WQ issues: None. <b>Evaluate Further</b>         |
| 1500094 | VALENTINE LAKESIDE RESORT         | 14.53                                    | Small GW system. WQ issues: None. Other well options located closer.                |
| 0270108 | TXDOT BURNET                      | 14.77                                    | Small GW system. WQ issues: None. Other well options located closer.                |
| 1500093 | LONGHORN RESORT                   | 14.88                                    | Small GW system. WQ issues: Manganese   |
| 0270042 | AUSTIN AQUA SYSTEM                | 15.04                                    | Small GW system. WQ issues: None  |
| 1500106 | BRIDGEPOINT WATER SYSTEM          | 15.21                                    | Small purchased water system. WQ issues: Gross Alpha, Total Uranium                 |
| 0270090 | WINDY HILLS MHP                   | 15.35                                    | Small GW system. WQ issues: None  |
| 2060007 | SULPHUR SPRINGS FISHING CAMP      | 15.74                                    | Small GW system. WQ issues: None  |
| 1500004 | COMANCHE RANCHERIAS               | 15.89                                    | Small GW system. WQ issues: None  |
| 0270059 | CAMP CHAMPIONS                    | 17.19                                    | Small GW and purchased water system. WQ issues: None                                |
| 0270091 | NORTH RIDGE WSC                   | 17.24                                    | Small GW system. WQ issues: None  |
| 0270099 | HIGHLAND UTILITIES                | 17.38                                    | Small GW and purchased system. WQ issues: Radium 228, Gross Alpha Particle Activity |
| 2060014 | BAREFOOT FISHING CAMP             | 17.64                                    | Small GW system. WQ issues: None  |
| 1410037 | GRACE FELLOWSHIP CHURCH           | 17.82                                    | Small GW system. WQ issues: None  |
| 0270103 | CRACKER BARREL GROCERY            | 17.83                                    | Small GW system. WQ issues: Iron, Manganese, TDS                                    |
| 0270076 | GRANITE SHOALS CAMPGROUND         | 17.95                                    | Small GW system. WQ issues: TDS   |
| 1500001 | CITY OF LLANO                     | 18.04                                    | Large surface water system. WQ issues: None   |
| 1500010 | LCRA SUNRISE BEACH WATER SYSTEM   | 18.14                                    | Large purchased water system. WQ issues: None                                       |
| 0270016 | PRAIRIE CREEK ESTATES             | 18.15                                    | Small purchased water system. WQ issues: None                                       |
| 0270107 | CITY OF GRANITE SHOALS KINGSWOOD  | 18.24                                    | Small GW system. WQ issues: None  |
| 1410032 | WOODLAND ACRES WATER ASSOCIATION  | 18.3                                     | Small GW system. WQ issues: Iron  |
| 0270057 | TEXAS GRANITE CORP                | 18.72                                    | Small GW system. WQ issues: None  |
| 0270127 | LITTLE TEXANS PUBLIC WATER SYSTEM | 18.98                                    | Small GW system. WQ issues: None  |
| 0270012 | CITY OF BERTRAM                   | 19.66                                    | Large GW and purchased water system. WQ issues: Iron                                |
| 1500002 | LLANO COUNTY MUD 1                | 19.99                                    | Small surface water and purchased water system. WQ issues: None                     |
| 2060010 | CHEROKEE ISD                      | 20.04                                    | Small GW system. WQ issues: None  |
| 0270126 | WILDERNESS COVE                   | 20.14                                    | Small GW system. WQ issues: None  |
| 1500112 | FLAG CREEK RANCH                  | 20.34                                    | Small GW system. WQ issues: TDS, Gross Alpha Particle Activity                      |
| 1500009 | LCRA SANDY HARBOR SUBDIVISION     | 20.63                                    | Small purchased water system. WQ issues: None                                       |
| 2060004 | CHEROKEE HOME FOR CHILDREN        | 21.08                                    | Small GW system. WQ issues: None  |
| 1500015 | CITY OF HORSESHOE BAY             | 21.09                                    | Large GW and surface water system. WQ issues: None                                  |
| 0270026 | CITY OF MARBLE FALLS              | 21.48                                    | Large surface water system. WQ issues: None   |

| PWS ID  | PWS Name                             | Distance from South Silver Creek (miles) | Comments/Other Issues   |
|---------|--------------------------------------|--|---|
| 1500043 | PECAN UTILITIES COMPANY              | 21.52                                    | Small purchased water system. WQ issues: None                                   |
| 0270028 | SOUTH ROAD WSC PUMPSTATION           | 21.61                                    | Small purchased water system. WQ issues: None                                   |
| 0270036 | MEADOWLAKES MUD                      | 21.65                                    | Large surface water system. WQ issues: None                                     |
| 0270013 | CITY OF COTTONWOOD SHORES            | 21.76                                    | Large surface water system. WQ issues: None                                     |
| 0270037 | CHANNEL OAKS WATER SYSTEM            | 22.24                                    | Small GW system. WQ issues: None  |
| 0270052 | CAMP PENIEL                          | 22.48                                    | Small GW system. WQ issues: None  |
| 0270130 | CHARLIES COUNTRY STORE AND CAFE      | 22.67                                    | Small GW system. WQ issues: None  |
| 0270114 | BERTRAM WOODS SUBDIVISION            | 23                                       | Small GW system. WQ issues: 1028_Iron   |
| 0270124 | LCRA WHITEWATER SPRINGS WATER SYSTEM | 23.29                                    | Small GW system. WQ issues: None  |
| 1500121 | DEER COUNTRY WATER SYSTEM            | 23.91                                    | Small GW system. WQ issues: Nitrate, Gross Alpha, Gross Alpha Particle Activity |
| 0270113 | HIGH SIERRA WATER SYSTEM             | 24.26                                    | Small GW system. WQ issues: None  |
| 1410002 | LCRA LOMETA REGIONAL WATER SYSTEM    | 25.33                                    | Large surface water and purchased water system. WQ issues: None                 |

1 WQ = water quality

2 GW = groundwater

3 SW = surface water

4 After the PWSs in Table 4.1 with water quality problems were eliminated from further  
5 consideration, the remaining PWSs were screened by proximity to South Silver Creek PWS and  
6 sufficient total production capacity for selling or sharing water. Based on the initial screening  
7 summarized in Table 4.1, four alternatives were selected for further evaluation. These  
8 alternatives are summarized in Table 4.2. The four alternatives are connections to the City of  
9 Burnet, the Deer Springs Water Co., the Buena Vista WSC, and the City of Granite Shoals.  
10 Descriptions of all four alternatives follow Table 4.2.

11 **Table 4.2 Public Water Systems Within the Vicinity of the**  
12 **South Silver Creek PWS Selected for Further Evaluation**

| PWS ID  | PWS Name              | Pop  | Connections | Total Production (mgd) | Avg Daily Usage (mgd) | Approx. Dist. from South Silver Ck | Comments/Other Issues   |
|---------|-----------------------|------|-------------|------------------------|-----------------------|------------------------------------|---|
| 0270001 | CITY OF BURNET        | 6171 | 2903        | 3.024                  | 0.967                 | 14.1                               | Large GW and surface water system. Will consider as a purchased water option. |
| 0270006 | DEER SPRINGS WATER CO | 300  | 128         | 0.084                  | 0.015                 | 15.3                               | Small GW system. Will consider as a purchased water option.                   |
| 0270008 | BUENA VISTA WS        | 369  | 123         | 0.081                  | 0.022                 | 15.9                               | Small surface water system (a). Will consider as a purchased water option     |



| PWS ID  | PWS Name               | Pop  | Connections | Total Production (mgd) | Avg Daily Usage (mgd) | Approx. Dist. from South Silver Ck | Comments/Other Issues   |
|---------|------------------------|------|-------------|------------------------|-----------------------|------------------------------------|---|
| 0270049 | CITY OF GRANITE SHOALS | 5187 | 1729        | 1.44                   | 0.309                 | 33.7                               | Large GW and surface water system (b). Will consider as a purchased water option. |
|         |                        |      |             |                        |                       |                                    |   |

#### 4.2.1.1 City of Burnet (0270001)

The City of Burnet (PWS #0270001) is located in Burnet County approximately 14 miles southeast from the Council Creek Village PWS. The City has a population of 6,171 people and a total of 2,903 metered connections. The City of Burnet's water is provided by a 2.8 mgd surface water treatment plant located on the North side of Inks Lake that draws water from Inks Lake, treats the water and then pumps the water eastward through a via a 13-mile pipeline to the City of Burnet distribution system. The estimated 14-mile pipeline distance between the Burnet city limits and South Silver Creek could be reduced by intersecting the east-west pipeline west of the city limits. However, for cost estimating the nine-mile distance will be used for the pipeline length between Burnet and South Silver Creek.

There are also three ground water wells available only for emergency use. These three wells were the primary water source for Burnet prior to 1987. Due to continual bacteria growth in the three wells, the City switched to surface water in 1987.

With the 2.8 mgd water treatment plant and a current consumption rate ranging from 1.4 to 1.7 mgd, there is a current excess capacity. The planning and zoning department investigates all requests for receiving potable water from the City of Burnet. After the request has been evaluated by the Planning and Zoning Department, it is then submitted to the City Council for approval. Several years ago, the City was anticipating population growth in the area and was considering plans to double the capacity of the treatment plant. Those plans are currently on hold.

#### 4.2.1.2 Deer Springs Water Company (0270006)

Deer Springs Water Company (PWS #0270006) is located approximately 15 miles south of the South Silver Creek PWS. The Deer Springs PWS is privately owned and operated, and is supplied by two groundwater wells completed in the Hickory Sandstone formation. Both wells are 580 feet deep and have a combined production of 0.114 mgd. Water is disinfected using hypochlorite before being distributed. The Deer Springs PWS serves a population of 300 and has 129 metered connections.

#### 4.2.1.3 Buena Vista WS (0270008)

Buena Vista Water System (PWS #0270008) is located approximately 16 miles south of the Silver Creek PWS. The PWS is privately owned and operated, and is supplied by surface water. The Deer Springs PWS operates at a production rate of 0.081 mgd and serves a population of 372 with 124 metered connections. According to the City of Burnet, the Buena

Vista PWS is under receivership due to recent mismanagement issues and personnel from Buena Vista were not available to discuss whether the system has excess capacity.

#### **4.2.1.4 City of Granite Shoals**

The City of Granite Shoals (PWS # 0270049) is located in Burnet County approximately 34 miles from South Silver Creek Village PWS. The City operates a 3 mgd water treatment plant which pumps water from Lake LBJ. The city owns one ground water well which is only used as an emergency supply. The City has a population of 6100 people and a total of 1990 metered connections. With an average annual usage ranging between 0.5 and 1.0 mgd, the City does have excess capacity, and is planning to apply for a Texas Water Development loan for financing several needed infrastructure upgrades.

The City does provide water to Sunset Woods and Kingswood which are both outside the city limits of Granite Shoals. Costs for installation of the pipeline were covered through grants and the potential water usage via a negotiated rate. The decision to sell water to a surrounding system is made by the seven-member city council.

### **4.2.2 Potential for New Groundwater Sources**

#### **4.2.2.1 Installing New Compliant Wells**

Developing new wells or well fields is recommended, provided good quality groundwater available in sufficient quantity can be identified. Since a number of water systems in the area have water quality problems, it should be possible to share in the cost and effort of identifying compliant groundwater and constructing well fields.

Installation of a new well in the vicinity of the system intake point is likely to be an attractive option provided compliant groundwater can be found, since the PWS is already familiar with operation of a water well. As a result, existing nearby wells with good water quality should be investigated. Re-sampling and test pumping would be required to verify and determine the quality and quantity of water at those wells.

The use of existing wells should probably be limited to use as indicators of groundwater quality and availability. If a new groundwater source is to be developed, it is recommended that a new well or wells be installed instead of using existing wells. This would ensure well characteristics are known and meet standards for drinking water wells.

Some of the alternatives suggest new wells be drilled in areas where existing wells have acceptable water quality. In developing the cost estimates, Parsons assumed the aquifer in these areas would produce the required amount of water with only one well. Site investigations and geological research, which are beyond the scope of this study, could indicate whether the aquifer at a particular site and depth would provide the amount of water needed or if more than one well would need to be drilled in separate areas.

#### 4.2.2.2 Results of Groundwater Availability Modeling

Three overlapping, low-yield aquifers that surround the Llano uplift region of central Texas are the source for potable water wells located throughout west Burnet County where the South Silver Creek WS is located. Those aquifers are, from the upper hydrogeological unit to the deepest, the Hickory aquifer, Ellenburger-San Saba aquifer, and Marble Falls aquifer. Detailed regional geology was previously discussed in Section 3.

Three wells operated by the South Silver Creek WS are completed in the Hickory aquifer. A search of registered wells was conducted using Public Water Supply database to assess groundwater sources utilized within a 10-mile radius of the PWS. The search indicated that the Hickory and Ellenburger-San Saba aquifers are the groundwater sources for domestic and public supply wells in the PWS vicinity. There is also extensive utilization of those two aquifers for irrigation.

Key features of the two main groundwater sources in the PWS vicinity are discussed below, followed by a summary of groundwater availability.

#### Groundwater Supply

The *Hickory aquifer*, the water source of the South Silver Creek PWS, is classified by the TWDB as minor on the basis of potential water production. Pockets of water-bearing rock layers of the aquifer that appear at the land surface (outcrop) are scattered mostly throughout Llano, McCulloch and San Saba counties. Deeper aquifer formations, the down dip, extend over 12 counties, including most of Burnet County. Most of the water pumped from the Hickory aquifer is used for irrigation and municipal supplies. Slight water level fluctuations occur seasonally in irrigated areas (TWDB 2007).

Wells completed in the Hickory aquifer commonly yield as much as 1,000 gallons per minute. Aquifer utilization in the previous two decades has ranged from about 17,000 to 28,000 acre feet per year (AFY), with an estimated value of 17,634 AFY for 2000 (Mace and Angle 2004). The 2007 Texas Water Plan indicates that the groundwater supplies from the Hickory aquifer, with implementation of water management strategies, will steadily increase during the 50-year planning period, from about 50,000 AFY in 2010 to about 62,000 AFY in the year 2060.

The *Ellenburger-San Saba aquifer* crops out from Llano County in a circular pattern and dips radially into the subsurface of 12 adjacent counties. The aquifer outcrop reaches the west and central areas of Burnet County. Municipal supply is the primary use of water pumped from the Ellenburger-San Saba Aquifer, with the remainder used for irrigation and livestock watering.

Wells completed in the Ellenburger-San Saba aquifer commonly yield between 200 and 500 gallons per minute (USGS 2006). Total aquifer utilization was estimated at 5,853 AFY for 2000, a value similar to those reported over the two previous two decades (Mace and Angle

2004). The 2007 Texas Water Plan indicates that the groundwater supplies from the aquifer, with implementation of water management strategies, will remain near its current value of about 22,500 AFY during the 2010-2060 planning period. Over the last years, water levels in the aquifer have not experienced significant declines (TWDB 2007).

## **Groundwater Availability**

Over the 2010-2060 planning period, the 2007 Texas Water Plan indicates that water needs for Burnet County will increase substantially, from a current value of 1,618 AFY projected to increase over 10,000 AFY by 2060. Over 90 percent of the increased demand is expected to be associated with municipal water use.

In the Llano uplift area, only moderate water level declines have been reported for the Hickory and Ellenburger-San Saba aquifers (Smith 2004). A GAM is not currently available for aquifers of the Llano uplift region that supply groundwater in Burnet County. As a basis for future development of a combined GAM for the Ellenburger-San Saba, Hickory and Marble Falls aquifers, the TWBD has completed the evaluation of aquifer structure and water elevation contour surfaces of the Llano Uplift region (Standen and Ruggiero 2007).

### **4.2.3 Potential for New Surface Water Sources**

There is a minimum potential for development of new surface water sources for the South Silver Creek PWS because water availability is very limited over the entire river basin, at the county level, and within the site vicinity.

The PWS is located in the middle reach of the Colorado Basin, within a relatively arid region of Texas that has a low surface water yield. The 2007 Texas State Water Plan estimated that the average yield over the entire basin is 1.2 inches per year. Surface water rights are assigned primarily to municipal use and irrigation (66 and 25%, respectively). Over a 50-year planning period, the plan anticipates that availability will steadily decrease as a result of an increasing water demand. A projected 2010 surface water supply value of 1,110,000 AFY for the Colorado Basin is expected to decrease over 10 percent by the year 2060. This decrease takes into account the implementation of various long-term water management strategies proposed in the State Water Plan.

The TPWD developed a surface water availability model for the Colorado Basin as a tool to determine, at a regional level, the maximum amount of water available during the drought of record over the simulation period. For the PWS vicinity, simulation data indicate a minimum availability of surface water for new uses. Surface water availability maps were developed by TCEQ illustrating percent of months of flow per year indicate that unappropriated flows for new applications are typically available less than 25 percent of the time in the site vicinity, and over the entire Burnet County. This availability is inadequate for development of new municipal water supplies as a 100 percent year-round availability is required by TCEQ for new surface water source permit applications.

#### **4.2.4 Options for Detailed Consideration**

The initial review of alternative sources of water results in the following options for more-detailed consideration:

1. City of Burnet. Treated water would be purchased from the City of Burnet to be used by the South Silver Creek PWS. A pipeline would be constructed to convey water from the City of Burnet to the South Silver Creek PWS (Alternative SS-1).
2. Deer Springs Water Company. Compliant groundwater would be purchased from the Deer Springs Water Company to be used by the South Silver Creek PWS. A pipeline would be constructed to convey water from the Deer Springs Water Company to the South Silver Creek PWS (Alternative SS-2).
3. Buena Vista Water Supply. Treated water would be purchased from the Buena Vista Water Supply to be used by the South Silver Creek PWS. A pipeline would be constructed to convey water from the Buena Vista Water Supply to the South Silver Creek PWS (Alternative SS-3).
4. City of Granite Shoals. Treated water would be purchased from the City of Granite Shoals to be used by the South Silver Creek Village PWS. A pipeline would be constructed to convey water from the City of Granite Shoals to South Silver Creek (Alternative SS-4).
5. New Wells at 10, 5, and 1 mile. Installing a new well within 10, 5, or 1 mile of the South Silver Creek PWS may produce compliant water in place of the water produced by the existing active well. A pipeline and pump station would be constructed to transfer the water to the South Silver Creek PWS (Alternatives SS-5, SS-6, and SS-7).

### **4.3 TREATMENT OPTIONS**

#### **4.3.1 Centralized Treatment Systems**

Centralized treatment of the well water is identified as a potential option. Both RO and WRT Z-88 are potentially applicable processes. The central RO treatment alternative is Alternative SS-8, and the WRT Z-88 treatment alternative is Alternative SS-9.

#### **4.3.2 Point-of-Use Systems**

POU treatment using RO technology is valid for combined radium and gross alpha removal. The POU treatment alternative is SS-10.

### 4.3.3 Point-of-Entry Systems

POE treatment using RO technology is valid for combined radium and gross alpha removal. The POE treatment alternative is SS-11.

## 4.4 BOTTLED WATER

Providing bottled water is considered an interim measure to be used until a compliance alternative is implemented. Even though the community is small and people know each other; it would be reasonable to require a quarterly communication advising customers of the need to take advantage of the bottled water program. An alternative to providing delivered bottled water is to provide a central, publicly accessible dispenser for treated drinking water. Alternatives addressing bottled water are SS-12, SS-13, and SS-14.

## 4.5 ALTERNATIVE DEVELOPMENT AND ANALYSIS

A number of potential alternatives for compliance with the MCL for combined radium and gross alpha have been identified. Each of the potential alternatives is described in the following subsections. It should be noted that the cost information given is the capital cost and change in O&M costs associated with implementing the particular alternative. Appendix C contains cost estimates for the compliance alternatives. These compliance alternatives represent a range of possibilities, and a number of them are likely not feasible. However, all have been presented to provide a complete picture of the range of alternatives considered. It is anticipated that a PWS will be able to use the information contained herein to select the most attractive alternative(s) for more detailed evaluation and possible subsequent implementation.

### 4.5.1 Alternative SS-1: Purchase Treated Water from the City of Burnet

This alternative involves purchasing potable water from the City of Burnet, which will be used to supply the South Silver Creek PWS. The City of Burnet currently has sufficient excess capacity for this alternative to be feasible, although any agreement to supply water would have to be negotiated and approved by the City Council. For purposes of this report, in order to allow direct and straightforward comparison with other alternatives, this alternative assumes water would be purchased from the City. Also, it is assumed that South Silver Creek would obtain all its water from the City of Burnet.

This alternative would require construction of a 5,000-gallon feed tank at a point adjacent to the City of Burnet's water main on Buchanan Drive, and a new pipeline from the feed tank to the existing 28,000-gallon storage tank located at the South Silver Creek PWS. A pump station would also be required to overcome pipe friction and the elevation difference between the feed tank and South Silver Creek PWS. The required pipeline would be 4-inches in diameter, approximately 14.1 miles long, and follow Ranch Road (RR) 2341 near Silver Creek Drive south to County Road (CR) 113, then continuing south to RR 2341 to State Highway (SH) 29, then east and tap into the existing City of Burnet distribution system on the west side of the city.

1 The pump station would include two pumps, including one standby, and would be housed  
2 in a building. It is assumed the pumps and piping would be installed with capacity to meet all  
3 water demand for the South Silver Creek PWS, since the incremental cost would be relatively  
4 small, and it would provide operational flexibility.

5 By definition this alternative involves regionalization, since Council Creek Village would  
6 be obtaining drinking water from an existing larger supplier. Also, other PWSs near Council  
7 Creek Village are in need of compliant drinking water and could share in implementation of  
8 this alternative.

9 The estimated capital cost for this alternative includes constructing the pipeline, pump  
10 station, feed tank, building, and distribution pumps. The estimated O&M cost for this  
11 alternative includes the purchase price for the treated water minus the cost related to current  
12 operation of the South Silver Creek's wells, plus maintenance cost for the pipeline, and power  
13 and O&M labor and materials for the pump station. The estimated capital cost for this  
14 alternative is \$2.6 million, with an estimated annual O&M cost of \$19,800. If the purchased  
15 water was used for blending rather than for the full water supply, the annual O&M cost for this  
16 alternative could be reduced because of reduced pumping costs and reduced water purchase  
17 costs. However, additional costs would be incurred for equipment to ensure proper blending,  
18 and additional monitoring to ensure the finished water is compliant.

19 The reliability of adequate amounts of compliant water under this alternative should be  
20 good. From the perspective of the South Silver Creek PSW, this alternative would be  
21 characterized as easy to operate and repair, since O&M and repair of pipelines and pumps are  
22 well understood. If the decision were made to perform blending then the operational  
23 complexity would increase.

24 The feasibility of this alternative is dependent on an agreement being reached with the City  
25 of Burnet to purchase treated drinking water.

