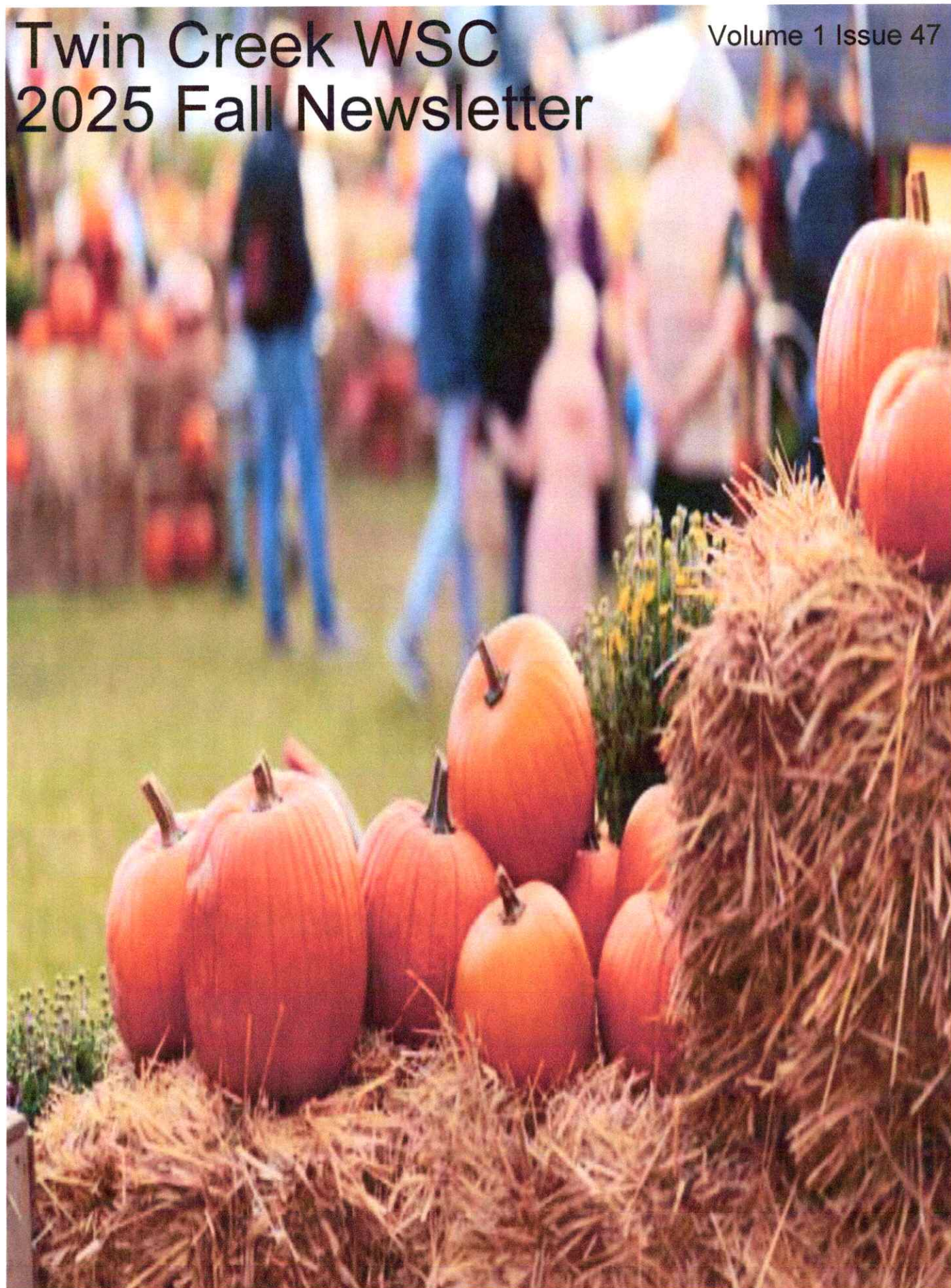
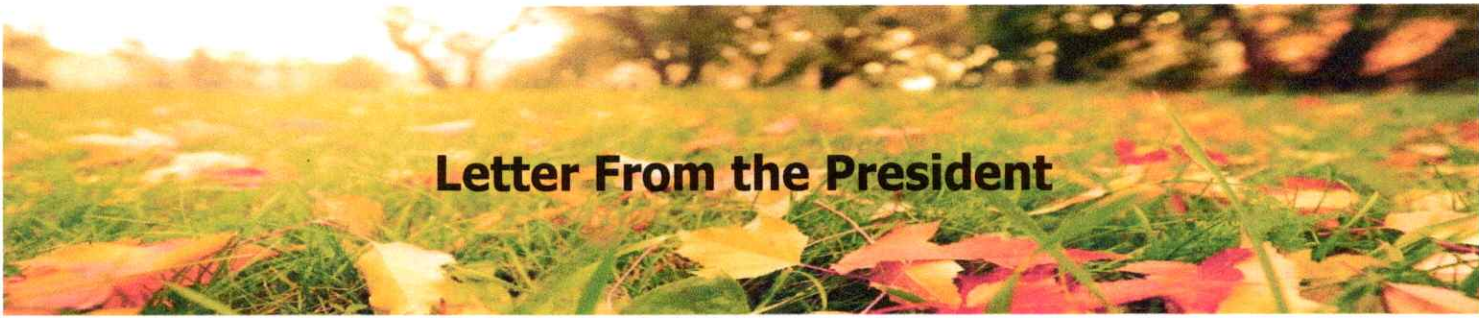


