3 MAJOR UTILITY & INFRASTRUCTURE SYSTEMS

A. INTRODUCTION

The following narrative is based on site visits, meetings with LSAAP staff including Day and Zimmerman, Inc. (DZI) and Army Corps of Engineers (Corps) employees, and utility providers and reviews of drawings and reports on the facility. These efforts are detailed as follows:

- LSAAP was visited on six occasions during the analysis period (July 2006 through January 2007). Tours of the site and production areas were given by DZI staff. The RRAD site was visited on two occasions.
- Meetings with DZI, Corps or URS staffs were held to discuss specific utility information, to request data and to inspect utility or transportation improvements.
- DZI staff provided drawings of site utilities and improvements detailing various utility inventories and construction.
- The Reuse Plan by BRW, Inc. for the 1995 RRAD BRAC process (1997).
- The Environmental Condition of Property by URS (2006) for LSAAP and RRAD.
- Construction Drawings, as prepared by DZI, were used for this evaluation.

B. SUMMARY OF MAJOR FINDINGS

1. Lone Star Army Ammunition Plant

- Most of the utility construction was completed when LSAAP and RRAD opened in the 1940s. These utilities have been repaired and maintained as needed, but have never been fully modernized.
- For LSAAP, the water and power systems around a loop generally bounded by Fourth, Fifth/Sixth, Lincoln and Washington streets were constructed during the 1990s. These systems are suitable to supply new industrial development; however, significant new line work is required along most north-south corridors through production areas.

- The sanitary sewer main along Central Avenue (owned and operated by the RRRA) has been retrofitted with plastic pipe to reduce infiltration and outflow; however, all LSAAP mains located upstream of the plastic pipe termination near Area J require replacement due to either obsolescence or the planned removal of production area mains due to environmental contamination.

- The gas system has had similar reconstruction from the LSAAP main gate to areas near Central Avenue, but a majority of the extensions through production areas require replacement.

Infrastructure Alert!

Because of age and restoration costs, the wastewater treatment plant (WWTP) located on LSAAP and operated by the RRRA requires replacement prior to significant reuse activity.

- In order to prepare the LSAAP for redevelopment, significant infrastructure improvements are required for most utilities. The RRRA has successfully managed similar upgrades at both RRAD and LSAAP in the past.

- Consideration should be given to reconstructing substandard utilities and full compliance with safety and regulatory codes. These additions will provide better service, increased capacity and better safety conditions. There are regulatory issues with the Public Utility Commission (PUC) with regard to service area territories for the power, gas and phone systems.

- The Existing Utility Location Map for LSAAP depicts the base utilities for the privatized area.

2. Red River Army Depot-West Excess Property

- There are no utilities servicing the RRAD surplus area to be conveyed. The RRRA can provide water and sewer extensions to the area. RRRA will coordinate will other local providers to supply power, gas and telecommunications to this area.

Infrastructure Alert!

The RRAD-WEP is poorly positioned for redevelopment due to its lack of utilities and infrastructure. Only frontage parcels along major roadways offer immediate development opportunities.