#### 26 **4.5.2 Alternative CC-2: Purchase Compliant Water from Deer Springs Water** 27 **Company**

28 This alternative involves purchasing compliant groundwater from the Deer Springs Water  
29 Company, which will be used to supply the South Silver Creek PWS. The Deer Springs Water  
30 Company currently has sufficient excess capacity for this alternative to be feasible, although  
31 any agreement to supply water would have to be negotiated and approved by the water  
32 company. For purposes of this report, in order to allow direct and straightforward comparison  
33 with other alternatives, this alternative assumes water would be purchased from the Deer  
34 Springs Water Company. Also, it is assumed that South Silver Creek would obtain all its water  
35 from the Deer Springs Water Company.

36 This alternative would require construction of a 5,000-gallon feed tank at a point adjacent  
37 to a Deer Springs Water Company's water main, and a new pipeline from the feed tank to the  
38 existing storage tank located at the South Silver Creek PWS. A pump station would also be

required to overcome pipe friction and the elevation differences between the two systems. The required pipeline would be 4-inches in diameter, approximately 15.3 miles long, and follow east then north on Deer Springs Drive to SH 29, turning east and continuing on to RR 2341, then north to CR 113 reconnecting with RR 2341, then north to Silver Creek Drive.

The pump station would include two pumps, including one standby, and would be housed in a building. It is assumed the pumps and piping would be installed with capacity to meet all water demand for the South Silver Creek PWS, since the incremental cost would be relatively small, and it would provide operational flexibility.

By definition this alternative involves regionalization, since Council Creek Village would be obtaining drinking water from an existing larger supplier. Also, other PWSs near Council Creek Village are in need of compliant drinking water and could share in implementation of this alternative.

The estimated capital cost for this alternative includes constructing the pipeline, pump station, feed tank, building, and distribution pumps. The estimated O&M cost for this alternative includes the purchase price for the treated water minus the cost related to current operation of the South Silver Creek PWS's wells. Additionally, the maintenance costs for the pipeline, pump station, electric power, and O&M are included in the cost estimate. The estimated capital cost for this alternative is \$3.08 million, with an estimated annual O&M cost of \$21,000. If the purchased water was used for blending rather than for the full water supply, the annual O&M cost for this alternative could be reduced because of reduced pumping costs and reduced water purchase costs. However, additional costs would be incurred for equipment to ensure proper blending, and additional monitoring to ensure the finished water is compliant.

The reliability of adequate amounts of compliant water under this alternative should be good. From the perspective of the South Silver Creek PWS, this alternative would be characterized as easy to operate and repair, since O&M and repair of pipelines and pump stations is well understood, and South Silver Creek personnel currently operate pipelines and pump stations. If the decision was made to perform blending then the operational complexity would increase.

The feasibility of this alternative is dependent on an agreement being reached with the Deer Springs Water Company to purchase treated drinking water.

#### **4.5.3 Alternative SS-3: Purchase Treated Water from Buena Vista Water System**

This alternative involves purchasing potable water from the Buena Vista Water System, which will be used to supply the South Silver Creek PWS. The Buena Vista Water System currently has sufficient excess capacity for this alternative to be feasible, although any agreement to supply water would have to be negotiated and approved by the City Council. For purposes of this report, in order to allow direct and straightforward comparison with other



alternatives, this alternative assumes water would be purchased from the City. Also, it is assumed South Silver Creek would obtain all its water from the Buena Vista Water System.

This alternative would require construction of a 5,000-gallon feed tank at a point adjacent to the Buena Vista's water main on Mountain View Drive, and a new pipeline from the feed tank to the existing 28,000-gallon storage tank located at the South Silver Creek PWS. A pump station would also be required to overcome pipe friction and the elevation difference between the feed tank and South Silver Creek PWS. The required pipeline would be 4-inches in diameter, approximately 15.9 miles long, and would follow north on Mountain View Circle to Buena Vista Drive, then turn left to CR 139 continuing north and crossing SH 29, then north on FM 690 which becomes CR 114, continuing east to RR 2341, then north along RR 2341 to Silver Creek Drive.

The pump station would include two pumps, including one standby, and would be housed in a building. It is assumed the pumps and piping would be installed with capacity to meet all water demand for the South Silver Creek PWS, since the incremental cost would be relatively small, and it would provide operational flexibility.

By definition this alternative involves regionalization, since Council Creek Village would be obtaining drinking water from an existing larger supplier. Also, other PWSs near Council Creek Village are in need of compliant drinking water and could share in implementation of this alternative.

The estimated capital cost for this alternative includes constructing the pipeline, pump station, feed tank, building, and distribution pumps. The estimated O&M cost for this alternative includes the purchase price for the treated water minus the cost related to current operation of the South Silver Creek's wells, plus maintenance cost for the pipeline, and power and O&M labor and materials for the pump station. The estimated capital cost for this alternative is \$2.9 million, with an estimated annual O&M cost of \$21,500. If the purchased water was used for blending rather than for the full water supply, the annual O&M cost for this alternative could be reduced because of reduced pumping costs and reduced water purchase costs. However, additional costs would be incurred for equipment to ensure proper blending, and additional monitoring to ensure the finished water is compliant.

The reliability of adequate amounts of compliant water under this alternative should be good. From the perspective of the South Silver Creek PWS, this alternative would be characterized as easy to operate and repair, since O&M and repair of pipelines and pump stations is well understood, and South Silver Creek personnel currently operate pipelines and a pump station. If the decision was made to perform blending then the operational complexity would increase.

The feasibility of this alternative is dependent on an agreement being reached with the Buena Vista Water System to purchase treated drinking water.

**4.5.4 Alternative SS-4: Purchase Treated Water from the City of Granite Shoals**

This alternative involves purchasing potable water from the City of Granite Shoals, which will be used to supply the South Silver Creek PWS. The City of Granite Shoals currently has sufficient excess capacity for this alternative to be feasible, although any agreement to supply water would have to be negotiated and approved by the City Council. For purposes of this report, to allow direct and straightforward comparison with other alternatives, this alternative assumes water would be purchased from the City. Also, it is assumed that South Silver Creek would obtain all its water from the City of Granite Shoals.

This alternative would require construction of two 5,000-gallon feed tanks at a point adjacent to the City of Granite Shoals' water main at N. Phillips Ranch Rd and E. New Castle, and a new pipeline from the feed tank to the existing 28,000-gallon storage tank located at the South Silver Creek PWS. Two pump stations would also be required to overcome pipe friction and the elevation difference between the feed tank and South Silver Creek PWS. The required pipeline would be 4-inches in diameter, approximately 33.7 miles long, and follow North Phillips Ranch Road to RR 1431, then west to FM 2342 turning right and continuing north to State Park Road 4 W to SH 29, then west to FM 690 which becomes CR 114, continuing east to RR 2341, then north around Buchanan Lake to Silver Creek Drive.

The pump stations would include four pumps, including two standby, and would be housed in a building. It is assumed the pumps and piping would be installed with capacity to meet all water demand for the South Silver Creek PWS, since the incremental cost would be relatively small, and would provide operational flexibility.

By definition this alternative involves regionalization, since Council Creek Village would be obtaining drinking water from an existing larger supplier. Also, other PWSs near Council Creek Village are in need of compliant drinking water and could share in implementation of this alternative.

The estimated capital cost for this alternative includes constructing the pipeline, pump stations, feed tanks, buildings, and distribution pumps. The estimated O&M cost for this alternative includes the purchase price for the treated water minus the cost related to current operation of the South Silver Creek PWS wells, plus maintenance cost for the pipeline, and power and O&M labor and materials for the pump station. The estimated capital cost for this alternative is \$5.99 million, with an estimated annual O&M cost of \$46,100. If the purchased water was used for blending rather than for the full water supply, the annual O&M cost for this alternative could be reduced because of reduced pumping costs and reduced water purchase costs. However, additional costs would be incurred for equipment to ensure proper blending, and additional monitoring to ensure the finished water is compliant.

The reliability of adequate amounts of compliant water under this alternative should be good. City of Granite Shoals provides treated surface water on a large scale, facilitating adequate O&M resources. From perspective of the South Silver Creek PSW, this alternative

1 would be characterized as easy to operate and repair, since O&M and repair of pipelines and  
2 pump stations is well understood. If the decision was made to perform blending then the  
3 operational complexity would increase.

4 The feasibility of this alternative is dependent on an agreement being reached with the City  
5 of Granite Shoals to purchase treated drinking water.

#### 6 **4.5.5 Alternative SS-5: New Well at 10 miles**

7 This alternative consists of installing one new well within 10 miles of the South Silver  
8 Creek PWS that would produce compliant water in place of the water produced by the existing  
9 wells. At this level of study, it is not possible to positively identify an existing well or the  
10 location where a new well could be installed.

11 This alternative would require constructing one new 243-foot well, a new pump station  
12 with a 5,000-gallon feed tank near the new well, and a pipeline from the new well/feed tank to  
13 the existing storage tank for the South Silver Creek PWS. The pump station and feed tank  
14 would be necessary to overcome pipe friction and changes in land elevation. For this  
15 alternative, the pipeline is assumed to be approximately 10 miles long, and would be a 4-inches  
16 in diameter and discharge to the existing storage tank at the South Silver Creek PWS. The  
17 pump station would include two transfer pumps, including one standby, and would be housed in  
18 a building.

19 Depending on well location and capacity, this alternative could present some options for a  
20 more regional solution. It may be possible to share water and costs with another nearby system.

21 The estimated capital cost for this alternative includes installing the well, constructing the  
22 pipeline, the pump station, the feed tank, and pump house. The estimated O&M cost for this  
23 alternative includes O&M for the pipeline and pump station. The estimated capital cost for this  
24 alternative is \$1.94 million, and the estimated annual O&M cost for this alternative is \$13,800.

25 The reliability of adequate amounts of compliant water under this alternative should be  
26 good, since water wells, pump stations and pipelines are commonly employed. From the  
27 perspective of the South Silver Creek PWS, this alternative would be similar to operate as the  
28 existing system. South Silver Creek personnel have experience with O&M of wells, pipelines,  
29 and pump stations.

30 The feasibility of this alternative is dependent on the ability to find an adequate existing  
31 well or success in installing a well that produces an adequate supply of compliant water. It is  
32 likely that an alternate groundwater source would not be found on land owned by South Silver  
33 Creek, so landowner cooperation would likely be required.

#### 34 **4.5.6 Alternative SS-6: New Well at 5 miles**

35 This alternative consists of installing one new well within 5 miles of the South Silver  
36 Creek PWS that would produce compliant water in place of the water produced by the existing

1 wells. At this level of study, it is not possible to positively identify an existing well or the  
2 location where new wells could be installed.

3 This alternative would require constructing one new 243-foot well, a new pump station  
4 with a 5,000-gallon feed tank near the new well, and a pipeline from the new well/feed tank to  
5 the existing storage tank for the South Silver Creek PWS. The pump station and feed tank  
6 would be necessary to overcome pipe friction and changes in land elevation. For this  
7 alternative, the pipeline is assumed to be 4-inches in diameter, approximately 5 miles long, and  
8 would discharge to the existing storage tank at the South Silver Creek PWS. The pump station  
9 near the well would include two transfer pumps, including one standby, and would be housed in  
10 a building.

11 Depending on well location and capacity, this alternative could present some options for a  
12 more regional solution. It may be possible to share water and costs with another nearby system.

13 The estimated capital cost for this alternative includes installing the well, and constructing  
14 the pipeline, the pump station, the feed tank, and pump house. The estimated O&M cost for  
15 this alternative includes O&M for the pipeline and pump station. The estimated capital cost for  
16 this alternative is \$1.06 million, and the estimated annual O&M cost for this alternative is  
17 \$13,400.

18 The reliability of adequate amounts of compliant water under this alternative should be  
19 good, since water wells, pump stations and pipelines are commonly employed. From the  
20 perspective of the South Silver Creek PWS, this alternative would be similar to operate as the  
21 existing system. South Silver Creek personnel have experience with O&M of wells, pipelines  
22 and pump stations.

23 The feasibility of this alternative is dependent on the ability to find an adequate existing  
24 well or success in installing a well that produces an adequate supply of compliant water. It is  
25 likely an alternate groundwater source would not be found on land owned by South Silver  
26 Creek, so landowner cooperation would likely be required.

#### 27 **4.5.7 Alternative SS-7: New Well at 1 mile**

28 This alternative consists of installing one new well within 1 mile of the South Silver Creek  
29 PWS that would produce compliant water in place of the water produced by the existing wells.  
30 At this level of study, it is not possible to positively identify an existing well or the location  
31 where a new well could be installed.

32 This alternative would require constructing one new 243-foot well and a pipeline from the  
33 new well to the existing storage tank for the South Silver Creek PWS. Since the new well is  
34 relatively close, a pump station would not be necessary. For this alternative, the pipeline is  
35 assumed to be 4 inches in diameter, approximately 1 mile long, and would discharge to the  
36 existing storage tank at the South Silver Creek PWS.

1 Depending on well location and capacity, this alternative could present some options for a  
2 more regional solution. It may be possible to share water and costs with another nearby system.

3 The estimated capital cost for this alternative includes installing the well, and constructing  
4 the pipeline. The estimated O&M cost for this alternative includes O&M for the pipeline. The  
5 estimated capital cost for this alternative is \$288,000, and the estimated annual O&M savings  
6 for this alternative is \$11,200.

7 The reliability of adequate amounts of compliant water under this alternative should be  
8 good, since water wells and pipelines are commonly employed. From the perspective of the  
9 South Silver Creek PWS, this alternative would be similar to operate as the existing system.  
10 South Silver Creek personnel have experience with O&M of wells, pipelines and pump  
11 stations.

12 The feasibility of this alternative is dependent on the ability to find an adequate existing  
13 well or success in installing a well that produces an adequate supply of compliant water. It is  
14 possible an alternate groundwater source would not be found on land owned by South Silver  
15 Creek, so landowner cooperation may be required.

#### 16 **4.5.8 Alternative SS-8: Central RO Treatment**

17 This system would continue to pump water from the existing well, and would treat the  
18 water through an RO system prior to distribution. For this option, 87 percent of the raw water  
19 would be treated to obtain compliant water. The RO process concentrates impurities in the  
20 reject stream which would require disposal. It is estimated the RO reject generation would be  
21 approximately 4,000 gallons per day (gpd) when the system is operated at the average daily  
22 consumption of 18,000 gallons per day.

23 This alternative consists of constructing the RO treatment plant near the existing 2 wells  
24 (G0270041C & D). The plant is composed of a 600 square foot building with a paved  
25 driveway; a skid with the pre-constructed RO plant; transfer pumps, a 125,000-gallon tank for  
26 storing the treated water, and a 28,000-gallon pond for storing reject water. The treated water  
27 would be chlorinated before entering the treated water tank and stored there prior to being  
28 pumped into the distribution system. Reject water would be trucked 10 miles round trip to an  
29 as yet unidentified disposal point. The entire facility is fenced.

30 The estimated capital cost for this alternative is \$1.45 million and the estimated annual  
31 O&M cost is \$58,100. The estimated labor for the plant is 1,000 hours per year.

32 The reliability of adequate amount of compliant water under this alternative is good, since  
33 RO treatment is a common and well-understood treatment technology. However, O&M efforts  
34 required for the central RO treatment plant may be significant, and O&M personnel would  
35 require training with RO. The feasibility of this alternative is not dependent on the cooperation,  
36 willingness, or capability of other water supply entities.

#### 4.5.9 Alternative SS-9: Central WRT Z-88 Treatment

The system would continue to pump water from the South Silver Creek PWS wells, and would treat the water through a water softener and then the Z-88 adsorption system prior to distribution. The full flow of raw water would be treated by the Z-88 system as the media specifically adsorb radium and do not affect other constituents. There is some liquid waste generated from backwashing the Z-88 media and the softener in this process. It is assumed that this small amount of water could be discharged to the local sewer. The Z-88 media would be replaced and disposed by WRT in an approved low-level radioactive waste landfill after 2-3 years of operation.

This alternative consists of constructing the Z-88 treatment system at the existing South Silver Creek PWS well field. WRT owns the Z-88 equipment and the Subdivision would pay for construction for the treatment unit and auxiliary facilities. The plant is composed of a 600 square foot building with a paved driveway; the pre-fabricated Z-88 adsorption system owned by WRT; and piping system. The entire facility would be fenced. The treated water would be chlorinated prior to distribution. It is assumed the well pumps would have adequate pressure to pump the water through the Z-88 system to the ground storage tanks without requiring new pumps. Note that clean water storage and pumping, equal to that of the RO unit is included in the cost estimate.

The estimated capital cost for this alternative is \$984,100, and the estimated annual O&M cost is \$55,500.

Based on many pilot testing results and some full-scale plant data, this technology appears to be reliable. It is very simple to operate and the media replacement and disposal would be handled by WRT. Because WRT owns the equipment, the capital cost is relatively low. The main operating cost would be WRT's fee for the treated water. One concern with this technology is the potential health effect on O&M personnel because of the level of radioactivity accumulated in the Z-88 vessel after the media have been operating for a long time.

#### 4.5.10 Alternative SS-10: Point-of-Use Treatment

This alternative consists of the continued operation of the South Silver Creek well field, plus treatment of water to be used for drinking or food preparation at the point of use to remove combined radium and gross alpha. The purchase, installation, and maintenance of POU treatment systems to be installed "under the sink" would be necessary for this alternative. Blending is not an option in this case.

This alternative would require installing the POU treatment units in residences and other buildings that provide drinking or cooking water. South Silver Creek staff would be responsible for purchase and maintenance of the treatment units, including membrane and filter replacement, periodic sampling, and necessary repairs. In houses, the most convenient point for installation of the treatment units is typically under the kitchen sink, with a separate tap installed for dispensing treated water. Installation of the treatment units in kitchens will require

1 the entry of South Silver Creek or contract personnel into the houses of customers. As a result,  
2 cooperation of customers would be important for success implementing this alternative. The  
3 treatment units could be installed for access without house entry, but that would complicate the  
4 installation and increase costs.

5 Treatment processes would involve RO. Treatment processes produce a reject waste  
6 stream. The reject waste streams result in a slight increase in the overall volume of water used.  
7 POU systems have the advantage that only a minimum volume of water is treated (only that for  
8 human consumption). This minimizes the size of the treatment units, the increase in water  
9 required, and the waste for disposal. For this alternative, it is assumed the increase in water  
10 consumption is insignificant in terms of supply cost, and that the reject waste stream can be  
11 discharged to the house septic or sewer system.

12 This alternative does not present options for a regional solution.

13 The estimated capital cost for this alternative includes purchasing and installing the POU  
14 treatment systems. The estimated O&M cost for this alternative includes the purchase and  
15 replacement of filters and membranes, as well as periodic sampling and record keeping as  
16 required by the Texas Administrative Code (Title 30, Part I, Chapter 290, Subchapter F, Rule  
17 290.106). The estimated capital cost for this alternative is \$63,800, and the estimated annual  
18 O&M cost for this alternative is \$61,600. For the cost estimate, it is assumed that one POU  
19 treatment unit will be required for each of the 84 connections in the South Silver Creek system.  
20 It should be noted that the POU treatment units would need to be more complex than units  
21 typically found in commercial retail outlets in order to meet regulatory requirements, making  
22 purchase and installation more expensive. Additionally, capital cost would increase if POU  
23 treatment units are placed at other taps within a home, such as refrigerator water dispensers, ice  
24 makers, and bathroom sinks. In school settings, all taps where children and faculty receive  
25 water may need POU treatment units or clearly mark those taps suitable for human  
26 consumption. Additional considerations may be necessary for preschools or other  
27 establishments where individuals cannot read.

28 The reliability of adequate amounts of compliant water under this alternative is fair, since it  
29 relies on the active cooperation of the customers for system installation, use, and maintenance,  
30 and only provides compliant water to single tap within a house. Additionally, the O&M efforts  
31 (including monitoring of the devices to ensure adequate performance) required for the POU  
32 systems will be significant, and the current personnel are inexperienced in this type of work.  
33 From the perspective of the South Silver Creek PWS, this alternative would be characterized as  
34 more difficult to operate owing to the in-home requirements and the large number of individual  
35 units.

36 The feasibility of this alternative is not dependent on the cooperation, willingness, or  
37 capability of other water supply entities.

#### 4.5.11 Alternative SS-11: Point-of-Entry Treatment

This alternative consists of the continued operation of the South Silver Creek well field, plus treatment of water as it enters residences to remove combined radium and gross alpha. The purchase, installation, and maintenance of the treatment systems at the point of entry to a household would be necessary for this alternative. Blending is not an option in this case.

This alternative would require the installation of the POE treatment units at houses and other buildings that provide drinking or cooking water. Every building connected to the system must have a POE device installed, maintained, and adequately monitored. TCEQ must be assured the system has 100 percent participation of all property and or building owners. A way to achieve 100 percent participation is through a public announcement and education program. Example public programs are provided in the document “*Point-of-Use or Point-of-Entry Treatment Options for Small Drinking Water Systems*” published by USEPA. The property owner’s responsibilities for the POE device must also be contained in the title to the property and “run with the land” so subsequent property owners understand their responsibilities (USEPA 2006).

South Silver Creek would be responsible for purchase, operation, and maintenance of the treatment units, including membrane and filter replacement, periodic sampling, and necessary repairs. It may also be desirable to modify piping so water for non-consumptive uses can be withdrawn upstream of the treatment unit. The POE treatment units would be installed outside the residences, so entry would not be necessary for O&M. Some cooperation from customers would be necessary for installation and maintenance of the treatment systems.

POE treatment for combined radium and gross alpha would involve RO. Treatment processes produce a reject stream that requires disposal. The reject water stream results in a slight increase in overall volume of water used. POE systems treat a greater volume of water than POU systems. For this alternative, it is assumed the increase in water consumption is insignificant in terms of supply cost, and that the backwash reject waste stream can be discharged to the house septic or sewer system.

This alternative does not present options for a regional solution.

The estimated capital cost for this alternative includes purchasing and installing the POE treatment systems. The estimated O&M cost for this alternative includes the purchase and replacement of filters and membranes, as well as periodic sampling and record keeping. The estimated capital cost for this alternative is \$1.32 million, and the estimated annual O&M cost for this alternative is \$186,100. For the cost estimate, it is assumed that one POE treatment unit will be required for each of the 84 existing connections to the South Silver Creek system.

The reliability of adequate amounts of compliant water under this alternative are fair, but better than POU systems since it relies less on the active cooperation of the customers for system installation, use, and maintenance, and compliant water is supplied to all taps within a house. Additionally, the O&M efforts required for the POE systems will be significant, and the



current personnel are inexperienced in this type of work. From the perspective of the South Silver Creek PWS, this alternative would be characterized as more difficult to operate owing to the on-property requirements and the large number of individual units.

The feasibility of this alternative is not dependent on the cooperation, willingness, or capability of other water supply entities.