Twin Creek WSC 2025 Fall Newsletter

Volume 1 Issue 47





Letter From the President

Dear Twin Creek WSC Members/Stockholders,

We are happy to report that the Twin Creek team is continuing to grow. On August 30, 2025, our Office Manager gave birth to Jaxon Fuchs, a very handsome young man. Both mother and son are doing well.

We have made it through another hot summer with the expected problems associated to drying and shifting earth causing problems with our aging distribution system, most of which is original piping installed in the 60's and 70's. We have experienced an average of 8 break and leak repairs per month in the last year.

We are pleased to report that we have now completed the \$676,859.73 Capital Improvement Plan, which had initial field work beginning in 2022, with the commissioning of the last two generators at Corry and Ainsworth Booster Plants. This major work was initiated to meet minimum regulatory requirements but in addition, allowed installation of more efficient control components providing cost saving operation. This effort was managed under the direction of our General Manager, Mary Caudle, and the office and field staff, while handling all the regular daily operational requirements. On behalf of the Board, we want to thank them for a job well done.

We are all aware of the continuing U.S. Mail problems with delivery delays and even failure to deliver. In an effort to address this issue we have initiated alternative methods for the water bills to be paid. These payment methods are presented in detail and can be found on the TCWSC website, www.twincreekwsc.org.

Another current issue which affects all of us is the status of pumping from the Simsboro Aquifer and associated head reduction. The litigation related to Transport and Export has been settled June 24, 2025. This was a lawsuit between Texas A&M University, City of Bryan, City of College Station, and Brazos County, known as plaintiff, and UW Brazos Valley Farm LLC, Brazos Valley Groundwater Conservation District, and Alan Day, General Manager BVGCD, known as defendant. The details of this settlement may be reviewed at www.brazosvalleygcd.org.

According to BVGCD the pumping related to the Transport/Export will not likely start until sometime in the latter part of 2029. I'm sure we will be hearing much about this matter in the coming months.

We thank you for your cooperation and support. Take care and enjoy the cooler weather.

