



State Water Implementation Fund for Texas  
**Spring 2018 Closing Estimated Cost Savings**

Applicant	Project Description	2018 Closing Amount	Low-Interest	Board Participation(a)	Deferred	SWIFT Subsidy	Net Interest Cost	Average Life	Ratings	SWIFT Debt Service	Market Debt Service Comparison (b)	Savings	% Savings
City of Houston	Second Source Phase I, Northeast Water Purification Plant Expansion	\$ 106,910,000	\$ 106,910,000	\$ -	\$ -	22.00%	2.913%	17.3	AA	\$ 160,732,404	\$ 178,486,019	\$ 17,753,615	9.95%
North Texas Municipal Water District	Lower Bois d'Arc Creek Reservoir and Drinking Water Treatment Plant	\$ 800,000,000	\$ 800,000,000	\$ -	\$ -	20.00%	2.990%	17.0	AAA	\$ 1,207,326,963	\$ 1,310,310,071	\$ 102,983,108	7.86%
		<b>\$ 906,910,000</b>	<b>\$ 906,910,000</b>	<b>\$ -</b>	<b>\$ -</b>					<b>\$ 1,368,059,367</b>	<b>\$ 1,488,796,090</b>	<b>\$ 120,736,723</b>	<b>8.11%</b>

(a) For Board Participation, no savings calculations have been included due to the unique structure of the financing which, instead of relying on an interest rate subsidy, provides financial savings primarily through a combination of non-level debt service, payment deferrals, and repayment of deferred interest on a simple interest basis.

(b) For illustration purposes, all Market Debt Service Comparisons above are based on the individual entities' credit ratings and include costs of issuance. Estimated savings due to both the interest rate subsidy received and additional savings that may be realized based on the difference between interest rates the individual borrower would have realized in the market (at the time of the SWiFT bond sale) and that of the TWDB's AAA rates.

(c) Instead of an interest subsidy, interest on deferred obligations does not accrue for up to 8 years.