#### **4.5.12 Alternative SS-12: Public Dispenser for Treated Drinking Water**

This alternative consists of the continued operation of the South Silver Creek wells, plus dispensing treated water for drinking and cooking at a publicly accessible location. Implementing this alternative would require purchasing and installing a treatment unit where customers would be able to come and fill their own containers. This alternative also includes notifying customers of the importance of obtaining drinking water from the dispenser. In this way, only a relatively small volume of water requires treatment, but customers would be required to pick up and deliver their own water. Blending is not an option in this case. It should be noted that this alternative would be considered an interim measure until a compliance alternative is implemented.

South Silver Creek personnel would be responsible for maintenance of the treatment unit, including media or membrane replacement, periodic sampling, and necessary repairs. The spent media or membranes will require disposal. This alternative relies on a great deal of cooperation and action from the customers in order to be effective.

This alternative does not present options for a regional solution.

The estimated capital cost for this alternative includes purchasing and installing the treatment system to be used for the drinking water dispenser. The estimated O&M cost for this alternative includes purchasing and replacing filters and media or membranes, as well as periodic sampling and record keeping. The estimated capital cost for this alternative is \$18,400, and the estimated annual O&M cost for this alternative is \$33,100.

The reliability of adequate amounts of compliant water under this alternative is fair, because of the large amount of effort required from the customers and the associated inconvenience. South Silver Creek PWS has not provided this type of service in the past. From South Silver Creek's perspective this alternative would be characterized as relatively easy to operate, since these types of treatment units are highly automated, and there is only one unit.

The feasibility of this alternative is not dependent on the cooperation, willingness, or capability of other water supply entities.

#### **4.5.13 Alternative SS-13: 100 Percent Bottled Water Delivery**

This alternative consists of the continued operation of the South Silver Creek wells, but compliant drinking water will be delivered to customers in containers. This alternative involves setting up and operating a bottled water delivery program to serve all customers in the system.

1 It is expected that South Silver Creek would find it most convenient and economical to contract  
2 a bottled water service. The bottle delivery program would have to be flexible enough to allow  
3 the delivery of smaller containers should customers be incapable of lifting and manipulating 5-  
4 gallon bottles. Blending is not an option in this case. It should be noted that this alternative  
5 would be considered an interim measure until a compliance alternative is implemented.

6 This alternative does not involve capital cost for construction, but would require some  
7 initial costs for system setup, and then ongoing costs to have the bottled water furnished. It is  
8 assumed for this alternative that bottled water is provided to 100 percent of the South Silver  
9 Creek PWS customers.

10 This alternative does not present options for a regional solution.

11 The estimated initial capital cost is for setting up the program. The estimated O&M cost  
12 for this alternative includes program administration and purchase of the bottled water. The  
13 estimated capital cost for this alternative is \$27,600, and the estimated annual O&M cost for  
14 this alternative is \$169,400. For the cost estimate, it is assumed that each person requires one  
15 gallon of bottled water per day.

16 The reliability of adequate amounts of compliant water under this alternative is fair, since it  
17 relies on the active cooperation of customers to order and utilize the water. Management and  
18 administration of the bottled water delivery program will require attention from South Silver  
19 Creek.

20 The feasibility of this alternative is not dependent on the cooperation, willingness, or  
21 capability of other water supply entities.

#### 22 **4.5.14 Alternative SS-14: Public Dispenser for Trucked Drinking Water**

23 This alternative consists of continued operation of the South Silver Creek wells, plus  
24 dispensing compliant water for drinking and cooking at a publicly accessible location. The  
25 compliant water would be purchased from the City of Burnet, and delivered by truck to a tank  
26 at a central location where customers would be able to fill their own containers. This  
27 alternative also includes notifying customers of the importance of obtaining drinking water  
28 from the dispenser. In this way, only a relatively small volume of water requires treatment, but  
29 customers are required to pick up and deliver their own water. Blending is not an option in this  
30 case. It should be noted that this alternative would be considered an interim measure until a  
31 compliance alternative is implemented.

32 South Silver Creek would purchase a truck suitable for hauling potable water, and install a  
33 storage tank. It is assumed the storage tank would be filled once a week, and that the chlorine  
34 residual would be tested for each truckload. The truck would have to meet requirements for  
35 potable water, and each load would be treated with bleach. This alternative relies on a great  
36 deal of cooperation and action from the customers for it to be effective.

1 This alternative presents limited options for a regional solution if two or more systems  
2 share the purchase and operation of the water truck.

3 The estimated capital cost for this alternative includes purchasing a water truck and  
4 construction of the storage tank to be used for the drinking water dispenser. The estimated  
5 O&M cost for this alternative includes O&M for the truck, maintenance for the tank, water  
6 quality testing, record keeping, and water purchase. The estimated capital cost for this  
7 alternative is \$189,400, and the estimated annual O&M cost for this alternative is \$29,700.

8 The reliability of adequate amounts of compliant water under this alternative is fair because  
9 of the large amount of effort required from the customers and the associated inconvenience.  
10 Current personnel have not provided this type of service in the past. From the perspective of  
11 South Silver Creek, this alternative would be characterized as relatively easy to operate, but the  
12 water hauling and storage would have to be done with care to ensure sanitary conditions.

13 The feasibility of this alternative is not dependent on the cooperation, willingness, or  
14 capability of other water supply entities.

#### 15 **4.5.15 Summary of Alternatives**

16 Table 4.3 provides a summary of the key features of each alternative for South Silver Creek  
17 PWS.

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1 **Table 4.3 Summary of Compliance Alternatives for South Silver Creek PWS**

| Alt No. | Alternative Description   | Major Components                                     | Capital Cost <sup>1</sup> | Annual O&M Cost | Total Annualized Cost | Reliability               | System Impact | Remarks  |
|---------|---|--|---------------------------|-----------------|-----------------------|---------------------------|---------------|--|
| SS-1    | Purchase water from City of Burnet  | - Pump station/feed tank<br>- 14.1-mile pipeline     | \$2,610,100               | \$19,800        | \$247,400             | Good                      | N             | Agreement must be successfully negotiated with City of Burnet. Blending may be possible. Costs could possibly be shared with small systems along pipeline route.           |
| SS-2    | Purchase water from Deer Springs Water Company                                      | - Pump station/feed tank<br>- 15.3-mile pipeline     | \$3,084,700               | \$21,000        | \$290,000             | Good                      | N             | Agreement must be successfully negotiated with Deer Springs Water Co. Blending may be possible. Costs could possibly be shared with small systems along pipeline route.    |
| SS-3    | Purchase water from Buena Vista Water Supply  | - Pump station/feed tank<br>- 15.9-mile pipeline     | \$2,918,200               | \$21,500        | \$275,900             | Good                      | N             | Agreement must be successfully negotiated with Buena Vista Water Supply. Blending may be possible. Costs could possibly be shared with small systems along pipeline route. |
| SS-4    | Purchase water from City of Granite Shoals  | - 2 Pump stations/feed tanks<br>- 33.7-mile pipeline | \$5,986,200               | \$46,100        | \$568,000             | Good                      | N             | Agreement must be successfully negotiated with City of Granite Shoals. Blending may be possible. Costs could possibly be shared with small systems along pipeline route.   |
| SS-5    | Install new compliant well within 10 miles  | - New well<br>- Pump station<br>- 10-mile pipeline   | \$1,940,200               | \$13,800        | \$183,000             | Good                      | N             | May be difficult to find well with good water quality. Costs could possibly be shared with small systems along pipeline route.   |
| SS-6    | Install new compliant well within 5 miles   | - New well<br>- Pump station<br>- 5-mile pipeline    | \$1,062,000               | \$13,400        | \$105,900             | Good                      | N             | May be difficult to find well with good water quality. Costs could possibly be shared with small systems along pipeline route.   |
| SS-7    | Install new compliant well within 1 mile  | - New well<br>- Pump station<br>- 1-mile pipeline    | \$288,000                 | \$(11,200)      | \$13,900              | Good                      | N             | May be difficult to find well with good water quality.   |
| SS-8    | Continue operation of South Silver Creek well field with central RO treatment       | - Central RO treatment plant                         | \$1,449,600               | \$58,100        | \$184,500             | Good                      | T             | Costs could possibly be shared with nearby small systems.  |
| SS-9    | Continue operation of South Silver Creek well field with central WRT Z-88 treatment | - Central WRT Z-88 treatment plant                   | \$984,100                 | \$55,500        | \$141,300             | Good                      | T             | Costs could possibly be shared with nearby small systems.  |
| SS-10   | Continue operation of South Silver Creek well field, and POU treatment              | - POU treatment units.                               | \$63,800                  | \$61,600        | \$67,100              | Fair                      | T, M          | Only one compliant tap in home. Cooperation of residents required for installation, maintenance, and testing.  |
| SS-11   | Continue operation of South Silver Creek well field, and POE treatment              | - POE treatment units.                               | \$1,316,000               | \$186,100       | \$300,800             | Fair<br>(better than POU) | T, M          | All home taps compliant and less resident cooperation required.  |

| Alt No. | Alternative Description   | Major Components   | Capital Cost <sup>1</sup> | Annual O&M Cost | Total Annualized Cost | Reliability          | System Impact | Remarks  |
|---------|---|--|---------------------------|-----------------|-----------------------|----------------------|---------------|--|
| SS-12   | Continue operation of South Silver Creek well field, but furnish public dispenser for treated drinking water  | - Water treatment and dispenser unit                                     | \$18,400                  | \$33,100        | \$34,700              | Fair/interim measure | T             | Does not provide compliant water to all taps, and requires a lot of effort by customers.   |
| SS-13   | Continue operation of South Silver Creek well field, but furnish bottled drinking water for all customers     | - Set up bottled water system  | \$27,600                  | \$169,400       | \$171,800             | Fair/interim measure | M             | Does not provide compliant water to all taps, and requires customers to order and use. Management of program may be significant. |
| SS-14   | Continue operation of South Silver Creek well field, but furnish public dispenser for trucked drinking water. | - Construct storage tank and dispenser<br>- Purchase potable water truck | \$189,400                 | \$29,700        | \$46,200              | Fair/interim measure | M             | Does not provide compliant water to all taps, and requires a lot of effort by customers.   |

Notes:

*N* – No significant increase required in technical or management capability

*T* – Implementation of alternative will require increase in technical capability

*M* – Implementation of alternative will require increase in management capability

*1* – See cost breakdown in Appendix C

*2* – 20-year return period and 6 percent interest

## **4.6 COST OF SERVICE AND FUNDING ANALYSIS**

To evaluate the financial impact of implementing the compliance alternatives, a 30-year financial planning model was developed. This model can be found in Appendix D. The financial model is based on estimated cash flows, with and without implementation of the compliance alternatives. Data for such models are typically derived from established budgets, audited financial reports, published water tariffs, and consumption data. South Silver Creek PWS serves a population of 252 and has 84 connections. Information that was available to complete the financial analysis was based on annual maintenance fees for revenues and estimated expenses, 2009 water usage records, and current water rates for South Silver Creek. The water usage rate for South Silver Creek was estimated to be 54 gpd per capita based on average daily use and current population.

This analysis will need to be performed in a more detailed fashion and applied to alternatives deemed attractive and worthy of more detailed evaluation. A more detailed analysis should include additional factors such as:

- Cost escalation,
- Price elasticity effects where increased rates may result in lower water consumption,
- Costs for other system upgrades and rehabilitation needed to maintain compliant operation.

### **4.6.1 Financial Plan Development**

Actual water rates and average water use for South Silver Creek PWS were used to estimate annual revenues. According to the available financial data, approximately 5.0 million gallons of water was used in fiscal year 2009, generating an annual income of \$92,100 based on an average rate of \$91.34 per month per connection. The actual usage rate is \$4 per 1000 gallons for the first 4000 gallons and \$6 per 1,000 gallons for additional water, and a base rate of \$70. The average annual water bill was \$1,096 or approximately 2.9 percent of the median annual household income of \$37,892. The South Silver Creek PWS MHI is greater than 75% of the median state household income, which may reduce eligibility for some grants and low interest rate loans..

### **4.6.2 Current Financial Condition**

#### **4.6.2.1 Cash Flow Needs**

Although expenses are not tracked separately for South Silver Creek, it appears that revenues are sufficient to cover expenses based on estimates of expenses for similar sized water systems.

#### 4.6.2.2 Ratio Analysis

##### *Current Ratio*

The Current Ratio for South Silver Creek PWS could not be determined due to lack of financial data.

##### *Debt to Net Worth Ratio*

A Debt-to-Net-Worth Ratio also could not be determined owing to lack of financial data.

##### *Operating Ratio = 1.19*

The Operating Ratio is a financial term defined as a company's revenues divided by the operating expenses. An operating ratio of 1.0 means that a utility is collecting just enough money to meet expenses. In general, an operating ratio of 1.25 or higher is desirable. The operating ratio could not be calculated since expenses are not tracked specifically for the water system..

#### 4.6.3 Financial Plan Results

Each of the compliance alternatives for the South Silver Creek PWS was evaluated using the financial model to determine the overall increase in water rates that would be necessary to pay for the improvements. Each alternative was examined under the various funding options described in Section 2.4.

Results of the financial impact analysis are provided in Table 4.4 and Figure 4.2. Table 4.4 and Figure 4.2 present rate impacts assuming that revenues match expenses, without funding reserve accounts, and that operations and implementation of compliance alternatives are funded with revenue and are not paid for from reserve accounts. Figure 4.2 provides a bar chart that, in terms of the yearly billing to an average customer, shows the following:

- Current annual average bill,
- Projected annual average bill including rate increase, if needed, to match existing expenditures, and
- Projected annual bill including rate increases needed to fund implementation of a compliance alternative (this does not include funding for reserve accounts).

The two bars shown for each compliance alternative represent the rate changes necessary for revenues to match total expenditures assuming 100 percent grant funding and 100 percent loan/bond funding. Most funding options will fall between 100 percent grant and 100 percent loan/bond funding, with the exception of 100 percent revenue financing. Establishing or increasing reserve accounts would require an increase in rates. If existing reserves are insufficient to fund a compliance alternative, rates would need to be raised before implementing the compliance alternative. This would allow for accumulation of sufficient reserves to avoid

larger but temporary rate increases during the years the compliance alternative was being implemented.

#### **4.6.4 Evaluation of Potential Funding Options**

There are a variety of funding programs available to entities as described in Section 2.4. South Silver Creek PWS is most likely to obtain funding from programs administered by the TWDB, TDRA, and Rural Development. This report contains information that would be used for an application for funding. Information such as financial analyses, water supply assessment, and records demonstrating health concerns, failing infrastructure, and financial need, may be required by these agencies. This section describes the candidate funding agencies and their appropriate programs as well as information and steps needed to begin the application process.

This report should serve to document the existing water quality issues, infrastructure need and costs, and water system information needed to begin the application process. Although this report is at the conceptual level, it demonstrates that significant funding will be needed to meet Safe Drinking Water Standards. The information provided in this report may serve as the needed documentation to justify a project that may only be possible with significant financial assistance.

##### **4.6.4.1 TWDB Funding Options**

TWDB programs include the Drinking Water State Revolving Fund (DWSRF), Rural Water Assistance Fund, State Loan Program (Development Fund II), and Economically Distressed Areas Program (EDAP). Additional information on these programs can be found online at the TWDB website under the Assistance tab, Financial Assistance section, under the Public Works Infrastructure Construction subsection.

##### **Drinking Water State Revolving Fund**

The DWSRF offers net long-term interest lending rates below the rate the borrower would receive on the open market for a period no longer than 20 years. A cost-recovery loan origination charge is imposed to cover the administrative costs of operating the DWSRF, but an additional interest rate subsidy is offered to offset the charge. The terms of the loan typically require a revenue or tax pledge. The DWSRF program can provide funds from State sources or Federal capitalization grants. State loans provide a net long-term interest rate of 0.7 percentage points below the rate the borrower would receive on the open market at the time of loan closing and Federal Capitalization Grants provide a lower net long-term interest rate of 1.2 percentage points. “Disadvantaged communities” may obtain loans at even greater subsidies and up to a 30-year loan term.

The loan application process has several steps: pre-application, application and commitment, loan closing, funding and construction monitoring, and any other special requirements. In the pre-application phase, prospective loan applicants are asked to submit a brief DWSRF Information Form to the TWDB that describes the applicant’s existing water facilities, additional facility needs and the nature of projects being considered for meeting those



needs, project cost estimates, and “disadvantaged community” status. The TCEQ assigns a priority rating that includes an applicant’s readiness to proceed. TWDB staff notifies prospective applicants of their priority rating and encourage them to schedule a pre-planning conference for guidance in preparing the engineering, planning, environmental, financial, and water conservation portions of the DWSRF application.

## **Rural Water Assistance Fund**

Small rural water utilities can finance water projects with attractive interest rate loans with short and long-term finance options at tax exempt rates. Funding through this program gives an added benefit to nonprofit water supply corporations as construction purchases qualify for a sales tax exemption. Rural Political Subdivisions are eligible (non-profit water supply corporations; water districts or municipalities serving a population of up to 10,000; and counties in which no urban area has a population exceeding 50,000). A non-profit water supply corporation is eligible to apply these funds for design and construction of water projects. Projects can include line extensions, elevated storage, the purchase of well fields, the purchase or lease of rights to produce groundwater, and interim financing of construction projects. The fund may also be used to enable a rural water utility to obtain water service supplied by a larger utility or to finance the consolidation or regionalization of a neighboring utility.

A maximum financing life is 50 years for projects. The average financing period is 20 to 23 years. System revenues and/or tax pledges are typically required. The lending rate is set in accordance with the TWDB rules in 31 Texas Administrative Code (TAC) 384.5 and the scale varies according to the length of the loan and several factors. The TWDB seeks to provide reasonable rates for its customers with minimal risk to the state. The TWDB posts rates for comparison for applicants, and in August 2010 the TWDB showed its rates for a 22-year, taxable loan at 7.07 percent, where the market was at 8.47 percent. Funds in this program are not restricted.

The TWDB’s Office of Project Finance and Construction Assistance staff can discuss the terms of the loan and assist applicants during preparation of the application, and this is encouraged. The application materials must include an engineering feasibility report, environmental information, rates and customer base, operating budgets, financial statements, and project information. The TWDB considers the needs of the area; benefits of the project; the relationship of the project to the overall state water needs; relationship of the project to the State Water Plan; and availability of all sources of revenue to the rural utility for the ultimate repayment of the water supply project cost. The board considers applications monthly.

## **State Loan Program (Development Fund II)**

The State Loan Program is a diverse lending program directly from state funding sources. As it does not receive federal subsidies, it is more streamlined. The loans can incorporate more than one project under the umbrella of one loan. Water supply corporations are eligible, but will have taxable rates. Projects can include purchase of water rights, treatment plants, storage and pumping facilities, transmission lines, well development, and acquisitions.

1 The loan requires that the applicant pledge revenue or taxes, as well as some collateral for  
2 South Silver Creek PWS. The maximum financing life is 50 years. The average financing  
3 period is 20 to 23 years. The interest rate is set in accordance with the TWDB rules in 31 TAC  
4 363.33(a). The TWDB seeks to provide reasonable rates with minimal risk to the state. The  
5 TWDB post rates for comparison for applicants and in August 2010, the TWDB showed their  
6 rates for a 22-year, taxable loan at 7.07 percent where the market was at 8.47 percent.

7 The TWDB staff can discuss the terms of the loan and assist applicants during preparation  
8 of the application, and a preapplication conference is encouraged. The application materials  
9 must include an engineering feasibility report, environmental information, rates and customer  
10 base, operating budgets, financial statements, and project information. The board considers  
11 applications monthly.

## 12 **Economically Distressed Areas Program**

13 The EDAP was designed to assist areas along the U.S./Mexico border in areas that were  
14 economically distressed. In 2008, this program was extended to apply to the entire state so long  
15 as requirements are met. This program provides financial assistance through the provision of  
16 grants and loans to communities where present facilities are inadequate to meet minimal  
17 residential needs. Eligible communities are those that have median household income less than  
18 75 percent of the state household income. The applicant must be capable of maintaining and  
19 operating the completed system, and hold or be in the process of obtaining a Certificate of  
20 Convenience and Necessity. The county where the project is located must adopt model rules  
21 for the regulation of subdivisions prior to application for financial assistance. If the applicant is  
22 a city, the city must also adopt Model Subdivision Rules of TWDB (31 TAC Chapter 364).  
23 The program funds planning, design, construction, and acquisition. Up to 75 percent funding is  
24 available for facility plans with certain hardship cases 100 percent funding may be available.  
25 Projects must complete the planning, acquisition, and design phase before applying for second  
26 phase construction funds. The TWDB works with the applicant to find ways to leverage other  
27 state and federal financial resources. For grant fund above 50 percent, the Texas Department of  
28 State Health Services must determine if there is a health and safety nuisance.

29 The loan requires that the applicant pledge revenue or taxes, as well as some collateral  
30 for South Silver Creek PWS. The maximum financing life is 50 years. The average financing  
31 period is 20 to 23 years. The lending rate scale varies according to several factors but is set by  
32 the TWDB in accordance with the TWDB rules in 31 TAC 363.33(a). The TWDB seeks to  
33 provide reasonable rates with minimal loss to the state. The TWDB posts rates for comparison  
34 for applicants and in August 2010 the TWDB showed its rates for a 22-year, tax exempt loan at  
35 5.05 percent where the market was at 6.05 percent. Most projects have a financial package with  
36 the majority of the project financed with grants. Many have received 100 percent grants.

37 The first step in the application process is to meet with TWDB staff to discuss the terms of  
38 the loan and assist applicants during preparation of the application. Major components of the  
39 application materials must include an engineering feasibility report, environmental information,  
40 rates and customer base, operating budgets, financial statements, community information,  
41 project information, and other legal information.

#### **4.6.4.2 TDRA Funding Options**

Created in 2001, TDRA seeks to strengthen rural communities and assist them with community and economic development and healthcare by providing a variety of rural programs, services, and activities. Of their many programs and funds, the most appropriate programs related to drinking water are the Community Development (CD) Fund and the Texas Small Towns Environment Program. These programs offer attractive funding packages to help make improvements to potable water systems to mitigate potential health concerns. These programs are available to counties and cities, which have to submit an TDRA application on behalf of the WSC. All program requirements would have to be met by the benefiting community receiving services by the WSC.

#### **Community Development Fund**

The CD Fund is a competitive grant program for water system improvements as well as other utility services (wastewater, drainage improvements, and housing activities). Funds are distributed between 24 state planning regions where funds are allocated to address each region's utility priorities. Funds can be used for various types of public works projects, including water system improvements. Communities with a population of less than 50,000 that are not eligible for direct CDBG funding from the U.S. Department of Housing and Urban Development are eligible. Funds are awarded on a competitive basis decided twice a year in each region by local elected officials, appointed by the Governor using a defined scoring system (past performance with CDBG is a factor). Awards are no less than \$75,000 and cannot exceed \$800,000. More information can be found at the Office of Community Affairs website under Community Development Fund.