John Pedigo
President TCWSC

A Look Inside of the TCWSC Monthly Base Water Rate

Many have asked why our Base water rate is higher than our neighboring water purveyors. The short answer is: "We don't sell enough water". Let me explain. The Texas Water Development Board published a report showing the average monthly water usage of a single household in the State is 6935 gallons per month. Twin Creek WSC did a study that shows we sell 3562 gallons per month on average per connection. Therefore, we sell 3373 gallons less than the statewide average. So, why does this phenomenon exist? It is largely due to the connections around Camp Creek Lake. Let me explain. There are about 450 connections that serve the Camp Creek Lake Members, which is approximately 61% of our 738 total connections. Out of the 450 connections, only about 125 are full-time residences. Of the remaining 325 connections, about 120 use zero water per month. The remaining 205 connections use less than 2000 gallons per month on average. These 325 weekend and holiday users substantially reduce our overall average monthly usage per connection. Another contributing factor for the 450 connections around Camp Creek Lake that reduces the monthly average usage is that many Members pump water from the lake for outside irrigation in lieu of using Twin Creek WSC's water.

Our Base water rate is currently \$66.95/month. If we sold the average State usage for a single household of 6935 gallons per month, we would generate about \$195,275.00 more revenue per year. In theory, we could reduce our Base rate from \$66.95/month by \$22.05/month or a new Base rate of \$44.90/month. This Base rate would be more in-line with the surrounding water purveyors in our area. Unfortunately, the phenomenon of the Camp Creek Lake Members using less than the State monthly average will not change. Therefore, there is no remedy for our Base rate when compared to other water purveyors.

Jim Callaway
Secretary-Treasurer TCWSC

Capital Improvement Fees
What they are and how to use them
As Reported in TRWA Quench Magazine Issue 4, 2025
By Joshua Smith, TRWA's FMT Program Manager



For Texas Water Supply Corporations (WSC's), the current wave of growth brings both exciting opportunities and significant challenges. New homes, businesses and industries strengthen communities and expand the service base, yet they also place increased demands on an already complex water system. Meeting those demands often requires costly expansions, and if those costs aren't carefully managed, they can place an undue burden on existing members. One of the most effective tools to ensure growth pays for itself is the capital improvement fee.

Capital improvement fees-also known as impact fees or capital recovery fees-are one-time charges collected from new members or new construction to help fund the expansion of water infrastructure. For political subdivisions in Texas, these fees are governed by the Local Government Code, Chapter 395, which ties them directly to a Capital Improvement Plan (CIP). TRWA recommends that WSC's follow these provisions as guidelines.

A CIP is a comprehensive, professionally prepared document outlining the system's long-term infrastructure needs, projected costs, and timelines for completion. State law is clear: these fees may only be used to build or expand facilities that are required to serve new connections.

Projects that qualify for capital improvement fee funding might include expanding or constructing water treatment plants, building new reservoirs or storage tanks, installing

larger or additional water mains or developing pump and lift stations. To qualify, each project must have a useful life of at least three years. Just as important as what these fees can fund is what they cannot. They may not be used for upgrades, operations or maintenance that serve only existing members. This ensures that the infrastructure required for new growth is paid for by those creating the demand.

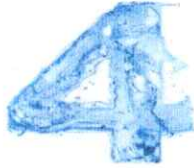
Responsible management of these funds requires strict financial controls. State law requires that revenues from capital improvement fees be held in separate, designated accounts, never mixed with general operating funds. Each project category must be tracked to ensure funds are used solely for approved CIP projects. Additionally, any fees collected must be spent within ten years. If unused after that time, they must be refunded to the original payer with interest.

Capital improvement fees are not a “set it and forget it” solution. WSC’s should regularly review their CIP’s and fee schedules to reflect changes in growth patterns, updated demand projections, inflation in construction costs, and modifications to planned projects. If changes are needed, the governing board must hold a public hearing before adopting any adjustments. Even if no changes are necessary, the decision must be documented and made public, ensuring transparency and accountability for both the corporation and its members.

In practice, most WSC’s assess capital improvement fees at the time a new service connection is requested. The amount is typically based on the applicant’s proportional share of system capacity, as outlined in the CIP. The WSC’s tariff or service policy should clearly state the fee amount, the due date and the intended use of the funds. Clear communication of these details not only ensures compliance with the law but also builds trust among developers, members, and regulators.