C. DESCRIPTION OF UTILITY SYSTEMS

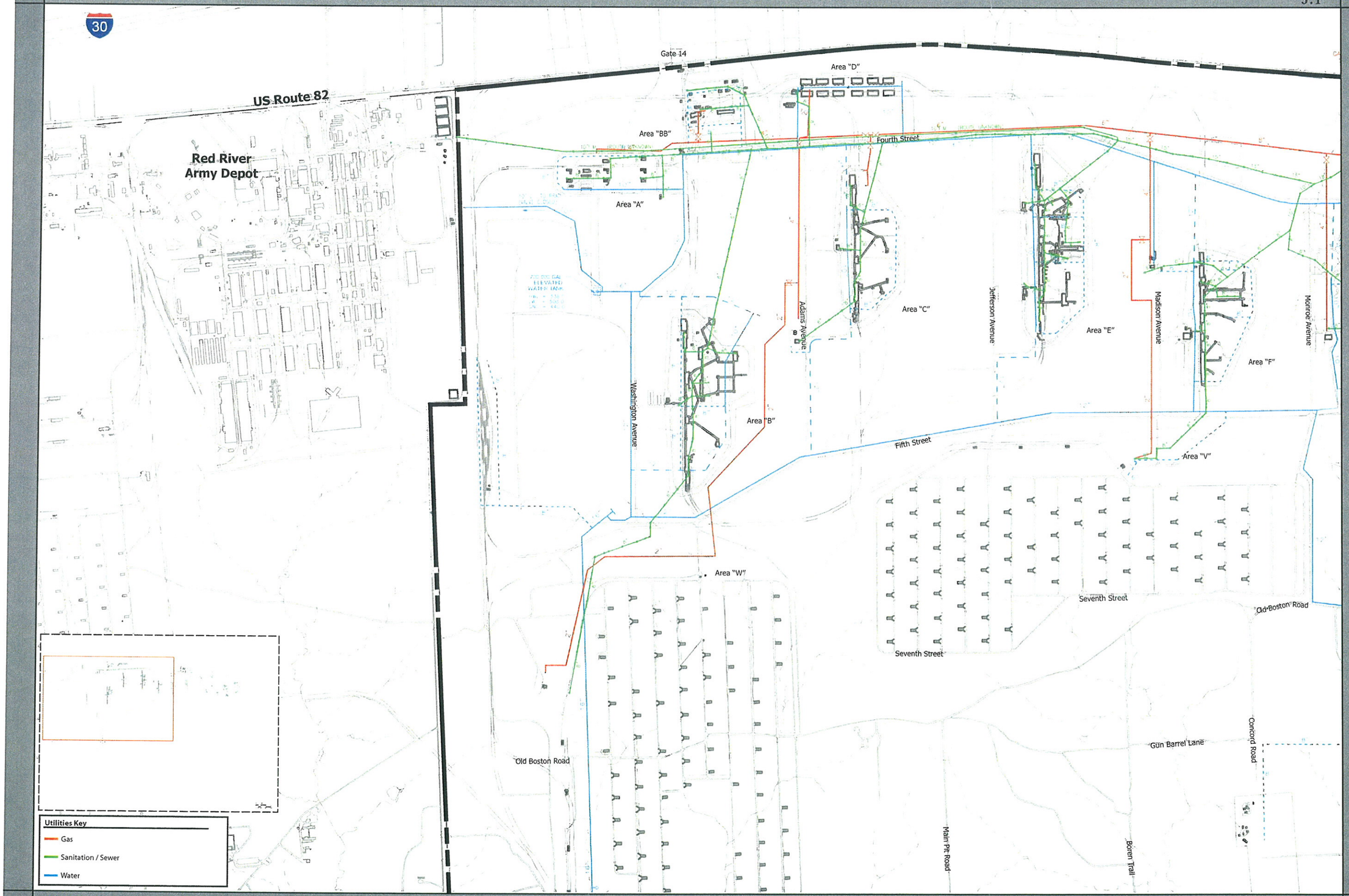
1. Facility Summaries

Exhibits 3-1 and 3-2 show the existing utilities at the northwest and northeast portions of the Lone Star property. There are no existing utilities on the Red River Army Depot-West Excess Property. A brief description of the utility systems is provided below:

a.) Lone Star Army Ammunition Plant

- Industrial Wastewater Treatment Plant (IWWTP) - The IWWTPs that service LSAAP are currently owned by LSAAP. Industrial wastewater is collected in Areas P and Q by gravity sewer mains and in Area P into an Industrial Wastewater Treatment Plant located on Buchanan Avenue (Exhibit 2-2). This plant treats "pink water" composed of explosive compounds (lead azide, RDX and Comp 5). The plant is not permitted but pretreats the discharge before release to the wastewater collection system and ultimately to the Area X Wastewater Treatment Plant owned and operated by the RRRA. There is another pretreatment facility of this type located in Area G. This plant is not operational at this time.