#### **Texas Small Towns Environment Program**

Under special occasions some communities are invited to participate in grant programs when self-help is a feasible method for completing a water project, the community is committed to self-help, and the community has the capacity to complete the project. The purpose is to significantly reduce the cost of the project by using the communities' own human, material, and financial capital. Communities with a population of less than 50,000 that are not eligible for direct CDBG funding from the U.S. Department of Housing and Urban Development are eligible. Projects typically are repair, rehabilitation, improvements, service connections, and yard services. Reasonable associated administration and engineering cost can be funded. A letter of interest is first submitted, community meetings are held, and after CDBG staff determines eligibility with a written invitation to apply, an application may be submitted. Awards are only given twice per year on a priority basis so long as the project can be fully funded (\$350,000 maximum award). Ranking criteria are project impact, local effort, past performance, percent of savings, and benefit to low to medium-income persons.

#### **4.6.4.3 Rural Development**

The RUS's agency of Rural Development established Water and Waste Disposal Program for public entities administered by the staff of the Water and Environment Program to assist communities with water and wastewater systems. The purpose is to fund technical assistance

and projects to help communities bring safe drinking water and sanitary, environmentally sound, waste disposal facilities to rural Americans in greatest need.

The Water and Waste Disposal Program provides loans, grants, and loan guarantees for drinking water, sanitary sewer, solid waste, and storm drainage facilities in rural areas and cities and towns with a population of 10,000 people and rural areas with no population limits. Recipients must be public entities such as municipalities, counties, special purpose districts, Indian tribes, and non-profit corporations. RUS has set aside direct loans and grants for several areas (e.g., empowerment zones). Projects include all forms of infrastructure improvement, acquisition of land and water rights, and design fees. Funds are provided on a first come, first serve basis; however, staff do evaluate need and assign priorities as funds are limited. Grant/loan mixes vary on a case by case basis and some communities may have to wait through several funding cycles until funds become available.

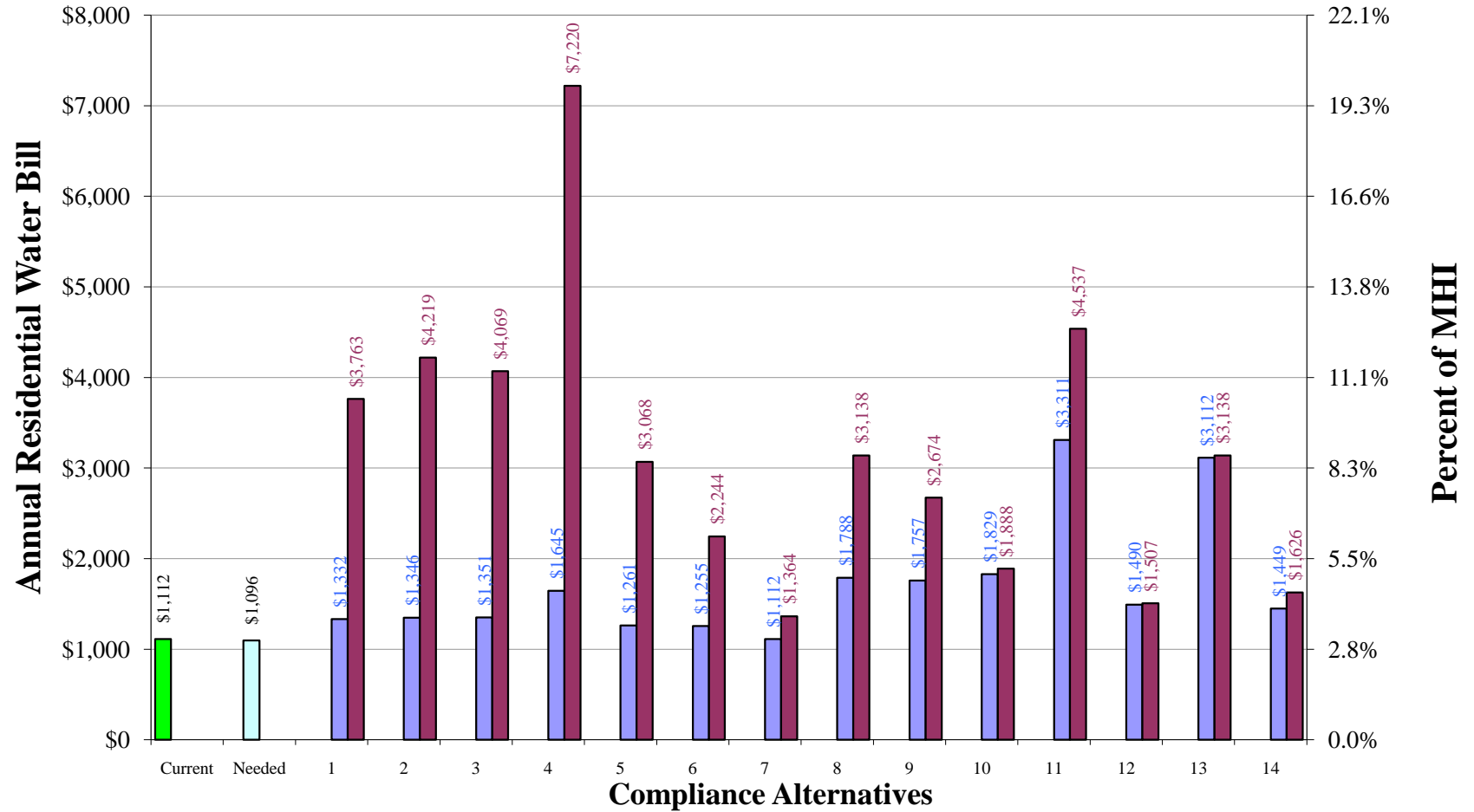
Entities must demonstrate that they cannot obtain reasonable loans at market rates, but have the capacity to repay loans, pledge security, and operate the facilities. Grants can be up to 75 percent of the project costs, and loan guarantees can be up to 90 percent of eligible loss. Loans are not to exceed a 40-year repayment period, require tax or revenue pledges, and are offered at three rates:

- Poverty Rate - The lowest rate is the poverty interest rate of 4.5 percent. Loans must be used to upgrade or construct new facilities to meet health standards, and the MHI in the service area must be below the poverty line for a family of four or below 80 percent of the statewide MHI for non-metropolitan communities.
- Market Rate – Where the MHI in the service exceeds the state MHI, the rate is based on the average of the “Bond Buyer” 11-Bond Index over a four week period.
- Intermediate Rate – the average of the Poverty Rate and the Market Rate, but not to exceed seven percent.

**South Silver Creek I, II, & III WSC**  
**Table 4.4 Financial Impact on Households**

| Alternative | Description                                 |  | All Revenue | 100% Grant | 75% Grant | 50% Grant | SRF     | Bond    |
|-------------|---|--|-------------|------------|-----------|-----------|---------|---------|
| 1           | Purchase Water from City of Burnet          | Maximum % of MHI                             | 84.9%       | 3.5%       | 5.1%      | 6.7%      | 9.0%    | 9.9%    |
|             |   | Percentage Rate Increase Compared to Current | 2793%       | 20%        | 74%       | 129%      | 206%    | 238%    |
|             |   | Average Annual Water Bill                    | \$32,169    | \$1,332    | \$1,940   | \$2,547   | \$3,401 | \$3,763 |
| 2           | Purchase Water from Deer Springs Water Co   | Maximum % of MHI                             | 99.8%       | 3.6%       | 5.4%      | 7.3%      | 10.0%   | 11.1%   |
|             |   | Percentage Rate Increase Compared to Current | 3301%       | 21%        | 86%       | 150%      | 241%    | 279%    |
|             |   | Average Annual Water Bill                    | \$37,819    | \$1,346    | \$2,065   | \$2,783   | \$3,792 | \$4,219 |
| 3           | Purchase Water from Buena Vista WS          | Maximum % of MHI                             | 94.6%       | 3.6%       | 5.4%      | 7.2%      | 9.7%    | 10.7%   |
|             |   | Percentage Rate Increase Compared to Current | 3123%       | 22%        | 83%       | 144%      | 230%    | 266%    |
|             |   | Average Annual Water Bill                    | \$35,837    | \$1,351    | \$2,031   | \$2,710   | \$3,665 | \$4,069 |
| 4           | Purchase Water from City of Granite Shoals  | Maximum % of MHI                             | 191.0%      | 4.3%       | 8.0%      | 11.7%     | 16.9%   | 19.1%   |
|             |   | Percentage Rate Increase Compared to Current | 6407%       | 48%        | 173%      | 299%      | 475%    | 549%    |
|             |   | Average Annual Water Bill                    | \$72,360    | \$1,645    | \$3,039   | \$4,433   | \$6,391 | \$7,220 |
| 5           | New Well at 10 Miles                        | Maximum % of MHI                             | 63.8%       | 3.3%       | 4.5%      | 5.7%      | 7.4%    | 8.1%    |
|             |   | Percentage Rate Increase Compared to Current | 2076%       | 13%        | 54%       | 95%       | 152%    | 176%    |
|             |   | Average Annual Water Bill                    | \$24,194    | \$1,261    | \$1,713   | \$2,164   | \$2,799 | \$3,068 |
| 6           | New Well at 5 Miles                         | Maximum % of MHI                             | 36.3%       | 3.3%       | 4.0%      | 4.6%      | 5.5%    | 5.9%    |
|             |   | Percentage Rate Increase Compared to Current | 1135%       | 13%        | 35%       | 57%       | 89%     | 102%    |
|             |   | Average Annual Water Bill                    | \$13,739    | \$1,255    | \$1,502   | \$1,750   | \$2,097 | \$2,244 |
| 7           | New Well at 1 Mile                          | Maximum % of MHI                             | 11.9%       | 2.9%       | 3.1%      | 3.2%      | 3.5%    | 3.6%    |
|             |   | Percentage Rate Increase Compared to Current | 307%        | 0%         | 5%        | 11%       | 19%     | 23%     |
|             |   | Average Annual Water Bill                    | \$4,525     | \$1,112    | \$1,163   | \$1,230   | \$1,324 | \$1,364 |
| 8           | Central Treatment - RO                      | Maximum % of MHI                             | 48.4%       | 4.7%       | 5.6%      | 6.5%      | 7.8%    | 8.3%    |
|             |   | Percentage Rate Increase Compared to Current | 1550%       | 61%        | 91%       | 121%      | 164%    | 182%    |
|             |   | Average Annual Water Bill                    | \$18,354    | \$1,788    | \$2,125   | \$2,463   | \$2,937 | \$3,138 |
| 9           | Central Treatment - WRT Z-88                | Maximum % of MHI                             | 33.8%       | 4.6%       | 5.2%      | 5.8%      | 6.7%    | 7.1%    |
|             |   | Percentage Rate Increase Compared to Current | 1052%       | 58%        | 79%       | 99%       | 128%    | 140%    |
|             |   | Average Annual Water Bill                    | \$12,812    | \$1,757    | \$1,986   | \$2,215   | \$2,537 | \$2,674 |
| 10          | Point-of-Use Treatment                      | Maximum % of MHI                             | 4.9%        | 4.8%       | 4.9%      | 4.9%      | 5.0%    | 5.0%    |
|             |   | Percentage Rate Increase Compared to Current | 67%         | 64%        | 66%       | 67%       | 69%     | 70%     |
|             |   | Average Annual Water Bill                    | \$1,855     | \$1,829    | \$1,844   | \$1,859   | \$1,880 | \$1,888 |
| 11          | Point-of-Entry Treatment                    | Maximum % of MHI                             | 44.2%       | 8.7%       | 9.5%      | 10.4%     | 11.5%   | 12.0%   |
|             |   | Percentage Rate Increase Compared to Current | 1407%       | 198%       | 225%      | 253%      | 292%    | 308%    |
|             |   | Average Annual Water Bill                    | \$16,763    | \$3,311    | \$3,617   | \$3,924   | \$4,354 | \$4,537 |
| 12          | Public Dispenser for Treated Drinking Water | Maximum % of MHI                             | 3.9%        | 3.9%       | 3.9%      | 4.0%      | 4.0%    | 4.0%    |
|             |   | Percentage Rate Increase Compared to Current | 34%         | 34%        | 34%       | 35%       | 35%     | 36%     |
|             |   | Average Annual Water Bill                    | \$1,490     | \$1,490    | \$1,494   | \$1,499   | \$1,505 | \$1,507 |
| 13          | Supply Bottled Water to 100% of Population  | Maximum % of MHI                             | 8.2%        | 8.2%       | 8.2%      | 8.2%      | 8.3%    | 8.3%    |
|             |   | Percentage Rate Increase Compared to Current | 180%        | 180%       | 180%      | 181%      | 182%    | 182%    |
|             |   | Average Annual Water Bill                    | \$3,112     | \$3,112    | \$3,119   | \$3,125   | \$3,134 | \$3,138 |
| 14          | Central Trucked Drinking Water - Burnet     | Maximum % of MHI                             | 8.8%        | 3.8%       | 3.9%      | 4.1%      | 4.2%    | 4.3%    |
|             |   | Percentage Rate Increase Compared to Current | 201%        | 30%        | 34%       | 38%       | 44%     | 46%     |
|             |   | Average Annual Water Bill                    | \$3,351     | \$1,449    | \$1,493   | \$1,537   | \$1,599 | \$1,626 |

**Figure 4.2**  
**Alternative Cost Summary: South Silver Creek I, II, & III WSC**



Current Average Monthly Bill = \$92.67

Median Household Income = \$37892

Average Monthly Residential Usage = 4961 gallons

■ Current ■ Needed ■ With 100% Grant Funding ■ With 100% Loan/Bond Funding

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2  
3

## **APPENDIX A PWS INTERVIEW FORM**

# CAPACITY DEVELOPMENT ASSESSMENT FORM

Prepared By \_\_\_\_\_

Date \_\_\_\_\_

## **Section 1. Public Water System Information**

1. PWS ID #  2. Water System Name 3. County 4. Owner Address Tele. E-mail Fax Message 5. Admin Address Tele. E-mail Fax Message 6. Operator Address Tele. E-mail Fax Message 7. Population Served 8. No. of Service Connections 9. Ownership Type 10. Metered (Yes or No) 11. Source Type 12. Total PWS Annual Water Used 

13. Number of Water Quality Violations (Prior 36 months)

Total Coliform Chemical/Radiological Monitoring (CCR, Public Notification, etc.) Treatment Technique, D/DBP

## **A. Basic Information**

1. Name of Water System:
2. Name of Person Interviewed:
3. Position:
4. Number of years at job:
5. Number of years experience with drinking water systems:
6. Percent of time (day or week) on drinking water system activities, with current position (how much time is dedicated exclusively to the water system, not wastewater, solid waste or other activities):
7. Certified Water Operator (Yes or No):  
  
    If Yes,  
    7a. Certification Level (water):  
  
    7b. How long have you been certified?
8. Describe your water system related duties on a typical day.

## **B. Organization and Structure**

1. Describe the organizational structure of the Utility. Please provide an organizational chart. (Looking to find out the governance structure (who reports to whom), whether or not there is a utility board, if the water system answers to public works or city council, etc.)

2. If not already covered in Question 1, to whom do you report?
3. Do all of the positions have a written job description?
  - 3a. If yes, is it available to employees?
  - 3b. May we see a copy?

|                     |
|---------------------|
| <b>C. Personnel</b> |
|---------------------|

1. What is the current staffing level (include all personnel who spend more than 10% of their time working on the water system)?
2. Are there any vacant positions? How long have the positions been vacant?
3. In your opinion, is the current staffing level adequate? If not adequate, what are the issues or staffing needs (how many and what positions)?
4. What is the rate of employee turnover for management and operators? What are the major issues involved in the turnover (e.g., operator pay, working conditions, hours)?
5. Is the system staffed 24 hours a day? How is this handled (on-site or on-call)? Is there an alarm system to call an operator if an emergency occurs after hours?

|                         |
|-------------------------|
| <b>D. Communication</b> |
|-------------------------|

1. Does the utility have a mission statement? If yes, what is it?
2. Does the utility have water quality goals? What are they?
3. How are your work priorities set?
4. How are work tasks delegated to staff?
5. Does the utility have regular staff meetings? How often? Who attends?
6. Are there separate management meetings? If so, describe.
7. Do management personnel ever visit the treatment facility? If yes, how often?
8. Is there effective communication between utility management and state regulators (e.g., NMED)?
9. Describe communication between utility and customers.

|                                |
|--------------------------------|
| <b>E. Planning and Funding</b> |
|--------------------------------|

1. Describe the rate structure for the utility.
2. Is there a written rate structure, such as a rate ordinance? May we see it?
  - 2a. What is the average rate for 6,000 gallons of water?
3. How often are the rates reviewed?
4. What process is used to set or revise the rates?
5. In general, how often are the new rates set?
6. Is there an operating budget for the water utility? Is it separate from other activities, such as wastewater, other utilities, or general city funds?
7. Who develops the budget, how is it developed and how often is a new budget created or the old budget updated?
8. How is the budget approved or adopted?

9. In the last 5 years, how many budget shortfalls have there been (i.e., didn't collect enough money to cover expenses)? What caused the shortfall (e.g., unpaid bills, an emergency repair, weather conditions)?
- 9a. How are budget shortfalls handled?
10. In the last 5 years how many years have there been budget surpluses (i.e., collected revenues exceeded expenses)?
- 10a. How are budget surpluses handled (i.e., what is done with the money)?
11. Does the utility have a line-item in the budget for emergencies or some kind of emergency reserve account?
12. How do you plan and pay for short-term system needs?
13. How do you plan and pay for long- term system needs?
14. How are major water system capital improvements funded? Does the utility have a written capital improvements plan?
15. How is the facility planning for future growth (either new hook-ups or expansion into new areas)?
16. Does the utility have and maintain an annual financial report? Is it presented to policy makers?

17. Has an independent financial audit been conducted of the utility finances? If so, how often? When was the last one?
18. Will the system consider any type of regionalization with any other PWS, such as system interconnection, purchasing water, sharing operator, emergency water connection, sharing bookkeeper/billing or other?

|  |
|--|
| <b>F. Policies, Procedures, and Programs</b> |
|--|

1. Are there written operational procedures? Do the employees use them?
2. Who in the utility department has spending authorization? What is the process for obtaining needed equipment or supplies, including who approves expenditures?
3. Does the utility have a source water protection program? What are the major components of the program?
4. Are managers and operators familiar with current SDWA regulations?
5. How do the managers and operators hear about new or proposed regulations, such as arsenic, DBP, Groundwater Rule? Are there any new regulations that will be of particular concern to the utility?
6. What are the typical customer complaints that the utility receives?
7. Approximately how many complaints are there per month?



8. How are customer complaints handled? Are they recorded?
9. (If not specifically addressed in Question 7) If the complaint is of a water quality nature, how are these types of complaints handled?
10. Does the utility maintain an updated list of critical customers?
11. Is there a cross-connection control plan for the utility? Is it written? Who enforces the plan's requirements?
12. Does the utility have a written water conservation plan?
13. Has there been a water audit of the system? If yes, what were the results?
14. (If not specifically answered in 11 above) What is the estimated percentage for loss to leakage for the system?
15. Are you, or is the utility itself, a member of any trade organizations, such as AWWA or Rural Water Association? Are you an active member (i.e., attend regular meetings or participate in a leadership role)? Do you find this membership helpful? If yes, in what ways does it help you?

|                                      |
|--------------------------------------|
| <b>G. Operations and Maintenance</b> |
|--------------------------------------|

1. How is decision-making authority split between operations and management for the following items:
  - a. Process Control
  - b. Purchases of supplies or small equipment
  - c. Compliance sampling/reporting
  - d. Staff scheduling
2. Describe your utility's preventative maintenance program.
3. Do the operators have the ability to make changes or modify the preventative maintenance program?
4. How does management prioritize the repair or replacement of utility assets? Do the operators play a role in this prioritization process?
5. Does the utility keep an inventory of spare parts?
6. Where does staff have to go to buy supplies/minor equipment? How often?
  - 6a. How do you handle supplies that are critical, but not in close proximity (for example if chlorine is not available in the immediate area or if the components for a critical pump are not in the area)

7. Describe the system's disinfection process. Have you had any problems in the last few years with the disinfection system?

7a. Who has the ability to adjust the disinfection process?

8. How often is the disinfectant residual checked and where is it checked?

8a. Is there an official policy on checking residuals or is it up to the operators?

9. Does the utility have an O & M manual? Does the staff use it?

10. Are the operators trained on safety issues? How are they trained and how often?

11. Describe how on-going training is handled for operators and other staff. How do you hear about appropriate trainings? Who suggests the trainings – the managers or the operators? How often do operators, managers, or other staff go to training? Who are the typical trainers used and where are the trainings usually held?

12. In your opinion is the level of your on-going training adequate?

13. In your opinion is the level of on-going training for other staff members, particularly the operators, adequate?

14. Does the facility have mapping of the water utility components? Is it used on any routine basis by the operators or management? If so, how is it used? If not, what is the process used for locating utility components?
15. In the last sanitary survey, were any deficiencies noted? If yes, were they corrected?
16. How often are storage tanks inspected? Who does the inspection?
  - 16a. Have you experienced any problems with the storage tanks?

|                           |
|---------------------------|
| <b>H. SDWA Compliance</b> |
|---------------------------|

1. Has the system had any violations (monitoring or MCL) in the past 3 years? If so, describe.
2. How were the violations handled?
3. Does the system properly publish public notifications when notified of a violation?
4. Is the system currently in violation of any SDWA or state regulatory requirements, including failure to pay fees, fines, or other administrative type requirements?
5. Does the utility prepare and distribute a Consumer Confidence Report (CCR)? Is it done every year? What type of response does the utility get to the CCR from customers?

|                              |
|------------------------------|
| <b>I. Emergency Planning</b> |
|------------------------------|

1. Does the system have a written emergency plan to handle emergencies such as water outages, weather issues, loss of power, loss of major equipment, etc?
2. When was the last time the plan was updated?
3. Do all employees know where the plan is? Do they follow it?
4. Describe the last emergency the facility faced and how it was handled.

## Attachment A

**A. Technical Capacity Assessment Questions**

1. Based on available information of water rights on record and water pumped has the system exceeded its water rights in the past year? YES ☐ NO ☐

In any of the past 5 years? YES ☐ NO ☐ How many times? \_\_\_\_\_

2. Does the system have the proper level of certified operator? *(Use questions a – c to answer.)*  
YES ☐ NO ☐

a. What is the Classification Level of the system by NMED? \_\_\_\_\_

- b. Does the system have one or more certified operator(s)? [20 NMAC 7.4.20]

YES ☐ NO ☐

- c. If YES, provide the number of operators at each New Mexico Certification Level. [20 NMAC 7.4.12]

\_\_\_\_\_ NM Small System \_\_\_\_\_ Class 2

\_\_\_\_\_ NM Small System Advanced \_\_\_\_\_ Class 3

\_\_\_\_\_ Class 1 \_\_\_\_\_ Class 4

3. Did the system correct any sanitary deficiency noted on the most recent sanitary survey within 6 months of receiving that information? [20 NMAC 7.20.504]

YES ☐ NO ☐ No Deficiencies ☐

What was the type of deficiency? *(Check all that are applicable.)*

Source ☐ Storage ☐

Treatment ☐ Distribution ☐

Other \_\_\_\_\_

From the system's perspective, were there any other deficiencies that were not noted on the sanitary survey?  
Please describe.