When managed properly, capital improvement fees are a win-win. They ensure that new development is equipped with the infrastructure it needs day one while protecting existing members from having to shoulder the cost of expansion. By adhering to state law, maintaining transparency and committing to regular reviews, WSC’s can use these fees to support sustainable growth, maintain reliable service and plan for a strong future.

Proposition 4:
The Future of Texas Water is on the Ballot this November 2025
As Reported in TRWA Quench Magazine Issue 4, 2025



This spring, the Texas Legislature passed Senate Bill (SB) 7 and house Joint Resolution (HJR) 7 which, if a constitutional amendment passes this November, would help ensure the future of Texas' water supply by investing \$20 billion over 20 years into obtaining new water sources for Texas and upgrading Texas' water infrastructure. One billion dollars in funding would be deposited annually for 20 years into the Texas Water Development Board's (TWDB) Texas Water Fund to finance eligible water infrastructure and new water supply projects. The TWDB is entrusted to use 50% or more of the money to either finance projects to obtain new water supplies for Texas or to fund Texas State Water Plan infrastructure projects through the State Water Infrastructure Fund of Texas (SWIFT). Two percent of the money will be available to cover the TWDB's administrative costs.

Before this money can help secure Texas' future water supply, it must be approved by the Texas voters. The constitutional amendment to make this possible will be Proposition 4 on November 2025's ballot. Please help educate your customers and communities about the transformative effect this funding will have on rural water and wastewater in our state.

TRWA advises all its nonprofit water supply corporations, district and city members to stick to educational messaging. Rather than advising customers and staff to "Vote Yes on Proposition 4," and possibly engage in prohibited political action, you should make sure your staff and customers have the information they need to make an informed decision, such as letting them know:

What to look for on the ballot: The \$20 billion in funding for the Texas Water Fund will be proposition 4 on November 2025's ballot and will read: "The constitutional amendment to dedicate a portion of the revenue derived from state sales and use taxes to the Texas water fund and to provide for the allocation and use of that revenue."

What the amendment will do: Proposition 4 authorizes the deposit of \$1 billion in funding per year, for twenty years, into the Texas Water Development Board (TWDB) Texas Water

Fund to finance Texas water infrastructure projects and obtain new water supplies for Texas.

Who supports it: Proposition 4 is supported by Texas Rural Water Association, American Council of Engineering companies of Texas, Texas 2036, Texas Association of Manufacturers, Texas Economic Development Council, Texas Farm Bureau, Texas Oil and Gas Association, Texas Water Association, Te3xas Water Infrastructure Network, Texas Water Supply Partners, The Nature Conservancy in Texas and the vast majority of the Texas Legislature.

When to vote: Election Day will be Tuesday, November 4, 2025. Early Voting will run from Monday, October 20 through Friday October 31, 2025.

November 2025⁶ is an off-year election without big national or statewide races on the ballot, which means turnout is especially important. By keeping voters informed about how this funding could benefit the future of Texas, we can help ensure this amendment passes and keeps the funding flowing into the Texas Water Fund. Thank you for your support!

2025 Twin Creek WSC
Thanksgiving Closed Dates
Thursday November 27th & Friday November 28th

OFFICE CLOSED FOR
Thanksgiving

HAVE A GREAT HOLIDAY!

2025 Twin Creek WSC
Christmas Closed Dates
Thursday December 25th & Friday December 26th





To consistently supply high-quality water to the residents and businesses of Southeastern Robertson County by responsibly and safely developing, producing, and delivering this natural resource in an efficient and professional manner while concentrating on conservation, quality, and dependability of service.

Office H URS

Monday-Friday 7:30am-12:00pm & 1:00pm-4:30pm

**EMERGENCY AFTER HOURS CALL OFFICE AND SELECT
APPROPRIATE CALL-OUT NUMBER**

979-828-5385

•Messages are not checked until opening on next business day•