Exhibit 3.1



Lone Star Army Ammunition Plant

Existing Utilities Location Map - Northwest

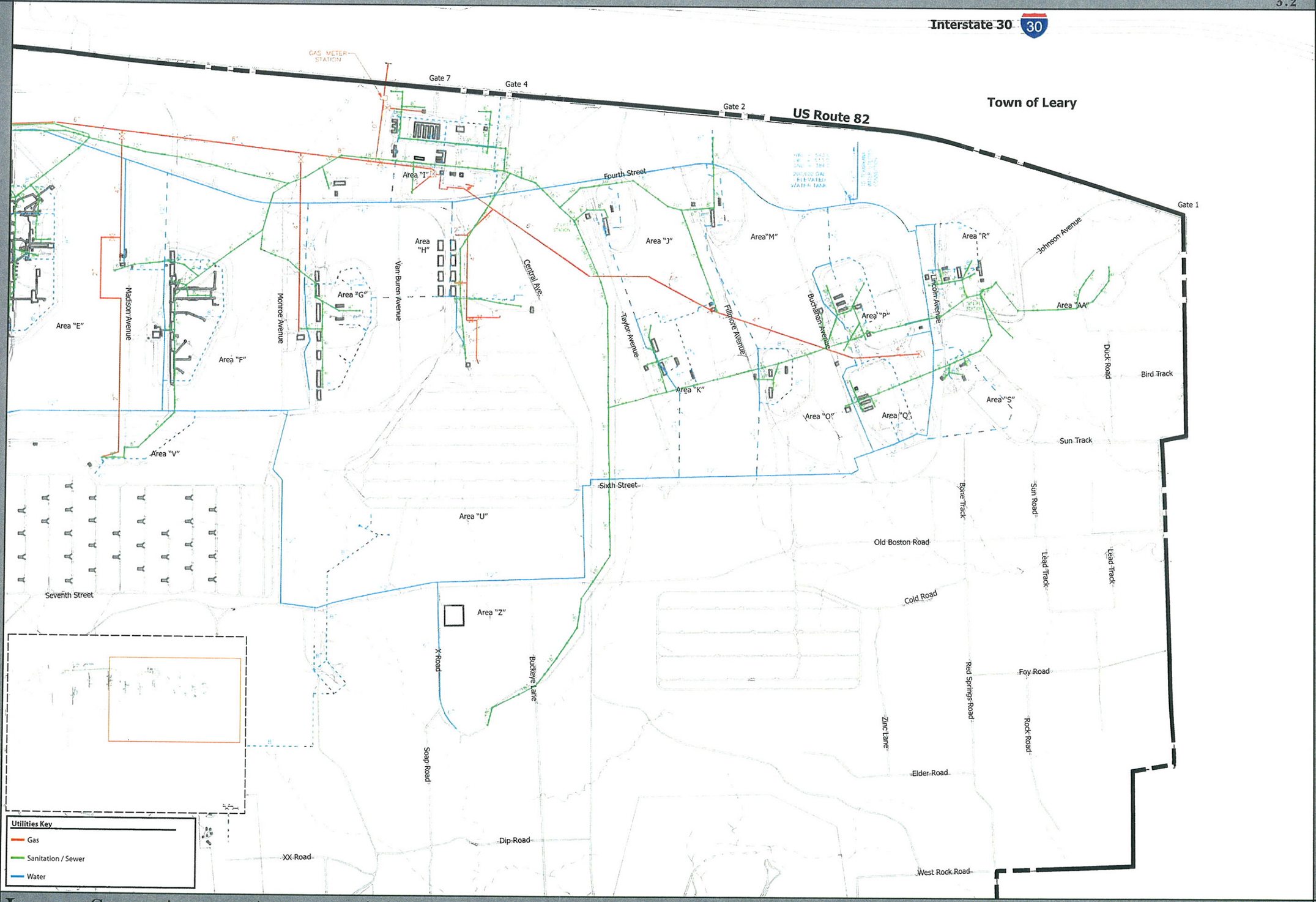
Bowie County, Texas

Red River Redevelopment Authority
May 08, 2007

0 300' 600' 1200' 1800' NORTH

RKG EDSA

Exhibit 3.2



Lone Star Army Ammunition Plant

Existing Utilities Location Map - Northeast

Bowie County, Texas

Red River Redevelopment Authority
May 08, 2007

0 300' 600' 1200' 1800' NORTH

RKG EDSA

In addition, there are several oil water separators, a filtration device for a water saw and several pad mounted units that are used to treat water for steam generators or compressor units before ultimate disposal to the wastewater collection system.

- Wastewater Treatment and Collection - The WWTP that services Red River Army Depot, Red River Commerce Park, and LSAAP is currently owned and operated by the RRRA and is located at LSAAP. The WWTP has a permitted discharge of 1.5 MGD. There will be no additional sanitary treatment facilities transferred with the LSAAP property.