4. Will the system's current treatment process meet known future regulations?

Radionuclides YES ☐ NO ☐ Doesn't Apply ☐

Arsenic YES ☐ NO ☐ Doesn't Apply ☐

Stage 1 Disinfectants and Disinfection By-Product (DBP)

YES ☐ NO ☐ Doesn't Apply ☐

Surface Water Treatment Rule YES ☐ NO ☐ Doesn't Apply ☐

5. Does the system have a current site plan/map? [20 NMAC 7.10.302 A.1.]

YES ☐ NO ☐

6. Has the system had a water supply outage in the prior 24 months?

YES ☐ NO ☐

What were the causes of the outage(s)? *(Include number of outages for each cause.)*

Drought \_\_\_\_\_ Limited Supply \_\_\_\_\_

System Failure \_\_\_\_\_ Other \_\_\_\_\_

7. Has the system ever had a water audit or a leak evaluation?

YES ☐ NO ☐ Don't Know ☐

If YES, please complete the following table.

| Type of Investigation | Date Done | Water Loss (%) | What approach or technology was used to complete the investigation? | Was any follow-up done? If so, describe |
|-----------------------|-----------|----------------|---|---|
|                       |           |                |   |   |
|                       |           |                |   |   |
|                       |           |                |   |   |
|                       |           |                |   |   |

8. Have all drinking water projects received NMED review and approval? [20 NMAC 7.10.201]

YES ☐ NO ☐

If NO, what types of projects have not received NMED review and approval.

Source ☐ Storage ☐

Treatment ☐ Distribution ☐

Other ☐ \_\_\_\_\_

9. What are the typical customer complaints that the utility receives?

10. Approximately how many complaints are there per month? \_\_\_\_\_

11. How are customer complaints handled? Are they recorded?

12. What is the age and composition of the distribution system? *(Collect this information from the Sanitary Survey)*

| Pipe Material | Approximate Age | Percentage of the system | Comments   |
|---------------|-----------------|--------------------------|--|
|               |                 |                          | Sanitary Survey Distribution System Records Attached |
|               |                 |                          |  |
|               |                 |                          |  |
|               |                 |                          |  |
|               |                 |                          |  |

13. Are there any dead end lines in the system?  
 YES ☐ NO ☐

14. Does the system have a flushing program?  
 YES ☐ NO ☐

If YES, please describe.

15. Are there any pressure problems within the system?  
 YES ☐ NO ☐

If YES, please describe.

16. Does the system disinfect the finished water?  
 YES ☐ NO ☐

If yes, which disinfectant product is used? \_\_\_\_\_

Interviewer Comments on Technical Capacity:

## **B. Managerial Capacity Assessment Questions**

17. Has the system completed a 5-year Infrastructure Capital Improvement Plan (ICIP) plan?

YES ☐ NO ☐

If YES, has the plan been submitted to Local Government Division?

YES ☐ NO ☐

18. Does the system have written operating procedures?

YES ☐ NO ☐

19. Does the system have written job descriptions for all staff?

YES ☐ NO ☐



20. Does the system have:
- |                                     |                          |     |                          |
|-------------------------------------|--------------------------|-----|--------------------------|
| A preventative maintenance plan?    |                          |     |                          |
| YES                                 | <input type="checkbox"/> | NO  | <input type="checkbox"/> |
| A source water protection plan?     |                          |     |                          |
| YES                                 | <input type="checkbox"/> | NO  | <input type="checkbox"/> |
|                                     |                          | N/A | <input type="checkbox"/> |
| An emergency plan?                  |                          |     |                          |
| YES                                 | <input type="checkbox"/> | NO  | <input type="checkbox"/> |
| A cross-connection control program? |                          |     |                          |
| YES                                 | <input type="checkbox"/> | NO  | <input type="checkbox"/> |
| An emergency source?                |                          |     |                          |
| YES                                 | <input type="checkbox"/> | NO  | <input type="checkbox"/> |
| System security measures?           |                          |     |                          |
| YES                                 | <input type="checkbox"/> | NO  | <input type="checkbox"/> |
21. Does the system report and maintain records in accordance with the drinking water regulations concerning:
- |                          |                          |    |                          |
|--------------------------|--------------------------|----|--------------------------|
| Water quality violations |                          |    |                          |
| YES                      | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| Public notification      |                          |    |                          |
| YES                      | <input type="checkbox"/> | NO | <input type="checkbox"/> |
| Sampling exemptions      |                          |    |                          |
| YES                      | <input type="checkbox"/> | NO | <input type="checkbox"/> |
22. Please describe how the above records are maintained:
23. Describe the management structure for the water system, including board and operations staff. Please include examples of duties, if possible.
24. Please describe type and quantity of training or continuing education for staff identified above.
25. Describe last major project undertaken by the water system, including the following: project in detail, positive aspects, negative aspects, the way in which the project was funded, any necessary rate increases, the public response to the project, whether the project is complete or not, and any other pertinent information.

26. Does the system have any debt? YES ☐ NO ☐

If yes, is the system current with all debt payments?

YES ☐ NO ☐

If no, describe the applicable funding agency and the default.

27. Is the system currently contemplating or actively seeking funding for any project?

YES ☐ NO ☐

If yes, from which agency and how much?

Describe the project?

Is the system receiving assistance from any agency or organization in its efforts?

28. Will the system consider any type of regionalization with other PWS? (*Check YES if the system has already regionalized.*)

YES ☐ NO ☐

If YES, what type of regionalization has been implemented/considered/discussed? (*Check all that apply.*)

System interconnection ☐

Sharing operator ☐

Sharing bookkeeper ☐

Purchasing water ☐

Emergency water connection ☐

Other: \_\_\_\_\_

29. Does the system have any of the following? (*Check all that apply.*)

Water Conservation Policy/Ordinance ☐ Current Drought Plan ☐

Water Use Restrictions ☐ Water Supply Emergency Plan ☐

Interviewer Comments on Managerial Capacity:

**C. Financial Capacity Assessment**

30. Does the system have a budget?

YES ☐ NO ☐

If YES, what type of budget?

Operating Budget ☐Capital Budget ☐

31. Have the system revenues covered expenses and debt service for the past 5 years?

YES ☐ NO ☐

If NO, how many years has the system had a shortfall? \_\_\_\_\_

32. Does the system have a written/adopted rate structure?

YES ☐ NO ☐

33. What was the date of the last rate increase? \_\_\_\_\_

34. Are rates reviewed annually?

YES ☐ NO ☐

If YES, what was the date of the last review? \_\_\_\_\_

35. Did the rate review show that the rates covered the following expenses? (*Check all that apply.*)Operation & Maintenance ☐Infrastructure Repair & replacement ☐Staffing ☐Emergency/Reserve fund ☐Debt payment ☐

36. Is the rate collection above 90% of the customers?

YES ☐ NO ☐

37. Is there a cut-off policy for customers who are in arrears with their bill or for illegal connections?

YES ☐ NO ☐

If yes, is this policy implemented?

38. What is the residential water rate for 6,000 gallons of usage in one month. \_\_\_\_\_

39. In the past 12 months, how many customers have had accounts frozen or dropped for non-payment? \_\_\_\_\_

[Convert to % of active connections]

Less than 1% ☐ 1% - 3% ☐ 4% - 5% ☐ 6% - 10% ☐11% - 20% ☐ 21% - 50% ☐ Greater than 50% ☐ ]

40. The following questions refer to the process of obtaining needed equipment and supplies.

a. Can the water system operator buy or obtain supplies or equipment when they are needed?

YES ☐ NO ☐

b. Is the process simple or burdensome to the employees?

c. Can supplies or equipment be obtained quickly during an emergency?

YES ☐ NO ☐

d. Has the water system operator ever experienced a situation in which he/she couldn't purchase the needed supplies?

YES ☐ NO ☐

e. Does the system maintain some type of spare parts inventory?

YES ☐ NO ☐

If yes, please describe.

41. Has the system ever had a financial audit?

YES ☐ NO ☐

If YES, what is the date of the most recent audit? \_\_\_\_\_

42. Has the system ever had its electricity or phone turned off due to non-payment? Please describe.

Interviewer Comments on Financial Assessment:

43. What do you think the system capabilities are now and what are the issues you feel your system will be facing in the future? In addition, are there any specific needs, such as types of training that you would like to see addressed by NMED or its contractors?

## APPENDIX B COST BASIS

This section presents the basis for unit costs used to develop the conceptual cost estimates for the compliance alternatives. Cost estimates are conceptual in nature (+50%/-30%), and are intended to make comparisons between compliance options and to provide a preliminary indication of possible rate impacts. Consequently, these costs are pre-planning level and should not be viewed as final estimated costs for alternative implementation. Capital cost includes an allowance for engineering and construction management. It is assumed that adequate electrical power is available near the site. The cost estimates specifically do not include costs for the following:

- Obtaining land or easements.
- Surveying.
- Mobilization/demobilization for construction.
- Insurance and bonds

In general, unit costs are based on recent construction bids for similar work in the area; when possible, consultations with vendors or other suppliers; published construction and O&M cost data; and USEPA cost guidance. Unit costs used for the cost estimates are summarized in Table B.1.

Unit costs for pipeline components are based on 2009 RS Means Site Work & Landscape Cost Data. The number of borings and encasements and open cuts and encasements is estimated by counting the road, highway, railroad, stream, and river crossings for a conceptual routing of the pipeline. The number of air release valves is estimated by examining the land surface profile along the conceptual pipeline route. It is assumed that gate valves and flush valves would be installed, on average, every 5,000 feet along the pipeline. Pipeline cost estimates are based on the use of C-900 PVC pipe. Other pipe materials could be considered for more detailed development of attractive alternatives.

Pump station unit costs are based on experience with similar installations. The cost estimate for the pump stations include two pumps, station piping and valves, station electrical and instrumentation, minor site improvement, installation of a concrete pad, fence and building, and tools. The number of pump stations is based on calculations of pressure losses in the proposed pipeline for each alternative. Back-flow prevention is required in cases where pressure losses are negligible, and pump stations are not needed. Construction cost of a storage tank is based on consultations with vendors and 2009 RS Means Site Work & Landscape Cost Data.

Labor costs are estimated based on 2009 RS Means Site Work & Landscape Cost Data specific to the Burnet County region.

Electrical power cost is estimated to be \$0.049 per kWh, as supplied by the City of Burnet. The annual cost for power to a pump station is calculated based on the pumping head and volume, and includes 11,800 kWh for pump building heating, cooling, and lighting, as recommended in USEPA publication, *Standardized Costs for Water Supply Distribution Systems* (1992).

In addition to the cost of electricity, pump stations have other maintenance costs. These costs cover: materials for minor repairs to keep the pumps operating; purchase of a maintenance vehicle, fuel costs, and vehicle maintenance costs; utilities; office supplies, small tools and equipment; and miscellaneous materials such as safety, clothing, chemicals, and paint. The non-power O&M costs are estimated based on the USEPA publication, *Standardized Costs for Water Supply Distribution Systems* (1992), which provides cost curves for O&M components. Costs from the 1992 report are adjusted to 2010 dollars based on the ENR construction cost index.

Pipeline maintenance costs include routine cleaning and flushing, as well as minor repairs to lines. The unit rate for pipeline maintenance is calculated based on the USEPA technical report, *Innovative and Alternative Technology Assessment Manual MCD 53* (1978). Costs from the 1978 report are adjusted to 2010 dollars based on the ENR construction cost index.

Storage tank maintenance costs include cleaning and renewal of interior lining and exterior coating. Unit costs for storage tank O&M are based on USEPA publication *Standardized Costs for Water Supply Distribution Systems* (1992). Costs from the 1992 report are adjusted to 2010 dollars based on the ENR construction cost index.

The purchase price for point-of-use (POU) water treatment units is based on vendor price lists for treatment units, plus installation. O&M costs for POU treatment units are also based on vendor price lists. It is assumed that a yearly water sample would be analyzed for the contaminant of concern.

The purchase price for point-of-entry (POE) water treatment units is based on vendor price lists for treatment units, plus an allowance for installation, including a concrete pad and shed, piping modifications, and electrical connection. O&M costs for POE treatment units are also based on vendor price lists. It is assumed that a yearly water sample would be analyzed for the contaminant of concern.

Central treatment plant costs, for both adsorption and coagulation/filtration, include pricing for buildings, utilities, and site work. Costs are based on pricing given in the various R.S. Means Construction Cost Data References, as well as prices obtained from similar work on other projects. Pricing for treatment equipment was obtained from vendors.

Well installation costs are based on quotations from drillers for installation of similar depth wells in the area. Well installation costs include drilling, a well pump, electrical and instrumentation installation, well finishing, piping, and water quality testing. O&M costs for water wells include power, materials, and labor. It is assumed that new wells located more than

1 1 mile from the intake point of an existing system would require a storage tank and pump  
2 station.

3 Purchase price for the treatment unit dispenser is based on vendor price lists, plus an  
4 allowance for installation at a centralized public location. The O&M costs are also based on  
5 vendor price lists. It is assumed that weekly water samples would be analyzed for the  
6 contaminant of concern.

7 Costs for bottled water delivery alternatives are based on consultation with vendors that  
8 deliver residential bottled water. The cost estimate includes an initial allowance for set-up of  
9 the program, and a yearly allowance for program administration.

10 The cost estimate for a public dispenser for trucked water includes the purchase price for a  
11 water truck and construction of a storage tank. Annual costs include labor for purchasing the  
12 water, picking up and delivering the water, truck maintenance, and water sampling and testing.  
13 It is assumed the water truck would be required to make one trip each week, and that chlorine  
14 residual would be determined for each truck load.

15



**Table B.1**  
**Summary of General Data**  
**South Silver Creek PWS**  
**270041**  
**General PWS Information**

|                                    |              |                              |    |
|------------------------------------|--------------|------------------------------|----|
| <b>Service Population</b>          | 252          | <b>Number of Connections</b> | 84 |
| <b>Total PWS Daily Water Usage</b> | 0.0137 (mgd) |                              |    |

|   |                        | <b>Unit Cost Data</b> |                                     |              |                  |
|---|------------------------|-----------------------|-------------------------------------|--------------|------------------|
| <b>General Items</b>                      | <b>Unit</b>            | <b>Unit Cost</b>      | <b>Central Treatment Unit Costs</b> | <b>Unit</b>  | <b>Unit Cost</b> |
| Treated water purchase cost               | <i>See alternative</i> |                       | <b>General</b>                      |              |                  |
| Water purchase cost (trucked)             | \$/1,000 gals          | \$ 5.35               | Site preparation                    | acre         | \$ 4,000         |
|   |                        |                       | Slab                                | CY           | \$ 1,000         |
| Contingency                               | 20%                    | n/a                   | Building                            | SF           | \$ 60            |
| Engineering & Constr. Management          | 25%                    | n/a                   | Building electrical                 | SF           | \$ 8.00          |
| Procurement/admin (POU/POE)               | 20%                    | n/a                   | Building plumbing                   | SF           | \$ 8.00          |
|   |                        |                       | Heating and ventilation             | SF           | \$ 7.00          |
| <b>Pipeline Unit Costs</b>                | <b>Unit</b>            | <b>Unit Cost</b>      | Fence                               | LF           | \$ 15            |
| PVC water line, Class 200, 04"            | LF                     | \$ 15                 | Paving                              | SF           | \$ 2.00          |
| Bore and encasement, 10"                  | LF                     | \$ 235                | Chlorination point                  | EA           | \$ 4,000         |
| Open cut and encasement, 10"              | LF                     | \$ 127                |                                     |              |                  |
| Gate valve and box, 04"                   | EA                     | \$ 944                | Building power                      | kwh/yr       | \$ 0.049         |
| Air valve                                 | EA                     | \$ 2,079              | Equipment power                     | kwh/yr       | \$ 0.049         |
| Flush valve                               | EA                     | \$ 1,700              | Labor, O&M                          | hr           | \$ 40            |
| Metal detectable tape                     | LF                     | \$ 0.05               | Analyses                            | test         | \$ 200           |
|   |                        |                       |                                     |              |                  |
| Bore and encasement, length               | Feet                   | 200                   | <b>Reject Pond</b>                  |              |                  |
| Open cut and encasement, length           | Feet                   | 50                    | Reject pond, excavation             | CYD          | \$ 3             |
|   |                        |                       | Reject pond, compacted fill         | CYD          | \$ 4             |
| <b>Pump Station Unit Costs</b>            | <b>Unit</b>            | <b>Unit Cost</b>      | Reject pond, lining                 | SF           | \$ 0.50          |
| Pump                                      | EA                     | \$ 8,230              | Reject pond, vegetation             | SY           | \$ 1.50          |
| Pump Station Piping, 04"                  | EA                     | \$ 538                | Reject pond, access road            | LF           | \$ 30            |
| Gate valve, 04"                           | EA                     | \$ 944                | Reject water haulage truck          | EA           | \$ 100,000       |
| Check valve, 04"                          | EA                     | \$ 880                |                                     |              |                  |
| Electrical/Instrumentation                | EA                     | \$ 10,550             | <b>Reverse Osmosis</b>              |              |                  |
| Site work                                 | EA                     | \$ 2,635              | Electrical                          | JOB          | \$ 100,000       |
| Building pad                              | EA                     | \$ 5,275              | Piping                              | JOB          | \$ 50,000        |
| Pump Building                             | EA                     | \$ 10,550             | RO package plant                    | UNIT         | \$ 219,000       |
| Fence                                     | EA                     | \$ 6,330              | Transfer pumps (5 hp)               | EA           | \$ 5,000         |
| Tools                                     | EA                     | \$ 1,055              | Permeate tank                       | gal          | \$ 3             |
| 5,000 gal feed tank                       | EA                     | \$ 12,487             | RO materials and chemicals          | kgal         | \$ 0.43          |
| Backflow preventer, 4"                    | EA                     | \$ 2,714              | RO chemicals                        | year         | \$ 2,000         |
| Backflow Testing/Certification            | EA                     | \$ 110                | Backwash disposal mileage cost      | miles        | \$ 1.50          |
|   |                        |                       | Backwash disposal fee               | 1,000 gal/yr | \$ 5.00          |
| <b>Well Installation Unit Costs</b>       | <b>Unit</b>            | <b>Unit Cost</b>      |                                     |              |                  |
| Well installation                         | <i>See alternative</i> |                       | <b>WRT Z-88 package</b>             |              |                  |
| Water quality testing                     | EA                     | \$ 1,320              | Electrical                          | JOB          | \$ 50,000        |
| 5HP Well Pump                             | EA                     | \$ 4,132              | Piping                              | JOB          | \$ 40,000        |
| Well electrical/instrumentation           | EA                     | \$ 5,800              | WRT Z-88 package plant              | UNIT         | \$ 48,800        |
| Well cover and base                       | EA                     | \$ 3,165              | WRT treated water charge            | 1,000 gal/yr | \$ 3.00          |
| Piping                                    | EA                     | \$ 3,165              | Backwash tank                       | GAL          | \$ 2.00          |
| 10,000 gal ground storage tank            | EA                     | \$ 22,395             | Spent media disposal                | CY           | \$ 20            |
|   |                        |                       |                                     |              |                  |
| Electrical Power                          | \$/kWH                 | \$ 0.049              |                                     |              |                  |
| Building Power                            | kWH                    | 11,800                |                                     |              |                  |
| Labor                                     | \$/hr                  | \$ 55                 |                                     |              |                  |
| Materials                                 | EA                     | \$ 1,585              |                                     |              |                  |
| Transmission main O&M                     | \$/mile                | \$ 285                |                                     |              |                  |
| Tank O&M                                  | EA                     | \$ 1,055              |                                     |              |                  |
|   |                        |                       |                                     |              |                  |
| <b>POU/POE Unit Costs</b>                 |                        |                       |                                     |              |                  |
| POU treatment unit purchase               | EA                     | \$ 300                |                                     |              |                  |
| POU treatment unit installation           | EA                     | \$ 160                |                                     |              |                  |
| POE treatment unit purchase               | EA                     | \$ 5,275              |                                     |              |                  |
| POE - pad and shed, per unit              | EA                     | \$ 2,110              |                                     |              |                  |
| POE - piping connection, per unit         | EA                     | \$ 1,055              |                                     |              |                  |
| POE - electrical hook-up, per unit        | EA                     | \$ 1,055              |                                     |              |                  |
|   |                        |                       |                                     |              |                  |
| POU Treatment O&M, per unit               | \$/year                | \$ 103                |                                     |              |                  |
| POE Treatment O&M, per unit               | \$/year                | \$ 1,585              |                                     |              |                  |
| Treatment analysis                        | \$/year                | \$ 210                |                                     |              |                  |
| POU/POE labor support                     | \$/hr                  | \$ 42                 |                                     |              |                  |
|   |                        |                       |                                     |              |                  |
| <b>Dispenser/Bottled Water Unit Costs</b> |                        |                       |                                     |              |                  |
| POE-Treatment unit purchase               | EA                     | \$ 7,385              |                                     |              |                  |
| POE-Treatment unit installation           | EA                     | \$ 5,275              |                                     |              |                  |
| Treatment unit O&M                        | EA                     | \$ 2,110              |                                     |              |                  |
| Administrative labor                      | hr                     | \$ 46                 |                                     |              |                  |
| Bottled water cost (inc. delivery)        | gallon                 | \$ 1.55               |                                     |              |                  |
| Water use, per capita per day             | gpcd                   | 1.0                   |                                     |              |                  |
| Bottled water program materials           | EA                     | \$ 5,275              |                                     |              |                  |
| 5,000 gal ground storage tank             | EA                     | \$ 12,487             |                                     |              |                  |
| Site improvements                         | EA                     | \$ 3,165              |                                     |              |                  |
| Potable water truck                       | EA                     | \$ 115,000            |                                     |              |                  |
| Water analysis, per sample                | EA                     | \$ 210                |                                     |              |                  |
| Potable water truck O&M costs             | \$/mile                | \$ 1.50               |                                     |              |                  |

## **APPENDIX C COMPLIANCE ALTERNATIVE CONCEPTUAL COST ESTIMATES**

This appendix presents the conceptual cost estimates developed for the compliance alternatives. The conceptual cost estimates are given in Tables C.1 through C.14. The cost estimates are conceptual in nature (+50%/-30%), and are intended for making comparisons between compliance options and to provide a preliminary indication of possible water rate impacts. Consequently, these costs are pre-planning level and should not be viewed as final estimated costs for alternative implementation.

**Table C.1**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Purchase Water from City of Burnet*  
**Alternative Number** *SS-1*

**Distance from Alternative to PWS (along pipe)** 14.1 miles  
**Total PWS annual water usage** 5.001 MG  
**Treated water purchase cost** \$ 3.31 per 1,000 gals  
**Pump Stations needed w/ 1 feed tank each** 1  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                      | Quantity | Unit | Unit Cost | Total Cost          |
|--------------------------------|----------|------|-----------|---------------------|
| <i>Pipeline Construction</i>   |          |      |           |                     |
| Number of Crossings, bore      | 9        | n/a  | n/a       | n/a                 |
| Number of Crossings, open cut  | 21       | n/a  | n/a       | n/a                 |
| PVC water line, Class 200, 04" | 74,585   | LF   | \$ 15     | \$ 1,108,726        |
| Bore and encasement, 10"       | 1,800    | LF   | \$ 235    | \$ 422,496          |
| Open cut and encasement, 10"   | 1,050    | LF   | \$ 127    | \$ 133,497          |
| Gate valve and box, 04"        | 15       | EA   | \$ 944    | \$ 14,078           |
| Air valve                      | 10       | EA   | \$ 2,079  | \$ 20,790           |
| Flush valve                    | 15       | EA   | \$ 1,700  | \$ 25,359           |
| Metal detectable tape          | 74,585   | LF   | \$ 0      | \$ 3,729            |
| <b>Subtotal</b>                |          |      |           | <b>\$ 1,728,675</b> |

*Pump Station(s) Installation*

|                                |   |    |           |                  |
|--------------------------------|---|----|-----------|------------------|
| Pump                           | 2 | EA | \$ 8,230  | \$ 16,460        |
| Pump Station Piping, 04"       | 1 | EA | \$ 538    | \$ 538           |
| Gate valve, 04"                | 4 | EA | \$ 944    | \$ 3,775         |
| Check valve, 04"               | 2 | EA | \$ 880    | \$ 1,760         |
| Electrical/Instrumentation     | 1 | EA | \$ 10,550 | \$ 10,550        |
| Site work                      | 1 | EA | \$ 2,635  | \$ 2,635         |
| Building pad                   | 1 | EA | \$ 5,275  | \$ 5,275         |
| Pump Building                  | 1 | EA | \$ 10,550 | \$ 10,550        |
| Fence                          | 1 | EA | \$ 6,330  | \$ 6,330         |
| Tools                          | 1 | EA | \$ 1,055  | \$ 1,055         |
| 5,000 gal feed tank            | 1 | EA | \$ 12,487 | \$ 12,487        |
| 10,000 gal ground storage tank | - | EA | \$ 22,395 | \$ -             |
| Backflow Preventor             | - | EA | \$ 2,714  | \$ -             |
| <b>Subtotal</b>                |   |    |           | <b>\$ 71,415</b> |

**Subtotal of Component Costs** **\$ 1,800,091**

Contingency 20% \$ 360,018  
 Design & Constr Management 25% \$ 450,023

**TOTAL CAPITAL COSTS** **\$ 2,610,132**

**Annual Operations and Maintenance Costs**

| Cost Item                  | Quantity | Unit      | Unit Cost | Total Cost       |
|----------------------------|----------|-----------|-----------|------------------|
| <i>Pipeline O&amp;M</i>    |          |           |           |                  |
| Pipeline O&M               | 14.1     | mile      | \$ 285    | \$ 4,026         |
| <b>Subtotal</b>            |          |           |           | <b>\$ 4,026</b>  |
| <i>Water Purchase Cost</i> |          |           |           |                  |
| From PWS                   | 5,001    | 1,000 gal | \$ 3.31   | \$ 16,552        |
| <b>Subtotal</b>            |          |           |           | <b>\$ 16,552</b> |

*Pump Station(s) O&M*

|                    |        |     |          |                  |
|--------------------|--------|-----|----------|------------------|
| Building Power     | 11,800 | kWH | \$ 0.049 | \$ 578           |
| Pump Power         | 8,406  | kWH | \$ 0.049 | \$ 412           |
| Materials          | 1      | EA  | \$ 1,585 | \$ 1,585         |
| Labor              | 365    | Hrs | \$ 55.00 | \$ 20,075        |
| Tank O&M           | -      | EA  | \$ 1,055 | \$ -             |
| Backflow Test/Cert | -      | EA  | \$ 110   | \$ -             |
| <b>Subtotal</b>    |        |     |          | <b>\$ 22,650</b> |

*O&M Credit for Existing Well Closure*

|                 |       |     |          |                    |
|-----------------|-------|-----|----------|--------------------|
| Pump power      | 8,977 | kWH | \$ 0.049 | \$ (440)           |
| Well O&M matl   | 2     | EA  | \$ 1,585 | \$ (3,170)         |
| Well O&M labor  | 360   | Hrs | \$ 55.00 | \$ (19,800)        |
| <b>Subtotal</b> |       |     |          | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 19,818**

**Table C.2**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Purchase Water from Deer Springs Water Co*  
**Alternative Number** *SS-2*

**Distance from Alternative to PWS (along pipe)** 15.3 miles  
**Total PWS annual water usage** 5.001 MG  
**Treated water purchase cost** \$ 3.31 per 1,000 gals  
**Pump Stations needed w/ 1 feed tank each** 1  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                      | Quantity | Unit | Unit Cost | Total Cost          |
|--------------------------------|----------|------|-----------|---------------------|
| <i>Pipeline Construction</i>   |          |      |           |                     |
| Number of Crossings, bore      | 13       | n/a  | n/a       | n/a                 |
| Number of Crossings, open cut  | 27       | n/a  | n/a       | n/a                 |
| PVC water line, Class 200, 04" | 81,015   | LF   | \$ 15     | \$ 1,204,310        |
| Bore and encasement, 10"       | 2,600    | LF   | \$ 235    | \$ 610,272          |
| Open cut and encasement, 10"   | 1,350    | LF   | \$ 127    | \$ 171,639          |
| Gate valve and box, 04"        | 16       | EA   | \$ 944    | \$ 15,292           |
| Air valve                      | 11       | EA   | \$ 2,079  | \$ 22,869           |
| Flush valve                    | 16       | EA   | \$ 1,700  | \$ 27,545           |
| Metal detectable tape          | 81,015   | LF   | \$ 0      | \$ 4,051            |
| <b>Subtotal</b>                |          |      |           | <b>\$ 2,055,978</b> |

*Pump Station(s) Installation*

|                                |   |    |           |                  |
|--------------------------------|---|----|-----------|------------------|
| Pump                           | 2 | EA | \$ 8,230  | \$ 16,460        |
| Pump Station Piping, 04"       | 1 | EA | \$ 538    | \$ 538           |
| Gate valve, 04"                | 4 | EA | \$ 944    | \$ 3,775         |
| Check valve, 04"               | 2 | EA | \$ 880    | \$ 1,760         |
| Electrical/Instrumentation     | 1 | EA | \$ 10,550 | \$ 10,550        |
| Site work                      | 1 | EA | \$ 2,635  | \$ 2,635         |
| Building pad                   | 1 | EA | \$ 5,275  | \$ 5,275         |
| Pump Building                  | 1 | EA | \$ 10,550 | \$ 10,550        |
| Fence                          | 1 | EA | \$ 6,330  | \$ 6,330         |
| Tools                          | 1 | EA | \$ 1,055  | \$ 1,055         |
| 5,000 gal feed tank            | 1 | EA | \$ 12,487 | \$ 12,487        |
| 10,000 gal ground storage tank | - | EA | \$ 22,395 | \$ -             |
| Backflow Preventor             | - | EA | \$ 2,714  | \$ -             |
| <b>Subtotal</b>                |   |    |           | <b>\$ 71,415</b> |

**Subtotal of Component Costs** **\$ 2,127,393**

Contingency 20% \$ 425,479  
Design & Constr Management 25% \$ 531,848

**TOTAL CAPITAL COSTS** **\$ 3,084,720**

**Annual Operations and Maintenance Costs**

| Cost Item                  | Quantity | Unit      | Unit Cost | Total Cost       |
|----------------------------|----------|-----------|-----------|------------------|
| <i>Pipeline O&amp;M</i>    |          |           |           |                  |
| Pipeline O&M               | 15.3     | mile      | \$ 285    | \$ 4,373         |
| <b>Subtotal</b>            |          |           |           | <b>\$ 4,373</b>  |
| <i>Water Purchase Cost</i> |          |           |           |                  |
| From PWS                   | 5,001    | 1,000 gal | \$ 3.31   | \$ 16,552        |
| <b>Subtotal</b>            |          |           |           | <b>\$ 16,552</b> |

*Pump Station(s) O&M*

|                    |        |     |          |                  |
|--------------------|--------|-----|----------|------------------|
| Building Power     | 11,800 | kWH | \$ 0.049 | \$ 578           |
| Pump Power         | 4,541  | kWH | \$ 0.049 | \$ 223           |
| Materials          | 1      | EA  | \$ 1,585 | \$ 1,585         |
| Labor              | 365    | Hrs | \$ 55.00 | \$ 20,075        |
| Tank O&M           | 1      | EA  | \$ 1,055 | \$ 1,055         |
| Backflow Test/Cert | 0      | EA  | \$ 110   | \$ -             |
| <b>Subtotal</b>    |        |     |          | <b>\$ 23,516</b> |

*O&M Credit for Existing Well Closure*

|                 |       |     |          |                    |
|-----------------|-------|-----|----------|--------------------|
| Pump power      | 8,977 | kWH | \$ 0.049 | \$ (440)           |
| Well O&M matl   | 2     | EA  | \$ 1,585 | \$ (3,170)         |
| Well O&M labor  | 360   | Hrs | \$ 55    | \$ (19,800)        |
| <b>Subtotal</b> |       |     |          | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 21,030**

**Table C.3**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Purchase Water from Buena Vista WS*  
**Alternative Number** *SS-3*

**Distance from Alternative to PWS (along pipe)** 15.9 miles  
**Total PWS annual water usage** 5.001 MG  
**Treated water purchase cost** \$ 3.31 per 1,000 gals  
**Pump Stations needed w/ 1 feed tank each** 1  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                      | Quantity | Unit | Unit Cost | Total Cost          |
|--------------------------------|----------|------|-----------|---------------------|
| <i>Pipeline Construction</i>   |          |      |           |                     |
| Number of Crossings, bore      | 9        | n/a  | n/a       | n/a                 |
| Number of Crossings, open cut  | 31       | n/a  | n/a       | n/a                 |
| PVC water line, Class 200, 04" | 84,091   | LF   | \$ 15     | \$ 1,250,035        |
| Bore and encasement, 10"       | 1,800    | LF   | \$ 235    | \$ 422,496          |
| Open cut and encasement, 10"   | 1,550    | LF   | \$ 127    | \$ 197,067          |
| Gate valve and box, 04"        | 17       | EA   | \$ 944    | \$ 15,873           |
| Air valve                      | 11       | EA   | \$ 2,079  | \$ 22,869           |
| Flush valve                    | 17       | EA   | \$ 1,700  | \$ 28,591           |
| Metal detectable tape          | 84,091   | LF   | \$ 0      | \$ 4,205            |
| <b>Subtotal</b>                |          |      |           | <b>\$ 1,941,135</b> |

*Pump Station(s) Installation*

|                                |   |    |           |                  |
|--------------------------------|---|----|-----------|------------------|
| Pump                           | 2 | EA | \$ 8,230  | \$ 16,460        |
| Pump Station Piping, 04"       | 1 | EA | \$ 538    | \$ 538           |
| Gate valve, 04"                | 4 | EA | \$ 944    | \$ 3,775         |
| Check valve, 04"               | 2 | EA | \$ 880    | \$ 1,760         |
| Electrical/Instrumentation     | 1 | EA | \$ 10,550 | \$ 10,550        |
| Site work                      | 1 | EA | \$ 2,635  | \$ 2,635         |
| Building pad                   | 1 | EA | \$ 5,275  | \$ 5,275         |
| Pump Building                  | 1 | EA | \$ 10,550 | \$ 10,550        |
| Fence                          | 1 | EA | \$ 6,330  | \$ 6,330         |
| Tools                          | 1 | EA | \$ 1,055  | \$ 1,055         |
| 5,000 gal feed tank            | 1 | EA | \$ 12,487 | \$ 12,487        |
| 10,000 gal ground storage tank | - | EA | \$ 22,395 | \$ -             |
| Backflow Preventor             | 0 | EA | \$ 2,714  | \$ -             |
| <b>Subtotal</b>                |   |    |           | <b>\$ 71,415</b> |

**Subtotal of Component Costs** **\$ 2,012,551**

Contingency 20% \$ 402,510  
Design & Constr Management 25% \$ 503,138

**TOTAL CAPITAL COSTS** **\$ 2,918,199**

**Annual Operations and Maintenance Costs**

| Cost Item                  | Quantity | Unit      | Unit Cost | Total Cost       |
|----------------------------|----------|-----------|-----------|------------------|
| <i>Pipeline O&amp;M</i>    |          |           |           |                  |
| Pipeline O&M               | 15.9     | mile      | \$ 285    | \$ 4,539         |
| <b>Subtotal</b>            |          |           |           | <b>\$ 4,539</b>  |
| <i>Water Purchase Cost</i> |          |           |           |                  |
| From PWS                   | 5,001    | 1,000 gal | \$ 3.31   | \$ 16,552        |
| <b>Subtotal</b>            |          |           |           | <b>\$ 16,552</b> |

*Pump Station(s) O&M*

|                    |        |     |          |                  |
|--------------------|--------|-----|----------|------------------|
| Building Power     | 11,800 | kWH | \$ 0.049 | \$ 578           |
| Pump Power         | 9,774  | kWH | \$ 0.049 | \$ 479           |
| Materials          | 1      | EA  | \$ 1,585 | \$ 1,585         |
| Labor              | 365    | Hrs | \$ 55.00 | \$ 20,075        |
| Tank O&M           | 1      | EA  | \$ 1,055 | \$ 1,055         |
| Backflow Test/Cert | 0      | EA  | \$ 110   | \$ -             |
| <b>Subtotal</b>    |        |     |          | <b>\$ 23,772</b> |

*O&M Credit for Existing Well Closure*

|                 |       |     |          |                    |
|-----------------|-------|-----|----------|--------------------|
| Pump power      | 8,977 | kWH | \$ 0.049 | \$ (440)           |
| Well O&M matl   | 2     | EA  | \$ 1,585 | \$ (3,170)         |
| Well O&M labor  | 360   | Hrs | \$ 55    | \$ (19,800)        |
| <b>Subtotal</b> |       |     |          | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 21,453**

**Table C.4**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Purchase Water from City of Granite Shoals*  
**Alternative Number** *SS-4*

**Distance from Alternative to PWS (along pipe)** 33.7 miles  
**Total PWS annual water usage** 5.001 MG  
**Treated water purchase cost** \$ 2.57 per 1,000 gals  
**Pump Stations needed w/ 1 feed tank each** 2  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                      | Quantity | Unit | Unit Cost | Total Cost          |
|--------------------------------|----------|------|-----------|---------------------|
| <i>Pipeline Construction</i>   |          |      |           |                     |
| Number of Crossings, bore      | 19       | n/a  | n/a       | n/a                 |
| Number of Crossings, open cut  | 50       | n/a  | n/a       | n/a                 |
| PVC water line, Class 200, 04" | 178,116  | LF   | \$ 15     | \$ 2,647,742        |
| Bore and encasement, 10"       | 3,800    | LF   | \$ 235    | \$ 891,936          |
| Open cut and encasement, 10"   | 2,500    | LF   | \$ 127    | \$ 317,850          |
| Gate valve and box, 04"        | 36       | EA   | \$ 944    | \$ 33,620           |
| Air valve                      | 12       | EA   | \$ 2,079  | \$ 24,948           |
| Flush valve                    | 36       | EA   | \$ 1,700  | \$ 60,559           |
| Metal detectable tape          | 178,116  | LF   | \$ 0      | \$ 8,906            |
| <b>Subtotal</b>                |          |      |           | <b>\$ 3,985,562</b> |

*Pump Station(s) Installation*

|                                |   |    |           |                   |
|--------------------------------|---|----|-----------|-------------------|
| Pump                           | 4 | EA | \$ 8,230  | \$ 32,920         |
| Pump Station Piping, 04"       | 2 | EA | \$ 538    | \$ 1,076          |
| Gate valve, 04"                | 8 | EA | \$ 944    | \$ 7,550          |
| Check valve, 04"               | 4 | EA | \$ 880    | \$ 3,521          |
| Electrical/Instrumentation     | 2 | EA | \$ 10,550 | \$ 21,100         |
| Site work                      | 2 | EA | \$ 2,635  | \$ 5,270          |
| Building pad                   | 2 | EA | \$ 5,275  | \$ 10,550         |
| Pump Building                  | 2 | EA | \$ 10,550 | \$ 21,100         |
| Fence                          | 2 | EA | \$ 6,330  | \$ 12,660         |
| Tools                          | 2 | EA | \$ 1,055  | \$ 2,110          |
| 5,000 gal feed tank            | 2 | EA | \$ 12,487 | \$ 24,974         |
| 10,000 gal ground storage tank | - | EA | \$ 22,395 | \$ -              |
| Backflow Preventor             | 0 | EA | \$ 2,714  | \$ -              |
| <b>Subtotal</b>                |   |    |           | <b>\$ 142,831</b> |

**Subtotal of Component Costs** **\$ 4,128,392**

Contingency 20% \$ 825,678  
Design & Constr Management 25% \$ 1,032,098

**TOTAL CAPITAL COSTS** **\$ 5,986,169**

**Annual Operations and Maintenance Costs**

| Cost Item                  | Quantity | Unit      | Unit Cost | Total Cost       |
|----------------------------|----------|-----------|-----------|------------------|
| <i>Pipeline O&amp;M</i>    |          |           |           |                  |
| Pipeline O&M               | 33.7     | mile      | \$ 285    | \$ 9,614         |
| <b>Subtotal</b>            |          |           |           | <b>\$ 9,614</b>  |
| <i>Water Purchase Cost</i> |          |           |           |                  |
| From PWS                   | 5,001    | 1,000 gal | \$ 2.57   | \$ 12,851        |
| <b>Subtotal</b>            |          |           |           | <b>\$ 12,851</b> |

*Pump Station(s) O&M*

|                    |        |     |          |                  |
|--------------------|--------|-----|----------|------------------|
| Building Power     | 23,600 | kWH | \$ 0.049 | \$ 1,156         |
| Pump Power         | 9,774  | kWH | \$ 0.049 | \$ 479           |
| Materials          | 2      | EA  | \$ 1,585 | \$ 3,170         |
| Labor              | 730    | Hrs | \$ 55.00 | \$ 40,150        |
| Tank O&M           | 2      | EA  | \$ 1,055 | \$ 2,110         |
| Backflow Test/Cert | 0      | EA  | \$ 110   | \$ -             |
| <b>Subtotal</b>    |        |     |          | <b>\$ 47,065</b> |

*O&M Credit for Existing Well Closure*

|                 |       |     |          |                    |
|-----------------|-------|-----|----------|--------------------|
| Pump power      | 8,977 | kWH | \$ 0.049 | \$ (440)           |
| Well O&M matl   | 2     | EA  | \$ 1,585 | \$ (3,170)         |
| Well O&M labor  | 360   | Hrs | \$ 55    | \$ (19,800)        |
| <b>Subtotal</b> |       |     |          | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 46,121**

**Table C.5**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *New Well at 10 Miles*  
**Alternative Number** *SS-5*

**Distance from PWS to new well location** 10.0 miles  
**Estimated well depth** 243 feet  
**Number of wells required** 1  
**Well installation cost (location specific)** \$150 per foot  
**Pump Stations needed w/ 1 feed tank each** 1  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                           | Quantity | Unit | Unit Cost | Total Cost          |
|-------------------------------------|----------|------|-----------|---------------------|
| <i>Pipeline Construction</i>        |          |      |           |                     |
| Number of Crossings, bore           | 6        | n/a  | n/a       | n/a                 |
| Number of Crossings, open cut       | 16       | n/a  | n/a       | n/a                 |
| PVC water line, Class 200, 04"      | 52,800   | LF   | \$ 15     | \$ 784,886          |
| Bore and encasement, 10"            | 1,200    | LF   | \$ 235    | \$ 281,664          |
| Open cut and encasement, 10"        | 800      | LF   | \$ 127    | \$ 101,712          |
| Gate valve and box, 04"             | 11       | EA   | \$ 944    | \$ 9,966            |
| Air valve                           | 6        | EA   | \$ 2,079  | \$ 12,474           |
| Flush valve                         | 11       | EA   | \$ 1,700  | \$ 17,952           |
| Metal detectable tape               | 52,800   | LF   | \$ 0      | \$ 2,640            |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 1,211,294</b> |
| <i>Pump Station(s) Installation</i> |          |      |           |                     |
| Pump                                | 2        | EA   | \$ 8,230  | \$ 16,460           |
| Pump Station Piping, 04"            | 1        | EA   | \$ 538    | \$ 538              |
| Gate valve, 04"                     | 4        | EA   | \$ 944    | \$ 3,775            |
| Check valve, 04"                    | 2        | EA   | \$ 880    | \$ 1,760            |
| Electrical/Instrumentation          | 1        | EA   | \$ 10,550 | \$ 10,550           |
| Site work                           | 1        | EA   | \$ 2,635  | \$ 2,635            |
| Building pad                        | 1        | EA   | \$ 5,275  | \$ 5,275            |
| Pump Building                       | 1        | EA   | \$ 10,550 | \$ 10,550           |
| Fence                               | 1        | EA   | \$ 6,330  | \$ 6,330            |
| Tools                               | 1        | EA   | \$ 1,055  | \$ 1,055            |
| 5,000 gal feed tank                 | 1        | EA   | \$ 12,487 | \$ 12,487           |
| 10,000 gal ground storage tank      | -        | EA   | \$ 22,395 | \$ -                |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 71,415</b>    |
| <i>Well Installation</i>            |          |      |           |                     |
| Well installation                   | 243      | LF   | \$ 150    | \$ 36,450           |
| Water quality testing               | 2        | EA   | \$ 1,320  | \$ 2,640            |
| Well pump                           | 1        | EA   | \$ 4,132  | \$ 4,132            |
| Well electrical/instrumentation     | 1        | EA   | \$ 5,800  | \$ 5,800            |
| Well cover and base                 | 1        | EA   | \$ 3,165  | \$ 3,165            |
| Piping                              | 1        | EA   | \$ 3,165  | \$ 3,165            |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 55,352</b>    |