Table 3-1
Lone Star Ammunition Plant
Sewer Collection System

Sanitary Sewer Items	Quantitiy (Linear Feet)
Clay Tile Main (18")	6,300
Clay Tile Main (15")	4,100
Clay Tile Main (12")	14,200
Clay Tile Main (10")	10,100
Clay Tile Main (8")	73,000
Clay Tile Main (6")	9,000
Steel Force Main (10")	23,900
Manholes	329

Source: MTG Engineers, 2007

Wastewater treatment is regulated and reported to the Texas Commission on Environmental Quality (TCEQ). The WWTP is composed of a primary clarifier, followed by a trickling filter, secondary clarifier, chlorine contact basin and other associated pumps, digesters, drying beds and piping. The WWTP was constructed in the early 1940's and was designed to treat up to 1.5 MGD. The WWTP has experienced flow rates in excess of 3.0 MGD, due to inflow and infiltration during rain events and many of its components have reached the end of their serviceable life. Plans are being developed to upgrade the WWTP to meet new permit requirements. The average flow to the WWTP is 0.5 MGD; however, there is little or no capacity for expanded use at the plant with the infiltration noted above.

It should be noted that when the WWTP was constructed, the discharge was directed into local tributaries and ultimately into the Sulphur River. During the 1950s, the Wright Patman Reservoir was constructed on the Sulphur River for flood control and as a source of drinking water. The discharge into the reservoir is just upstream of the raw water intake for the City of Texarkana. Future discharges associated with development should be directed north to the Red River basin. The LSAAP sanitary sewer collection lines are listed in Table 3-1.

Status of Sewer Collection System

Due to the poor condition of many cracked distribution lines, it is quite possible that the existing sewer trenches are contaminated with hazardous residues from the main munitions production lines. Over the years, residues washed down open sewer drains have likely leaked into the surrounding soils through cracked sewer pipes. Such conditions may require a complete replacement of many clay tile sewer lines throughout the installation and remediation of the underlying soils.

The LSAAP is served by the Red River Commerce Park main trunk line, which begins at Area C and ends at the WWTP. Portions of this line have been reconstructed with HDPE pipe; however, the manholes are original construction and leak.

The sanitary sewers at LSAAP considered for transfer to the RRRA include approximately 116,700 LF of pipeline not including force mains. The pipelines range from 6" to 18" and the majority are vitrified clay tile. The sewer lines are generally limited to the northern portion of the site, in and around the production and administrative areas. Associated with this pipeline are approximately 329 manholes and one lift station. DZI is currently responsible for operating and maintaining these sewers.

A sanitary sewer evaluation study was made by URS on the clay pipelines owned by RRRA in 2003 and recommendations were made for their repair or replacement. The collection system was found to have extremely high levels of inflow and infiltration (I&I) and many areas were in need of replacement or repair due to the age of the system. Based on similar construction dates and similar materials of construction to the sewers at RRAD, the sanitary sewers at LSAAP will be subject to high rates of I&I and be in relatively poor structural condition. The I&I problem is evidenced by the high flows at the WWTP (in excess of 3.0 MGD) during heavy rains. Limited repairs have been implemented, and a program has been developed to address the remainder of the recommendations.

- Water Treatment Plant and Distribution - There will be no water treatment facilities transferred with the LSAAP property. LSAAP is provided treated potable water from the Texarkana Water Utilities (TWU). All water including domestic, industrial, and fire demand is being supplied through TWU's 30-inch water main located on the south side of U.S. Highway 82. The agreement with TWU went into effect on July 1, 1994.

  A 16-inch tap to the TWU 30-inch main is located between Gates 1 and 2 near Leary Road. Water passes through a 16-inch meter and through two 8-inch backflow prevention units. The water is then repressurized before going into the east water tower. There are also additional chlorination facilities between the meter and water tower. The LSAAP water distribution collection system items are listed in Table 3-2.

  The larger diameter PVC water lines (12- and 16-inch) generally bounded by Fourth, Fifth, Sixth, Lincoln and Washington streets were constructed during the 1990s and are in good condition. The remaining water distribution system (through most production areas) needs considerable reconstruction due to its age, construction type and loss rates. Water flow throughout the system is basically unmetered to the production areas.