**Subtotal of Component Costs** **\$ 1,338,062**

Contingency 20% \$ 267,612  
Design & Constr Management 25% \$ 334,515

**TOTAL CAPITAL COSTS** **\$ 1,940,190**

**Annual Operations and Maintenance Costs**

| Cost Item                                       | Quantity | Unit | Unit Cost | Total Cost         |
|---|----------|------|-----------|--------------------|
| <i>Pipeline O&amp;M</i>                         |          |      |           |                    |
| Pipeline O&M                                    | 10.0     | mile | \$ 285    | \$ 2,850           |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ 2,850</b>    |
| <i>Pump Station(s) O&amp;M</i>                  |          |      |           |                    |
| Building Power                                  | 11,800   | kWH  | \$ 0.049  | \$ 578             |
| Pump Power                                      | 4,592    | kWH  | \$ 0.049  | \$ 225             |
| Materials                                       | 1        | EA   | \$ 1,585  | \$ 1,585           |
| Labor   | 365      | Hrs  | \$ 55.00  | \$ 20,075          |
| Tank O&M  | -        | EA   | \$ 1,055  | \$ -               |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ 22,463</b>   |
| <i>Well O&amp;M</i>                             |          |      |           |                    |
| Pump power                                      | 9,174    | kWH  | \$ 0.049  | \$ 450             |
| Well O&M matl                                   | 1        | EA   | \$ 1,585  | \$ 1,585           |
| Well O&M labor                                  | 180      | Hrs  | \$ 55     | \$ 9,900           |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ 11,935</b>   |
| <i>O&amp;M Credit for Existing Well Closure</i> |          |      |           |                    |
| Pump power                                      | 8,977    | kWH  | \$ 0.049  | \$ (440)           |
| Well O&M matl                                   | 2        | EA   | \$ 1,585  | \$ (3,170)         |
| Well O&M labor                                  | 360      | Hrs  | \$ 55     | \$ (19,800)        |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 13,838**

**Table C.6**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *New Well at 5 Miles*  
**Alternative Number** *SS-6*

**Distance from PWS to new well location** 5.0 miles  
**Estimated well depth** 243 feet  
**Number of wells required** 1  
**Well installation cost (location specific)** \$150 per foot  
**Pump Stations needed w/ 1 feed tank each** 1  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                           | Quantity | Unit | Unit Cost | Total Cost        |
|-------------------------------------|----------|------|-----------|-------------------|
| <i>Pipeline Construction</i>        |          |      |           |                   |
| Number of Crossings, bore           | 3        | n/a  | n/a       | n/a               |
| Number of Crossings, open cut       | 8        | n/a  | n/a       | n/a               |
| PVC water line, Class 200, 04"      | 26,400   | LF   | \$ 15     | \$ 392,443        |
| Bore and encasement, 10"            | 600      | LF   | \$ 235    | \$ 140,832        |
| Open cut and encasement, 10"        | 400      | LF   | \$ 127    | \$ 50,856         |
| Gate valve and box, 04"             | 5        | EA   | \$ 944    | \$ 4,983          |
| Air valve                           | 3        | EA   | \$ 2,079  | \$ 6,237          |
| Flush valve                         | 5        | EA   | \$ 1,700  | \$ 8,976          |
| Metal detectable tape               | 26,400   | LF   | \$ 0      | \$ 1,320          |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 605,647</b> |
| <i>Pump Station(s) Installation</i> |          |      |           |                   |
| Pump                                | 2        | EA   | \$ 8,230  | \$ 16,460         |
| Pump Station Piping, 04"            | 1        | EA   | \$ 538    | \$ 538            |
| Gate valve, 04"                     | 4        | EA   | \$ 944    | \$ 3,775          |
| Check valve, 04"                    | 2        | EA   | \$ 880    | \$ 1,760          |
| Electrical/Instrumentation          | 1        | EA   | \$ 10,550 | \$ 10,550         |
| Site work                           | 1        | EA   | \$ 2,635  | \$ 2,635          |
| Building pad                        | 1        | EA   | \$ 5,275  | \$ 5,275          |
| Pump Building                       | 1        | EA   | \$ 10,550 | \$ 10,550         |
| Fence                               | 1        | EA   | \$ 6,330  | \$ 6,330          |
| Tools                               | 1        | EA   | \$ 1,055  | \$ 1,055          |
| 5,000 gal feed tank                 | 1        | EA   | \$ 12,487 | \$ 12,487         |
| 10,000 gal ground storage tank      | -        | EA   | \$ 22,395 | \$ -              |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 71,415</b>  |
| <i>Well Installation</i>            |          |      |           |                   |
| Well installation                   | 243      | LF   | \$ 150    | \$ 36,450         |
| Water quality testing               | 2        | EA   | \$ 1,320  | \$ 2,640          |
| Well pump                           | 1        | EA   | \$ 4,132  | \$ 4,132          |
| Well electrical/instrumentation     | 1        | EA   | \$ 5,800  | \$ 5,800          |
| Well cover and base                 | 1        | EA   | \$ 3,165  | \$ 3,165          |
| Piping                              | 1        | EA   | \$ 3,165  | \$ 3,165          |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 55,352</b>  |

**Subtotal of Component Costs** **\$ 732,415**

Contingency 20% \$ 146,483  
Design & Constr Management 25% \$ 183,104

**TOTAL CAPITAL COSTS** **\$ 1,062,001**

**Annual Operations and Maintenance Costs**

| Cost Item                                       | Quantity | Unit | Unit Cost | Total Cost         |
|---|----------|------|-----------|--------------------|
| <i>Pipeline O&amp;M</i>                         |          |      |           |                    |
| Pipeline O&M                                    | 5.0      | mile | \$ 285    | \$ 1,425           |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ 1,425</b>    |
| <i>Pump Station(s) O&amp;M</i>                  |          |      |           |                    |
| Building Power                                  | 11,800   | kWH  | \$ 0.049  | \$ 578             |
| Pump Power                                      | 2,296    | kWH  | \$ 0.049  | \$ 113             |
| Materials                                       | 1        | EA   | \$ 1,585  | \$ 1,585           |
| Labor   | 365      | Hrs  | \$ 55.00  | \$ 20,075          |
| Tank O&M  | 1        | EA   | \$ 1,055  | \$ 1,055           |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ 23,406</b>   |
| <i>Well O&amp;M</i>                             |          |      |           |                    |
| Pump power                                      | 9,174    | kWH  | \$ 0.049  | \$ 450             |
| Well O&M matl                                   | 1        | EA   | \$ 1,585  | \$ 1,585           |
| Well O&M labor                                  | 180      | Hrs  | \$ 55     | \$ 9,900           |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ 11,935</b>   |
| <i>O&amp;M Credit for Existing Well Closure</i> |          |      |           |                    |
| Pump power                                      | 8,977    | kWH  | \$ 0.049  | \$ (440)           |
| Well O&M matl                                   | 2        | EA   | \$ 1,585  | \$ (3,170)         |
| Well O&M labor                                  | 360      | Hrs  | \$ 55     | \$ (19,800)        |
| <b>Subtotal</b>                                 |          |      |           | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 13,355**



**Table C.7**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *New Well at 1 Mile*  
**Alternative Number** *SS-7*

**Distance from PWS to new well location** 1.0 miles  
**Estimated well depth** 243 feet  
**Number of wells required** 1  
**Well installation cost (location specific)** \$150 per foot  
**Pump Stations needed w/ 1 feed tank each** 0  
**On site storage tanks / pump sets needed** 0

**Capital Costs**

| Cost Item                      | Quantity | Unit | Unit Cost | Total Cost        |
|--------------------------------|----------|------|-----------|-------------------|
| <i>Pipeline Construction</i>   |          |      |           |                   |
| Number of Crossings, bore      | 1        | n/a  | n/a       | n/a               |
| Number of Crossings, open cut  | 2        | n/a  | n/a       | n/a               |
| PVC water line, Class 200, 04" | 5,280    | LF   | \$ 15     | \$ 78,489         |
| Bore and encasement, 10"       | 200      | LF   | \$ 235    | \$ 46,944         |
| Open cut and encasement, 10"   | 100      | LF   | \$ 127    | \$ 12,714         |
| Gate valve and box, 04"        | 1        | EA   | \$ 944    | \$ 997            |
| Air valve                      | 1        | EA   | \$ 2,079  | \$ 2,079          |
| Flush valve                    | 1        | EA   | \$ 1,700  | \$ 1,795          |
| Metal detectable tape          | 5,280    | LF   | \$ 0      | \$ 264            |
| <b>Subtotal</b>                |          |      |           | <b>\$ 143,281</b> |

*Pump Station(s) Installation*

|                                |   |    |           |             |
|--------------------------------|---|----|-----------|-------------|
| Pump                           | - | EA | \$ 8,230  | \$ -        |
| Pump Station Piping, 04"       | - | EA | \$ 538    | \$ -        |
| Gate valve, 04"                | - | EA | \$ 944    | \$ -        |
| Check valve, 04"               | - | EA | \$ 880    | \$ -        |
| Electrical/Instrumentation     | - | EA | \$ 10,550 | \$ -        |
| Site work                      | - | EA | \$ 2,635  | \$ -        |
| Building pad                   | - | EA | \$ 5,275  | \$ -        |
| Pump Building                  | - | EA | \$ 10,550 | \$ -        |
| Fence                          | - | EA | \$ 6,330  | \$ -        |
| Tools                          | - | EA | \$ 1,055  | \$ -        |
| 5,000 gal feed tank            | - | EA | \$ 12,487 | \$ -        |
| 10,000 gal ground storage tank | - | EA | \$ 22,395 | \$ -        |
| <b>Subtotal</b>                |   |    |           | <b>\$ -</b> |

*Well Installation*

|                                 |     |    |          |                  |
|---------------------------------|-----|----|----------|------------------|
| Well installation               | 243 | LF | \$ 150   | \$ 36,450        |
| Water quality testing           | 2   | EA | \$ 1,320 | \$ 2,640         |
| Well pump                       | 1   | EA | \$ 4,132 | \$ 4,132         |
| Well electrical/instrumentation | 1   | EA | \$ 5,800 | \$ 5,800         |
| Well cover and base             | 1   | EA | \$ 3,165 | \$ 3,165         |
| Piping                          | 1   | EA | \$ 3,165 | \$ 3,165         |
| <b>Subtotal</b>                 |     |    |          | <b>\$ 55,352</b> |

**Subtotal of Component Costs** **\$ 198,633**

Contingency 20% \$ 39,727  
Design & Constr Management 25% \$ 49,658

**TOTAL CAPITAL COSTS** **\$ 288,019**

**Annual Operations and Maintenance Costs**

| Cost Item               | Quantity | Unit | Unit Cost | Total Cost    |
|-------------------------|----------|------|-----------|---------------|
| <i>Pipeline O&amp;M</i> |          |      |           |               |
| Pipeline O&M            | 1.0      | mile | \$ 285    | \$ 285        |
| <b>Subtotal</b>         |          |      |           | <b>\$ 285</b> |

*Pump Station(s) O&M*

|                 |   |     |          |             |
|-----------------|---|-----|----------|-------------|
| Building Power  | - | kWH | \$ 0.049 | \$ -        |
| Pump Power      | - | kWH | \$ 0.049 | \$ -        |
| Materials       | - | EA  | \$ 1,585 | \$ -        |
| Labor           | - | Hrs | \$ 55.00 | \$ -        |
| Tank O&M        | - | EA  | \$ 1,055 | \$ -        |
| <b>Subtotal</b> |   |     |          | <b>\$ -</b> |

*Well O&M*

|                 |       |     |          |                  |
|-----------------|-------|-----|----------|------------------|
| Pump power      | 9,174 | kWH | \$ 0.049 | \$ 450           |
| Well O&M matl   | 1     | EA  | \$ 1,585 | \$ 1,585         |
| Well O&M labor  | 180   | Hrs | \$ 55    | \$ 9,900         |
| <b>Subtotal</b> |       |     |          | <b>\$ 11,935</b> |

*O&M Credit for Existing Well Closure*

|                 |       |     |          |                    |
|-----------------|-------|-----|----------|--------------------|
| Pump power      | 8,977 | kWH | \$ 0.049 | \$ (440)           |
| Well O&M matl   | 2     | EA  | \$ 1,585 | \$ (3,170)         |
| Well O&M labor  | 360   | Hrs | \$ 55    | \$ (19,800)        |
| <b>Subtotal</b> |       |     |          | <b>\$ (23,410)</b> |

**TOTAL ANNUAL O&M COSTS** **\$ (11,190)**

**Table C.8**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Central Treatment - RO*  
**Alternative Number** *SS-8*

**Capital Costs**

| Cost Item   | Quantity | Unit | Unit Cost  | Total Cost |
|---|----------|------|------------|------------|
| <i>Reverse Osmosis Unit Purchase/Installation</i> |          |      |            |            |
| Site preparation                                  | 0.32     | acre | \$ 4,000   | \$ 1,280   |
| Slab  | 22       | CY   | \$ 1,000   | \$ 22,000  |
| Building  | 600      | SF   | \$ 60      | \$ 36,000  |
| Building electrical                               | 600      | SF   | \$ 8       | \$ 4,800   |
| Building plumbing                                 | 600      | SF   | \$ 8       | \$ 4,800   |
| Heating and ventilation                           | 600      | SF   | \$ 7       | \$ 4,200   |
| Fence   | 420      | LF   | \$ 15      | \$ 6,300   |
| Paving  | 4,200    | SF   | \$ 2       | \$ 8,400   |
| Electrical  | 1        | JOB  | \$ 100,000 | \$ 100,000 |
| Piping  | 1        | JOB  | \$ 50,000  | \$ 50,000  |

Reverse osmosis package including:

High pressure pumps - 10hp  
 Cartridge filters and vessels  
 RO membranes and vessels  
 Control system  
 Chemical feed systems  
 Freight cost  
 Vendor start-up services

|                         |         |      |            |            |
|-------------------------|---------|------|------------|------------|
|                         | 1       | UNIT | \$ 219,000 | \$ 219,000 |
| Transfer pumps          | 3       | EA   | \$ 5,000   | \$ 15,000  |
| Permeate tank           | 125,000 | gal  | \$ 3       | \$ 375,000 |
| Reject water tank       | 28,000  | gal  | \$ 3       | \$ 84,000  |
| Brine Pipeline to Sewer | 0       | EA   | \$ 35,000  | \$ -       |
| Reject pond:            |         |      |            |            |
| Excavation              | -       | CYD  | \$ 3.00    | \$ -       |
| Compacted fill          | -       | CYD  | \$ 4.00    | \$ -       |
| Lining                  | -       | SF   | \$ 0.50    | \$ -       |
| Vegetation              | -       | SY   | \$ 1.50    | \$ -       |
| Fence around pond       | -       | LF   | \$ 15.00   | \$ -       |
| Access road             | -       | LF   | \$ 30.00   | \$ -       |

**Subtotal of Design/Construction Costs** **\$ 930,780**

Contingency 20% \$ 186,156  
 Design & Constr Management 25% \$ 232,695

Reject water haulage truck 1 EA \$ 100,000 \$ 100,000

**TOTAL CAPITAL COSTS** **\$ 1,449,631**

**Annual Operations and Maintenance Costs**

| Cost Item                           | Quantity | Unit    | Unit Cost | Total Cost       |
|-------------------------------------|----------|---------|-----------|------------------|
| <i>Reverse Osmosis Unit O&amp;M</i> |          |         |           |                  |
| Building Power                      | 6,296    | kwh/yr  | \$ 0.049  | \$ 309           |
| Equipment power                     | 22,212   | kwh/yr  | \$ 0.049  | \$ 1,088         |
| Labor                               | 1,000    | hrs/yr  | \$ 40     | \$ 40,000        |
| RO Materials and Chemicals          | 5,816    | year    | \$ 0.43   | \$ 2,501         |
| Analyses                            | 12       | test    | \$ 200    | \$ 2,400         |
| <b>Subtotal</b>                     |          |         |           | <b>\$ 46,298</b> |
| <i>Backwash Disposal</i>            |          |         |           |                  |
| Disposal truck mileage              | 2,946    | miles   | \$ 1.50   | \$ 4,419         |
| Backwash disposal fee               | 1,473    | kgal/yr | \$ 5.00   | \$ 7,365         |
| <b>Subtotal</b>                     |          |         |           | <b>\$ 11,784</b> |

**TOTAL ANNUAL O&M COSTS** **\$ 58,082**

**Table C.9**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Central Treatment - WRT Z-88*  
**Alternative Number** *SS-9*

**Capital Costs**

| Cost Item                                    | Quantity | Unit | Unit Cost         | Total Cost        |
|--|----------|------|-------------------|-------------------|
| <i>Adsorption Unit Purchase/Installation</i> |          |      |                   |                   |
| Site preparation                             | 0.36     | acre | \$ 4,000          | \$ 1,440          |
| Slab   | 36       | CY   | \$ 1,000          | \$ 36,000         |
| Building                                     | 960      | SF   | \$ 60             | \$ 57,600         |
| Building electrical                          | 960      | SF   | \$ 8              | \$ 7,680          |
| Building plumbing                            | 960      | SF   | \$ 8              | \$ 7,680          |
| Heating and ventilation                      | 960      | SF   | \$ 7              | \$ 6,720          |
| Fence  | 448      | LF   | \$ 15             | \$ 6,720          |
| Paving                                       | 4,760    | SF   | \$ 2              | \$ 9,520          |
| Electrical                                   | 1        | JOB  | \$ 50,000         | \$ 50,000         |
| Piping                                       | 1        | JOB  | \$ 40,000         | \$ 40,000         |
| Softener                                     | 1        | Job  | \$ 11,000         | \$ 11,000         |
| WTR-Z88 installation                         | 1        | UNIT | \$ 48,800         | \$ 48,800         |
| Backwash Tank                                | 765      | GAL  | \$ 2              | \$ 1,529          |
| Transfer pumps                               | 3        | EA   | \$ 5,000          | \$ 15,000         |
| Permeate tank                                | 125,000  | gal  | \$ 3              | \$ 375,000        |
| Chlorination Point                           | 1        | EA   | \$ 4,000          | \$ 4,000          |
| Backwash evap pond                           |          |      |                   |                   |
| Excavation                                   | -        | CYD  | \$ 3.00           | \$ -              |
| Compacted fill                               | -        | CYD  | \$ 4.00           | \$ -              |
| Lining                                       | -        | SF   | \$ 5.00           | \$ -              |
| Vegetation                                   | -        | SY   | \$ 1.50           | \$ -              |
| Fence around pond                            | -        | LF   | \$ 15.00          | \$ -              |
| Access road                                  | -        | LF   | \$ 30.00          | \$ -              |
| <b>Subtotal of Component Costs</b>           |          |      |                   | <b>\$ 678,689</b> |
| Contingency                                  | 20%      |      | \$ 135,738        |                   |
| Design & Constr Management                   | 25%      |      | \$ 169,672        |                   |
| <b>TOTAL CAPITAL COSTS</b>                   |          |      | <b>\$ 984,100</b> |                   |

**Annual Operations and Maintenance Costs**

| Cost Item                    | Quantity | Unit     | Unit Cost | Total Cost       |
|------------------------------|----------|----------|-----------|------------------|
| <i>WTR-Z88 Unit O&amp;M</i>  |          |          |           |                  |
| Building Power               | 10,100   | kwh/yr   | \$ 0.049  | \$ 495           |
| Equipment power              | 16,993   | kwh/yr   | \$ 0.049  | \$ 833           |
| Labor                        | 800      | hrs/yr   | \$ 40     | \$ 32,000        |
| Company provided service     | 6,570    | 1000g/yr | \$ 3.00   | \$ 19,710        |
| Analyses                     | 12       | test     | \$ 200    | \$ 2,400         |
| Backwash discharge to sewer* | 0.020    | MG/yr    | \$ 5,000  | \$ 100           |
| Spent Media Disposal         | -        | CY       | \$ 20     | \$ -             |
| <b>Subtotal</b>              |          |          |           | <b>\$ 55,538</b> |
| <i>Backwash Disposal</i>     |          |          |           |                  |
| Disposal truck mileage       | 0        | miles    | \$ 1.50   | \$0              |
| Backwash disposal fee        | 0        | kgal/yr  | \$ 5.00   | \$0              |
| <b>Subtotal</b>              |          |          |           | <b>\$0</b>       |

\* Includes an additional 50% for the softener

**TOTAL ANNUAL O&M COSTS****\$ 55,538**

**Table C.10**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Point-of-Use Treatment*  
**Alternative Number** *SS-10*

**Number of Connections for POU Unit Installation** 84 connections

**Capital Costs**

| Cost Item                                    | Quantity | Unit | Unit Cost | Total Cost       |
|--|----------|------|-----------|------------------|
| <i>POU-Treatment - Purchase/Installation</i> |          |      |           |                  |
| POU treatment unit purchase                  | 84       | EA   | \$ 300    | \$ 25,200        |
| POU treatment unit installation              | 84       | EA   | \$ 160    | \$ 13,440        |
| <b>Subtotal</b>                              |          |      |           | <b>\$ 38,640</b> |
| <b>Subtotal of Component Costs</b>           |          |      |           | <b>\$ 38,640</b> |
| Contingency                                  | 20%      |      | \$        | 7,728            |
| Design & Constr Management                   | 25%      |      | \$        | 9,660            |
| Procurement & Administration                 | 20%      |      | \$        | 7,728            |
| <b>TOTAL CAPITAL COSTS</b>                   |          |      |           | <b>\$ 63,756</b> |

**Annual Operations and Maintenance Costs**

| Cost Item                           | Quantity | Unit | Unit Cost | Total Cost       |
|-------------------------------------|----------|------|-----------|------------------|
| <i>O&amp;M</i>                      |          |      |           |                  |
| POU materials, per unit             | 84       | EA   | \$ 103    | \$ 8,652         |
| Contaminant analysis, 1/yr per unit | 84       | EA   | \$ 210    | \$ 17,640        |
| Program labor, 10 hrs/unit          | 840      | hrs  | \$ 42     | \$ 35,280        |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 61,572</b> |
| <b>TOTAL ANNUAL O&amp;M COSTS</b>   |          |      |           | <b>\$ 61,572</b> |

## Table C.11

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Point-of-Entry Treatment*  
**Alternative Number** *SS-11*

Number of Connections for POE Unit Installation 84 connections

### Capital Costs

| Cost Item                                 | Quantity | Unit | Unit Cost | Total Cost        |
|---|----------|------|-----------|-------------------|
| <i>POE-Treatment - Purchase/Installat</i> |          |      |           |                   |
| POE treatment unit purchase               | 84       | EA   | \$ 5,275  | \$ 443,100        |
| Pad and shed, per unit                    | 84       | EA   | \$ 2,110  | \$ 177,240        |
| Piping connection, per unit               | 84       | EA   | \$ 1,055  | \$ 88,620         |
| Electrical hook-up, per unit              | 84       | EA   | \$ 1,055  | \$ 88,620         |
| <b>Subtotal</b>                           |          |      |           | <b>\$ 797,580</b> |

**Subtotal of Component Costs \$ 797,580**

|                              |     |            |
|------------------------------|-----|------------|
| Contingency                  | 20% | \$ 159,516 |
| Design & Constr Management   | 25% | \$ 199,395 |
| Procurement & Administration | 20% | \$ 159,516 |