Table 3-2
Lone Star Ammunition Plant
Water Distribution System

Water Items	Quantity (Linear Feet)
PVC Main (16")	29,000
PVC Main (12")	45,000
Cast Iron with Lead Joint Main (12")	39,700
Cast Iron with Lead Joint Main (10")	31,000
Cast Iron with Lead Joint Main (8")	71,000
Cast Iron with Lead Joint Main (6")	8,000

Source: MTG Engineers, 2007

  LSAAP has two water storage tanks on the distribution system each consisting of a 200,000 gallon elevated storage tank located at the east and west ends of Fourth Street. System pressure is maintained by the water level in these tanks. The high-service pumps at the east side water tower pump against the high water elevation of the water tower and distribution system.

  Normal operation is for Texarkana Water Utilities (TWU) to supply 1,100 GPM to LSAAP. However, 3,300 GPM is guaranteed for a short period of time for fire protection. Three 1,100-GPM pumps have been installed that pump against the 200,000-gallon elevated water storage tank on the east side of LSAAP. These pumps in concert with the elevated tank maintain a system pressure of 79 pounds per square inch (psi).

  LSAAP provides complete fire protection for all base facilities. The system generally performs adequately for fire flow demands versus system capabilities. For the 16-inch line along Fourth Street, flows of up to 10,000 gallons per minute with minimum pressures above emergency allowable pressures (20 psi) can be achieved. For the 12-inch line along Fourth Street, flows of up to 3,500 gallons per minute with minimum pressures above emergency allowable pressures (20 psi) can be achieved.

TWU has sufficient capacity in its system to add heavy water users resulting from the RRRA reuse of LSAAP. With the 30 inch water main located next to LSAAP quantities of up to 5 MGD of treated water may be possible for future industries. In addition about 100 MGD of raw water is available by permit from Lake Wright Patman.

- Natural Gas - Natural gas is provided to LSAAP from a Centerpoint Energy Gas Transmission Pipeline. The gas pressure is regulated through a metering station located near the main entrance. The LSAAP gas distribution system is generally 50 years old and dates to the original construction of LSAAP, although isolated improvements have been made during the last 15 years. Gas use is not generally metered across the base. The LSAAP gas distribution system items are listed in Table 3-3.

Table 3-3
Lone Star Ammunition Plant
Gas Distribution System

Gas Items	Quantity (Linear Feet)
Steel Main (10")	1,300
Steel Main (8")	5,100
Steel Main (6")	10,300
Steel Main (4")	23,400
Steel Main (2" or less)	6,300
HDPE Main (6")	1,700
HDPE Main (4")	2,600
HDPE Main (2")	20,700

Source: MTG Engineers, 2007

Gas lines total over 71,000 linear feet. The majority of this system consists of the original steel line construction although some HDPE replacement pipe has been placed over the past several years. Leak testing should be performed on the entire system to determine the loss rate for natural gas. It is to be noted that the Texas Railroad Commission (state agency for gas transmission and operation safety) requires mandatory testing and repair of systems with a loss rate of 10 percent or more.

- Electricity - Electricity is provided to the base by bulk purchase from the Southwestern Electric Power Company (SWEPCO) a division of American Electric Power (AEP). The power is received at the base substation located near Area U off Central Avenue where it is regulated and dispersed through the transmission network. The substation and a power loop generally bounded by Fourth, Fifth/Sixth, Lincoln and Washington streets were reconstructed during the 1990s. Construction of the distribution system to specific production areas is roughly 50 years old.

Substation ownership currently is divided between the SWEPCO and LSAAP with the utility owning the transformers and voltage regulator, and the high voltage bus and switches. The low voltage bus, circuit breakers, protective relays, land, fence and control house are the property of LSAAP. The substation is composed of two 3.75 MVA transformers, one 750 KVA voltage regulator and four vacuum circuit breakers. The historical peak demand has been approximately 3.8 MVA. The substation is located east of Central Avenue between Fourth and Fifth Streets.

Environmental Alert!

All transformers at LSAAP have been sampled for PCB content. Of the 482 transformers inventoried, all contain PCBs at some level; 82 have PCB concentrations between 50 and 500 parts per million (ppm) and the remaining have PCB content of 50 ppm or less.

The distribution system is composed of overhead and underground circuits utilizing various conductor sizes throughout the plant. The feeders come out of the substation underground to riser poles on Central Avenue. Two main feeder loops (one to the east utilizing Fourth, Buchanan and Sixth Streets, and one to the west on Fourth, Washington and Fifth Streets) are constructed of 795 AAC conductor. Tie circuits and radials off these feeders are smaller conductor and older construction. Most of the ties and laterals are unsuitable for use in a privatized utility system due to age, lack of maintenance and the outdated standards used for construction. These substandard circuits will require removal and disposal of materials.

Building A-8 is an active permitted storage area for PCB equipment. Excess transformers containing PCBs are stored in this facility until they are disposed. They can be stored in the building for up to one year. In addition to Building A-8, an active transformer storage area is located in the I-39 Yard. None of these transformers contain PCBs. In summary, all transformers not slated for reuse needs should be removed under the environmental remediation program.

Industry standard utilization voltages are used in the various facilities at LSAAP. The distribution voltage is 7.2/12.47 KV grounded wye. Secondary utilization voltages are 120/240 volts single phase, 120/240 volts three phase, 120/208 volts three phase and 277/480 volts three phase.

The main problems with the power distribution system are the age and configuration of the system. Original construction generally does not meet current electrical codes. With the isolated nature of LSAAP operations, there has been little emphasis on modernization. With the opportunity for privatization, significant upgrades are needed to the system.

The reconstructed power lines (generally bounded by Fourth, Fifth/Sixth, Lincoln and Washington Streets) totals 84,000 linear feet in length and are suitable for redevelopment purposes. All remaining electric lines especially those to the production areas require replacement.

SWEPCO reports that they are willing to work with RRRA to perform operation and maintenance of the electrical system including the substation and the reconstructed lines discussed above. The lines with environmental concerns require remediation and abandonment. For new services, RRRA may contract with SWEPCO to extend and/or upgrade service as regulated by the PUCT.

- Telecommunications - The LSAAP telecommunication system provides service through a connection to the RRAD system. A fiber optic network is relatively new with construction dating to the late 1990s. The local carrier is Windstream who provides dial tone to LSAAP. In addition, Windstream provides trunking (dial tone) for the LSAAP-owned telephone switching system. The dial tone originates in Texarkana and is trunked to the LSAAP Central Office. It is then distributed through the LSAAP telecommunications system.

  DZI operates the LSAAP telecommunications system. New line work has been completed throughout the life of the base. Most switching and software construction are recent construction. Windstream reports that they are willing to work with the RRRA to perform operations and maintenance of the system in the future.

  Current wiring, routers and switches are OC-3 (amount of broadband available) and are sufficient to provide most requested services. OC-192 carries additional bandwidth and could be required by users providing logistical services. OC-192 requires additional capital or higher rates to support the service.

b.) Red River Army Depot – West Excess Property

- Industrial Wastewater Treatment - The IWWTPs that service RRAD are currently owned by the RRRA and are located at RRAD. The metals IWWTP utilizes a continuous flow treating system and has been recently updated. The phosphate IWWTP utilizes an oil-water separator, storage lagoons, flash mix, clarifiers, and other associated chemical feed systems, pumps, piping and controls. The phosphate IWWTP was constructed in the 1970's. Plans are being developed by the RRRA for upgrades.

Since these RRRA facilities are located several miles east of the RRAD-WEP site, their extension to the RRAD-WEP site will depend on the financial and employment benefits derived from future end users.

Wastewater Treatment and Collection - The WWTP that services RRAD, RRCP, and LSAAP is currently owned and operated by the RRRA and is located at LSAAP. The WWTP has a permitted discharge of 1.5 MGD. There will be no additional sanitary treatment facilities transferred with the RRAD property. As noted, these utilities are not currently in place but could be extended to the RRAD-WEP in the future under the right circumstances. Without a large end-user committed to this site, it would seem financially imprudent for sewer to be extended from the Red River Commerce Park. However, the City of New Boston's WWTP is located adjacent to the western boundary of the property just off SH 8. There may be opportunities to utilize this facility during reuse.

- Water Treatment Plant and Distribution - The water treatment plant that services RRAD and Red River Commerce Park is currently owned and operated by the RRRA and is located on Caney Creek Reservoir. There will be no additional water treatment facilities transferred with the RRAD property. These utilities are not currently in place and their extension to the RRAD-WEP could be unlikely given the substantial cost involved. These utilities will be provided by the RRRA though through extensions of mains, or contracted with third parties (i.e., City of New Boston or TWU) pending supply and accessibility.