**TOTAL CAPITAL COSTS \$ 1,316,007**

### Annual Operations and Maintenance Costs

| Cost Item                           | Quantity | Unit | Unit Cost | Total Cost        |
|-------------------------------------|----------|------|-----------|-------------------|
| <i>O&amp;M</i>                      |          |      |           |                   |
| POE materials, per unit             | 84       | EA   | \$ 1,585  | \$ 133,140        |
| Contaminant analysis, 1/yr per unit | 84       | EA   | \$ 210    | \$ 17,640         |
| Program labor, 10 hrs/unit          | 840      | hrs  | \$ 42     | \$ 35,280         |
| <b>Subtotal</b>                     |          |      |           | <b>\$ 186,060</b> |

**TOTAL ANNUAL O&M COSTS \$ 186,060**

**Table C.12**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Public Dispenser for Treated Drinking Water*  
**Alternative Number** *SS-12*

**Number of Treatment Units Recommended** 1

**Capital Costs**

| Cost Item                                 | Quantity | Unit | Unit Cost | Total Cost       |
|---|----------|------|-----------|------------------|
| <i>Public Dispenser Unit Installation</i> |          |      |           |                  |
| POE-Treatment unit(s)                     | 1        | EA   | \$ 7,385  | \$ 7,385         |
| Unit installation costs                   | 1        | EA   | \$ 5,275  | \$ 5,275         |
| <b>Subtotal</b>                           |          |      |           | <b>\$ 12,660</b> |
| <b>Subtotal of Component Costs</b>        |          |      |           | <b>\$ 12,660</b> |
| Contingency                               | 20%      |      |           | \$ 2,532         |
| Design & Constr Management                | 25%      |      |           | \$ 3,165         |
| <b>TOTAL CAPITAL COSTS</b>                |          |      |           | <b>18,357</b>    |

**Annual Operations and Maintenance Costs**

| Cost Item                         | Quantity | Unit | Unit Cost | Total Cost       |
|-----------------------------------|----------|------|-----------|------------------|
| <i>Program Operation</i>          |          |      |           |                  |
| Treatment unit O&M, 1 per unit    | 1        | EA   | \$ 2,110  | \$ 2,110         |
| Contaminant analysis, 1/wk per u  | 52       | EA   | \$ 210    | \$ 10,920        |
| Sampling/reporting, 1 hr/day      | 365      | HRS  | \$ 55     | \$ 20,075        |
| <b>Subtotal</b>                   |          |      |           | <b>\$ 33,105</b> |
| <b>TOTAL ANNUAL O&amp;M COSTS</b> |          |      |           | <b>\$ 33,105</b> |

**Table C.13**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Supply Bottled Water to 100% of Population*  
**Alternative Number** *SS-13*

**Service Population** 252  
**Percentage of population requiring supply** 100%  
**Water consumption per person** 1.00 gpcd  
**Calculated annual potable water needs** 91,980 gallons

**Capital Costs**

| Cost Item                          | Quantity | Unit  | Unit Cost | Total Cost       |
|------------------------------------|----------|-------|-----------|------------------|
| <i>Program Implementation</i>      |          |       |           |                  |
| Initial program set-up             | 500      | hours | \$ 46     | \$ 23,000        |
| <b>Subtotal</b>                    |          |       |           | <b>\$ 23,000</b> |
| <b>Subtotal of Component Costs</b> |          |       |           | <b>\$ 23,000</b> |
| Contingency                        | 20%      |       |           | \$ 4,600         |
| <b>TOTAL CAPITAL COSTS</b>         |          |       |           | <b>\$ 27,600</b> |

**Annual Operations and Maintenance Costs**

| Cost Item                         | Quantity | Unit  | Unit Cost | Total Cost        |
|-----------------------------------|----------|-------|-----------|-------------------|
| <i>Program Operation</i>          |          |       |           |                   |
| Water purchase costs              | 91,980   | gals  | \$ 1.55   | \$ 142,569        |
| Program admin, 9 hrs/wk           | 468      | hours | \$ 46     | \$ 21,528         |
| Program materials                 | 1        | EA    | \$ 5,275  | \$ 5,275          |
| <b>Subtotal</b>                   |          |       |           | <b>\$ 169,372</b> |
| <b>TOTAL ANNUAL O&amp;M COSTS</b> |          |       |           | <b>\$ 169,372</b> |

**Table C.14**

**PWS Name** *South Silver Creek PWS*  
**Alternative Name** *Central Trucked Drinking Water - Burnet*  
**Alternative Number** *SS-14*

**Service Population** 252  
**Percentage of population requiring supply** 100%  
**Water consumption per person** 1.00 gpcd  
**Calculated annual potable water needs** 91,980 gallons  
**Travel distance to compliant water source** 7 miles

**Capital Costs**

| Cost Item                          | Quantity | Unit | Unit Cost  | Total Cost        |
|------------------------------------|----------|------|------------|-------------------|
| <i>Storage Tank Installation</i>   |          |      |            |                   |
| 5,000 gal ground storage tank      | 1        | EA   | \$ 12,487  | \$ 12,487         |
| Site improvements                  | 1        | EA   | \$ 3,165   | \$ 3,165          |
| Potable water truck                | 1        | EA   | \$ 115,000 | \$ 115,000        |
| <b>Subtotal</b>                    |          |      |            | <b>\$ 130,652</b> |
| <b>Subtotal of Component Costs</b> |          |      |            | <b>\$ 130,652</b> |
| Contingency                        | 20%      |      |            | \$ 26,130         |
| Design & Constr Management         | 25%      |      |            | \$ 32,663         |
| <b>TOTAL CAPITAL COSTS</b>         |          |      |            | <b>\$ 189,445</b> |

**Annual Operations and Maintenance Costs**

| Cost Item                         | Quantity | Unit       | Unit Cost | Total Cost       |
|-----------------------------------|----------|------------|-----------|------------------|
| <i>Program Operation</i>          |          |            |           |                  |
| Water delivery labor, 4 hrs/wk    | 208      | hrs        | \$ 55     | \$ 11,440        |
| Truck operation, 1 round trip/wk  | 728      | miles      | \$ 1.50   | \$ 1,092         |
| Water purchase                    | 92       | 1,000 gals | \$ 5.35   | \$ 492           |
| Water testing, 1 test/wk          | 52       | EA         | \$ 210    | \$ 10,920        |
| Sampling/reporting, 2 hrs/wk      | 104      | hrs        | \$ 55     | \$ 5,720         |
| <b>Subtotal</b>                   |          |            |           | <b>\$ 29,664</b> |
| <b>TOTAL ANNUAL O&amp;M COSTS</b> |          |            |           | <b>\$ 29,664</b> |



1  
2  
3

## **APPENDIX D EXAMPLE FINANCIAL MODEL**

Appendix D  
General Inputs

South Silver Creek I, II, & III WSC

Number of Alternatives

14

Selected from Results Sheet

Input Fields are Indicated by:

| <b>General Inputs</b>                        |                   |                                     |
|--|-------------------|-------------------------------------|
| Implementation Year                          | 2011              | South Silver Creek I, II, & III WSC |
| Months of Working Capital                    | 0                 |                                     |
| Depreciation                                 | \$ -              |                                     |
| Percent of Depreciation for Replacement Fund | 0%                |                                     |
| Allow Negative Cash Balance (yes or no)      | No                |                                     |
| Median Household Income                      | \$ 37,892         |                                     |
| Median HH Income -- Texas                    | \$ 39,927         |                                     |
| Grant Funded Percentage                      | 0%                |                                     |
| Capital Funded from Revenues                 | \$ -              |                                     |
|  |                   | Selected from Results               |
|  | Base Year         | 2009                                |
|  | Growth/Escalation |                                     |
| <b>Accounts &amp; Consumption</b>            |                   |                                     |
| <b>Metered Residential Accounts</b>          |                   |                                     |
| Number of Accounts                           | 0.0%              | 84                                  |
| Number of Bills Per Year                     |                   | 12                                  |
| Annual Billed Consumption                    |                   | 5,000,500                           |
| Consumption per Account Per Pay Period       | 0.0%              | 4,961                               |
| Consumption Allowance in Rates               |                   | -                                   |
| Total Allowance                              |                   | -                                   |
| Net Consumption Billed                       |                   | 5,000,500                           |
| Percentage Collected                         |                   | 100.0%                              |
| <b>Unmetered Residential Accounts</b>        |                   |                                     |
| Number of Accounts                           | 0.0%              | 0                                   |
| Number of Bills Per Year                     |                   | 12                                  |
| Percentage Collected                         |                   | 100.0%                              |
| <b>Metered Non-Residential Accounts</b>      |                   |                                     |
| Number of Accounts                           | 0.0%              | 0                                   |
| Number of Bills Per Year                     |                   | 12                                  |
| Non-Residential Consumption                  |                   | -                                   |
| Consumption per Account                      | 0.0%              | -                                   |
| Consumption Allowance in Rates               |                   | -                                   |
| Total Allowance                              |                   | -                                   |
| Net Consumption Billed                       |                   | -                                   |
| Percentage Collected                         |                   | 0.0%                                |
| <b>Unmetered Non-Residential Accounts</b>    |                   |                                     |
| Number of Accounts                           | 0.0%              | 0                                   |
| Number of Bills Per Year                     |                   | 12                                  |
| Percentage Collected                         |                   | 100.0%                              |
| <b>Water Purchase &amp; Production</b>       |                   |                                     |
| Water Purchased (gallons)                    | 0.0%              | -                                   |
| Average Cost Per Unit Purchased              | 0.0%              | \$ -                                |
| Bulk Water Purchases                         | 0.0%              | \$ -                                |
| Water Production                             | 0.0%              | 5,000,500                           |
| Unaccounted for Water                        |                   | -                                   |
| Percentage Unaccounted for Water             |                   | 0.0%                                |

South Silver Creek I, II, & III WSC

Number of Alternatives

14

Selected from Results Sheet

Input Fields are Indicated by:

|   |                       |               |
|---|-----------------------|---------------|
| <b>Residential Rate Structure</b>             | Allowance within Tier |               |
| Estimated Average Water Rate (\$/1000gallons) | -                     | \$ 18.68      |
| <b>Non-Residential Rate Structure</b>         |                       |               |
| Estimated Average Water Rate (\$/1000gallons) | -                     | \$ -          |
| <b>INITIAL YEAR EXPENDITURES</b>              | Inflation             | Initial Year  |
| <b>Operating Expenditures:</b>                |                       |               |
| Salaries & Benefits                           | 0.0%                  | -             |
| Contract Labor                                | 0.0%                  | -             |
| Water Purchases                               | 0.0%                  | -             |
| Chemicals, Treatment                          | 0.0%                  | -             |
| Utilities                                     | 0.0%                  | -             |
| Repairs, Maintenance, Supplies                | 0.0%                  | -             |
| Repairs                                       | 0.0%                  | -             |
| Maintenance                                   | 0.0%                  | -             |
| Supplies                                      | 0.0%                  | -             |
| Administrative Expenses                       | 0.0%                  | -             |
| Accounting and Legal Fees                     | 0.0%                  | -             |
| Insurance                                     | 0.0%                  | -             |
| Automotive and Travel                         | 0.0%                  | -             |
| Professional and Directors Fees               | 0.0%                  | -             |
| Bad Debts                                     | 0.0%                  | -             |
| Garbage Pick-up                               | 0.0%                  | -             |
| Miscellaneous                                 | 0.0%                  | -             |
| Other 3                                       | 0.0%                  | 92,070        |
| Other 4                                       | 0.0%                  | -             |
| Incremental O&M for Alternative               | 0.0%                  | -             |
| <b>Total Operating Expenses</b>               |                       | <b>92,070</b> |
| <b>Non-Operating Income/Expenditures</b>      |                       |               |
| Interest Income                               | 0.0%                  | -             |
| Other Income                                  | 0.0%                  | -             |
| Other Expense                                 | 0.0%                  | -             |
| Transfers In (Out)                            | 0.0%                  | -             |
| <b>Net Non-Operating</b>                      |                       | <b>-</b>      |
| <b>Existing Debt Service</b>                  |                       |               |
| Bonds Payable, Less Current Maturities        |                       | \$ -          |
| Bonds Payable, Current                        |                       | \$ -          |
| Interest Expense                              |                       | \$ -          |

## Debt Service for South Silver Creek I, II, &amp; III WSC

Alternative Number = 14

Funding Source = Loan/Bond

|                       |       | 2009<br>0 | 2010<br>1 | 2011<br>2 | 2012<br>3 | 2013<br>4 | 2014<br>5 | 2015<br>6 | 2016<br>7 | 2017<br>8 | 2018<br>9 | 2019<br>10 | 2020<br>11 | 2021<br>12 | 2022<br>13 | 2023<br>14 | 2024<br>15 | 2025<br>16 | 2026<br>17 | 2027<br>18 | 2028<br>19 | 2029<br>20 | 2030<br>21 | 2031<br>22 | 2032<br>23 | 2033<br>24 | 2034<br>25 | 2035<br>26 | 2036<br>27 | 2037<br>28 | 2038<br>29 | 2039<br>30 |
|-----------------------|-------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                       |       |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Existing Debt Service | \$ -  | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Principal Payments    |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Interest Payment      | 0.00% | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Total Debt Service    |       |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| New Balance           |       |           | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
|                       |       |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Term                  | 25    |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Revenue Bonds         |       | -         | -         | 189,445   | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Forgiveness           | 0.00% | -         | -         | 1         | 2         | 3         | 4         | 5         | 6         | 7         | 8         | 9          | 10         | 11         | 12         | 13         | 14         | 15         | 16         | 17         | 18         | 19         | 20         | 21         | 22         | 23         | 24         | 25         | 26         | 27         | 28         | 29         |
| Balance               |       | -         | -         | 189,445   | 185,992   | 182,332   | 178,453   | 174,340   | 169,981   | 165,360   | 160,462   | 155,270    | 149,766    | 143,933    | 137,749    | 131,194    | 124,246    | 116,881    | 109,074    | 100,799    | 92,027     | 82,729     | 72,873     | 62,426     | 51,352     | 39,613     | 27,170     | 13,981     | 0          | 0          | 0          |            |
| Principal             |       | -         | -         | 3,453     | 3,660     | 3,880     | 4,113     | 4,359     | 4,621     | 4,898     | 5,192     | 5,504      | 5,834      | 6,184      | 6,555      | 6,948      | 7,365      | 7,807      | 8,275      | 8,772      | 9,298      | 9,856      | 10,447     | 11,074     | 11,739     | 12,443     | 13,189     | 13,981     | -          | -          | -          |            |
| Interest              | 6.00% | -         | -         | 11,367    | 11,160    | 10,940    | 10,707    | 10,460    | 10,199    | 9,922     | 9,628     | 9,316      | 8,986      | 8,636      | 8,265      | 7,872      | 7,455      | 7,013      | 6,544      | 6,048      | 5,522      | 4,964      | 4,372      | 3,746      | 3,081      | 2,377      | 1,630      | 0          | 0          | 0          | 0          |            |
| Total Debt Service    |       |           | -         | -         | 14,820    | 14,820    | 14,820    | 14,820    | 14,820    | 14,820    | 14,820    | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 14,820     | 13,981     | 0          | 0          | 0          | 0          |
| New Balance           |       |           | -         | -         | 185,992   | 182,332   | 178,453   | 174,340   | 169,981   | 165,360   | 160,462   | 155,270    | 149,766    | 143,933    | 137,749    | 131,194    | 124,246    | 116,881    | 109,074    | 100,799    | 92,027     | 82,729     | 72,873     | 62,426     | 51,352     | 39,613     | 27,170     | 13,981     | 0          | 0          | 0          | 0          |
|                       |       |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Term                  | 20    |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| State Revolving Fund  |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Forgiveness           | 0.00% | -         | -         | 1         | 2         | 3         | 4         | 5         | 6         | 7         | 8         | 9          | 10         | 11         | 12         | 13         | 14         | 15         | 16         | 17         | 18         | 19         | 20         | 21         | 22         | 23         | 24         | 25         | 26         | 27         | 28         | 29         |
| Balance               |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Principal             |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Interest              | 2.90% | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Total Debt Service    |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| New Balance           |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
|                       |       |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Term                  | 10    |           |           |           |           |           |           |           |           |           |           |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |
| Bank/Interfund Loan   |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Forgiveness           | 0.00% | -         | -         | 1         | 2         | 3         | 4         | 5         | 6         | 7         | 8         | 9          | 10         | 11         | 12         | 13         | 14         | 15         | 16         | 17         | 18         | 19         | 20         | 21         | 22         | 23         | 24         | 25         | 26         | 27         | 28         | 29         |
| Balance               |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Principal             |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Interest              | 8.00% | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| Total Debt Service    |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          |            |
| New Balance           |       | -         | -         | -         | -         | -         | -         | -         | -         | -         | -         | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -          | -</        |            |            |            |            |            |

## APPENDIX E RADIONUCLIDE GEOCHEMISTRY

Radionuclide impact on water quality is measured according to two scales: intrinsic measurement of radioactivity and impact on human beings. Activity or number of disintegrations per unit time is typically measured in pico Curies (pCi), whereas impact on living organisms is measured in millirem (mrem). Radioactive decay can generate alpha or beta particles, as well as gamma rays. Two radioactive elements with the same activity may have vastly different impacts on life, depending on the energy released during decay. Each radionuclide has a conversion factor from pCi to mrem as a function of exposure pathway. Activity is related to contaminant concentration and half-life. A higher concentration and a shorter half-life lead to increased activity. Given the ratio of the half-life of each (Table E.1), it is apparent that radium is approximately 1 million times more radioactive than uranium. Concentrations of gross alpha and beta emitters take into account the whole decay series and not just uranium and radium, as well as other elements such as K 40.

Uranium and thorium (atomic numbers 92 and 90, respectively), both radium sources, are common trace elements and have a crustal abundance of 2.6 and 10 parts per million (ppm), respectively. They are abundant in acidic rocks. A study of the Cambrian aquifers in the Llano Uplift area suggests an average whole-rock concentration of 4 and 14 ppm for uranium and thorium, respectively (Kim, *et al.* 1995). Uranium and thorium do not fit readily into the structure of rock-forming minerals and are concentrated in melt during the series of fractionations leading to major rock types (acidic, intermediate, basic). Intrusive rocks such as granites will partly sequester uranium and thorium in erosion-resistant accessory minerals (*e.g.*, monazite, thorite), whereas uranium in volcanic rocks is much more labile and can be leached by surface and groundwater. Lattice substitution in minerals (*e.g.*,  $\text{Ca}^{+2}$  and  $\text{U}^{+4}$ , have almost the same ionic radius), as well as micrograins of uranium and thorium minerals, are other possibilities. In sedimentary rocks, uranium and thorium aqueous concentrations are controlled mainly by the sorbing potential of the rocks (metal oxides, clays, and organic matter). In the Cambrian aquifers of Central Texas, uranium concentrations are high in accessory minerals and cannot readily be mobilized. Uranium is also present in phosphatic and hematitic cements (Kim, *et al.* 1995), with which the aqueous concentration is most likely in equilibrium.

The geochemistry of uranium is complicated but can be summarized by the following. Uranium(VI) in oxidizing conditions exists as the soluble positively charged uranyl  $\text{UO}_2^{+2}$ . Solubility is higher at acid pHs, decreases at neutral pHs, and increases at alkaline pHs. The uranyl ion can easily form aqueous complexes, including with hydroxyl, fluoride, carbonate, and phosphate ligands. Hence, in the presence of carbonates, uranium solubility is considerably enhanced in the form of uranyl-carbonate ( $\text{UO}_2\text{CO}_3$ ) and other higher order carbonate complexes: uranyl-di-carbonate ( $\text{UO}_2(\text{CO}_3)_2^{-2}$  and uranyl-tri-carbonates  $\text{UO}_2(\text{CO}_3)_3^{-4}$ ). Adsorption of uranium is inversely related to its solubility and is highest at neutral pH's (De Soto 1978). Uranium sorbs strongly to metal oxides and clays. Uranium(IV) is the other commonly found redox state. In that state, however, uranium is not very soluble and precipitates as uraninite,  $\text{UO}_2$ , coffinite,  $\text{USiO}_4 \cdot n\text{H}_2\text{O}$  (if  $\text{SiO}_2 > 60$  mg/L, Henry, *et al.* 1982,

p.18), or related minerals. In most aquifers, no mineral controls uranium solubility in oxidizing conditions. However, uranite and coffinite are the controlling minerals if Eh drops below 0-100 mV.

Thorium exists naturally only in one redox state Th(IV).  $\text{Th}^{+4}$  forms complexes with most common aqueous anions. However, thorium solubility remains low except perhaps at higher pH when complexed by carbonate ions (USEPA 1999). Thorium sorbs strongly to metal oxides in a way similar to uranium.

Radium has an atomic number of 88. Radium originates from the radioactive decay of uranium and thorium. Ra226 is an intermediate product of U238 (the most common uranium isotope >99%, Table A-1) decay, whereas Ra228 belongs to the Th232 (~100% of natural thorium) decay series. Both radium isotopes further decay to radon and, ultimately, to lead. Radon is a gas and tends to volatilize from shallower units. Ra223 and Ra224 isotopes are also naturally present but in minute quantities. Ra224 belongs to the thorium decay series, whereas Ra223 derives from the much rarer U235 (~0.7%). Radium is an alkaline Earth element and belongs to the same group (2A in periodic table) as magnesium, calcium, strontium, and barium. It most resembles barium chemically, as evidenced by removal technologies such as ion exchange with Na and lime softening. Sorption on iron and manganese oxides is also a common trait of alkaline Earth elements. Radium exists only under one oxidation state, the divalent cation  $\text{Ra}^{+2}$ , similar to other alkaline Earth elements ( $\text{Ca}^{+2}$ ,  $\text{Mg}^{+2}$ ,  $\text{Sr}^{+2}$ , and  $\text{Ba}^{+2}$ ).  $\text{RaSO}_4$  is extremely insoluble (more so than barium sulfate), with a log K solubility product of -10.5, compared to that of barium sulfate at ~-10. Radium solubility is mostly controlled by sulfate activity.

**Table E.1 Uranium, Thorium, and Radium Abundance and Half-lives**

| Decay series | Uranium/thorium                              | Radium                                   | Radon               |
|--------------|--|--|---------------------|
| U238         | U238 – ~99.3%<br>( $4.47 \times 10^9$ yrs)   | Ra226 - (1,599 yrs)                      | Rn222 - (3.8 days)  |
|              | U234 – 0.0055%<br>( $0.246 \times 10^9$ yrs) | Intermediate product of U238 decay       |                     |
| U235         | U235 - ~0.7%<br>( $0.72 \times 10^9$ yrs)    | Ra223 – (11.4 days)                      | Rn219 - (4 seconds) |
| Th232        | Th232 – ~100%<br>( $14.0 \times 10^9$ yrs)   | Ra228 - (5.76 yrs)<br>Ra224 - (3.7 days) | Rn220 - (~1 min)    |

NOTE: half-life from Parrington et al. (1996)

#### USEPA Maximum Contaminant Levels

- Uranium: 30 ppb
- Gross alpha : 15 pCi/L
- Beta particles and photon emitters: 4 mrem/yr
- Radium 226 and radium 228: 5 pCi/L

**Appendix References:**

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