- Natural Gas - Natural gas is provided to RRAD from Centerpoint Energy Gas Transmission Pipeline. The gas pressure is regulated through a metering station located near the Texas National Guard entrance. These utilities are not currently in place but can be made available by RRRA to the RRAD area targeted for privatization.

- Electricity - Electricity is provided to the base by bulk purchase from the Southwestern Electric Power Company (SWEPCO) a division of American Electric Power (AEP). These utilities are not currently in place but can be made available by RRRA to the RRAD area targeted for privatization.

- Telecommunications - The RRAD telecommunication system provides service for the base telecommunications system. The local carrier is Windstream who provides dial tone to RRAD. These utilities are not currently in place but can be made available by RRRA to the RRAD area targeted for privatization.

D. STORMWATER SYSTEM

1. General

a.) Lone Star Army Ammunition Plant

LSAAP has TPDES Multi-Sector General Permit (MSGP) No. TXR050000 which authorizes them for discharges of storm waters associated with industrial activities. LSAAP also maintains storm water permit Nos. TXR05L095 and TXR158473.

b.) Red River Army Depot-West Excess Property

RRAD's MSGP No. TXR05000 for storm water includes two compliance monitoring locations near the OTC Landfill area that are included in the portion of RRAD to be transferred.

2. Current System Loading and Capacity

a.) Lone Star Army Ammunition Plan
The storm water system on both LSAAP and RRAD sites consists of ditches, culverts, catch basins and very limited pipeline. There are multiple perennial and intermittent creeks on these properties. The southern areas of both sites could be impacted by flood hazard areas especially near the perennial creeks. Because of the nature of the site (military compound), there has been no FEMA studies identifying specific areas.

b.) Red River Army Depot-West Excess Property
The storm water system on the RRAD site consists of ditches, culverts, catch basins and very limited pipeline. There are both perennial and intermittent creeks on this property. The southern area of the site could be impacted by flood hazard areas especially near the perennial creeks. Because of the nature of the site (military compound), there has been no FEMA Studies identifying specific areas.

3. State of Repair - LSAAP and RRAD-WEP

Maintenance of the ditch systems and other stormwater facilities will be a significant annual expense. Mowing, removing fallen timber/debris and replacement of aging culverts will be required each year. Management of storm water discharges will have to be permitted based on activity.

4. Regulatory Requirements - LSAAP and RRAD

Storm water permits will be required for many different activities after privatization. Each industrial use, environmental or construction activity may require a discharge permit. Permit limitations will be based on the activity involved. RRRA will manage and administer the storm water permits for these properties as well as perform the required maintenance, monitoring and reporting.

E. MISCELLANEOUS SYSTEM REQUIREMENTS

1. General

a.) Lone Star Army Ammunition Plant
The utility systems have several items common to all systems that require attention before privatization. These include easements, transfer of contracts, etc.

b.) Red River Army Depot-West Excess Property
Since there are no utilities to the site, the final reuse plan will determine the size and type of utility requirements. These initial developments will define subsequent uses of the site.

2. Interconnection Between the Lone Star and Red River Facilities

The sanitary sewer interconnection with RRAD is located at the Area C manhole C1 where the force main from the RRAD Hayes Plant (RRAD) lift station discharges. The effluent streams from RRAD and LSAAP are commingled from this point.
For power, gas and water, there are no system interconnections. There is interconnection with RRAD on the telecommunications system by a fiber optic line. RRAD supplies LSAAP with complete telephone service through a GTE D5-MB RSU. Currently approximately half of the 1536 line capacity is being utilized.

3. Utility Metering

a.) Lone Star Army Ammunition Plant
Because LSAAP facilities are not generally metered, historical utility use for general production areas or individual buildings cannot be determined. RRRA will install appropriate metering for users as phased development of LSAAP progresses.

b.) Red River Army Depot-West Excess Property
There are no utilities at RRAD-WEP.

4. Utility Easements and Point of Service

a.) Lone Star Army Ammunition Plant
For privatizing the LSAAP utility systems, utility easements will be required on all privately-owned or occupied lands, including property occupied by DZI or other LSAAP tenants. In cases where a line or main is adjacent to a road, a road right of way with sufficient width to include the utility and working room will suffice. For mains located across open property, an easement will be required. Typically, right-of-ways including a road that ranges in width from 60 to 100-feet. Easements for utilities only range from 20 to 40-feet in width. Permanent permission for access will have to be granted for the utility maintaining and operating each utility system. Utility locations and easements should follow the proposed roadway and parcelization scheme to the greatest extent possible in order to minimize future land subdivision and transfer issues.

b.) Red River Army Depot-West Excess Property
Right-of-way easements will be required for RRAD utilities systems in the future. In cases where a line or main is adjacent to a road, a road right-of-way with sufficient width to include the utility and working room will suffice. For mains located across open property, an easement will be required. Typically, right of ways including a road range in width from 60 to100-feet. Easements for utilities only range from 20 to 40-feet in width. Permanent permission for access will have to be granted for the utility maintaining and operating each utility system.

5. Utility Implications for Base Reuse

a.) Lone Star Army Ammunition Plant
For privatizing the LSAAP utility systems, the following general conditions will optimize costs and operations:

- Sanitary sewer is best served by a new plant that will discharge to the Red River. New line construction is needed since most existing lines will be removed during the environmental remediation phase. Pending reuse requirements, new lines or areas can be segregated and metered as necessary. The RRRA owns and operates the TCEQ permits for waste waster treatment and discharge and has the TCEQ certificate of convenience and need (CCN). No other entity can provide this service without concurrence from the RRRA.

- The water system consisting of the 12 and 16 inch lines, two overhead storage tanks, metering, pressurization and rechlorination should be operated as a single system. Separation of this system could cause health concerns as it relates to chlorine residuals and fire flows and create large costs to provide duplicate facilities. Once the LSAAP campus is transferred to non federal ownership, the RRRA will have the CCN for this area. No other entity can provide this service without concurrence from the RRRA.

- The electrical system consisting of the substation and newer facilities should be operated as a single system. Separation of this system could result in excessive reuse costs or difficulties in metering. SWEPCO is the provider of power and is permitted with the state to provide LSAAP with power.

- The gas system requires replacement before metering can be extended to reuse efforts. Centerpoint is the provider of gas and is permitted with the state to provide LSAAP with natural gas.

- The telecommunications system is operational for reuse activities but requires modernization to offer broadband service. Windstream is the provider of phone service and is permitted with the state to provide LSAAP with this service.

b.) Red River Army Depot-West Excess Property

For privatizing the RRAD utility systems, the following general conditions will optimize costs and operations:

- The RRRA owns and operates the TCEQ permits for waste waster treatment and discharge and has the TCEQ certificate of convenience and need (CCN). No other entity can provide this service without concurrence from the RRRA.

- The RRRA owns and operates the TCEQ permits for water service and has the TCEQ certificate of convenience and need (CCN). No other entity can provide this service without concurrence from the RRRA.

- SWEPCO is the provider of power and is permitted with the state to provide RRAD with power.

- Centerpoint is the provider of gas and is permitted with the state to provide RRAD with natural gas.

- Windstream is the provider of phone service and is permitted with the state to provide RRAD with this service.

F. CONCLUSIONS

Existing utility infrastructure at LSAAP creates an opportunity to focus redevelopment on an area bounded by Central Avenue and Fourth, Fifth, and Washington Street. This core area possesses all major utilities and should be suitable for new development once environmental remediation is complete. Conversely, the RRAD-WEP property is lacking major utility systems and is not well positioned for immediate development.

As redevelopment occurs, it is anticipated that a new wastewater treatment facility will be needed at LSAAP. As the current owner/operator of the wastewater treatment plant, RRRA may need to invest millions in this new facility during the early phases of the project if a large water user is attracted to the facility.

FACTORS INFLUENCING THE ACHIEVEMENT OF BASE REUSE GOALS

- **Job Creation & Economic Development** - The availability, condition, and capacity of utilities at LSAAP indicate that greater and more rapid economic development results could be achieved by investing in the reuse of the Lone Star facility.
- **Supports Military Mission** – The redevelopment of LSAAP has the potential to bring more end users to the facility with growing utility demand in the future. This increased demand could eventually lead to greater utility cost sharing with the Army in the future.
- **Retains Existing Job Base** – Utility investments in the LSAAP will improve the operating environment for existing businesses and allow them to grow.
- **Fiscally Prudent and Cost Sharing Approach** – Future investments in LSAAP will leverage private investments from utility companies, which in turn will result in private job creation.