

DWSRF

Loan Program

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The logo features the acronym 'DWSRF' in a large, white, serif font with a double outline. The background is a gradient of blue, with a darker blue at the bottom and a lighter blue at the top. A wavy, white line separates the top and bottom sections, resembling a horizon or a wave. The text 'DWSRF' is centered in the upper half of the image.

DWSRF

**Drinking Water
State Revolving Fund**

Water Quality in Oklahoma



DW\$TWF

DWSRF Program

- Established in 1997, as required by the 1996 Safe Drinking Water Act Amendments
- OK DWSRF has financed more than 70 projects to improve public water supply systems since its first loan in 1998
- Loaned about \$385 Million
- Managed by the Oklahoma Department of Environmental Quality
- In cooperation with the Oklahoma Water Resources Board
- Member of the Oklahoma Funding Agency Coordinating Team



Who can apply to DWSRF?



Eligibility Guidelines

- Municipalities and Rural Water Districts
- Ability to meet 1.25% debt service ratio
- Project must be used to ensure system can meet or retain compliance with Safe Drinking Water Act





What can I build
with a DWSRF
loan?



Eligibility Guidelines

- **Eligible costs** can include new and/or rehabilitation of:
 - Treatment
 - Distribution System Improvements
 - Water Storage Facilities
 - Wells
 - Intakes, Raw Water Lines
 - Backwash Lagoons
 - Professional Fees
 - Engineering, Environmental, Legal, Financial Advisor, Project Inspection
 - Testing
 - Permitting
 - Contingencies during construction



Eligibility Guidelines

- **Projects NOT Eligible :**
 - Costs associated with obtaining water rights
 - Dams
 - Water storage costs
 - Operation and Maintenance
 - Land from an unwilling seller (Condemnation)
 - Potential “Growth” – *Build it and they will come*
 - Fire Flow Only projects





Is there a
minimum or
maximum loan
amount?



How does the DWSRF process work?



Program Guidelines

● Priority Ranking

- Systems under a DEQ Consent Order
- MCL Violations
- Design/Construction Deficiencies
- Median Household Income
 - Low Income Areas receive additional points
- Consolidation of systems/ Regionalization
- Emergency power
- Source Water Protection
 - Systems which have implemented a wellhead or source water protection plan will receive additional points.



Project Flowchart

- **3 phases** to project implementation
 - Planning Phase
 - Contracts Phase
 - Construction Phase



Project Flowchart

● Planning Phase

- Determination of Project Eligibility
- Placement on DWSRF Priority List
- Environmental Review
 - Categorical Exclusion, or
 - Environmental Assessment
- Engineering Planning and Design
 - Engineering Report, and
 - Plans and Specifications
- Financial Application to OWRB



Project Flowchart

• Contracts Phase

- Advertising and Accepting Bids
- Pre-Bid Meeting
- Loan Closing
 - Sized according to bid amounts
- Awarding Construction Contract(s)



Project Flowchart

- **Construction Phase**

- Pre-Construction Conference
- Construction
- Inspections
- Change Orders
- Payments
- Project Completion



Does DWSRF have
any 'stimulus
funds'?



ARRA – American Recovery and Reinvestment Act of 2009

- Enacted on February 16, 2009
- Goals (as related to drinking water projects):
 - Preserve and create jobs
 - Promote economic recovery
 - Assist those most impacted by recession
 - Invest in transportation, environmental protection and infrastructure that will provide long-term economic benefits
 - Stabilize State and local government budgets



ARRA – American Recovery and Reinvestment Act of 2009



- EPA allocated \$2 Billion for DWSRF projects
- Oklahoma DWSRF allocation is \$31,500,000



ARRA – American Recovery and Reinvestment Act of 2009

- Oklahoma DWSRF Implementation
 - 70% Loan and 30% Grant awarded till all funds are expended
 - Maximum of \$2 Million Grant per system
 - Project must be “shovel ready”

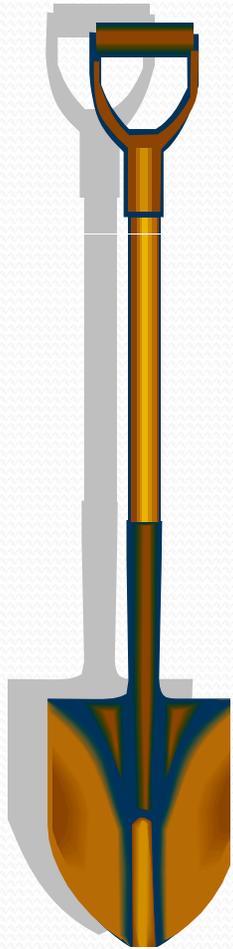




What does “shovel
ready” mean?



ARRA – American Recovery and Reinvestment Act of 2009



- “Shovel Ready” – 5 Critical Items
 - Placement on Priority List
 - Engineering Report Approval
 - Environmental Review Approval
 - Plans and Specifications – Construction Permit
 - Financial Application Approval



“Shovel Ready”

• Placement on Priority List

- Send letter to DEQ
 - Project Description
 - Cost of Project
 - Include all associated project costs such as engineering and legal fees, contingency, inspection, testing and permits, etc.
 - Name of consulting engineer
 - Date when construction could begin





“Shovel Ready”

- Placement on Priority List
 - Send letter to DEQ (DWSRF Program)

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“Shovel Ready”

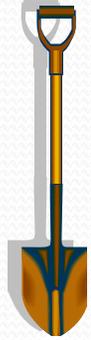
- Engineering Report Approval
- Environmental Approval
- Plans and Specifications
- DEQ Construction Permit

FACT Guidelines & DEQ Regulations

www.deq.state.ok.us

www.owrb.ok.gov





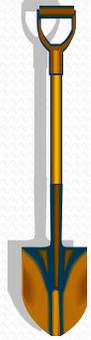
“Shovel Ready”

- **Financial Application Approval (OWRB)**

2 Step Application Process

- L1 – Preliminary Application for DWSRF
 - Not required for previous OWRB loan recipients
 - Requires basic water system information including five years of annual audits





“Shovel Ready”

- Financial Application Approval (OWRB)
 - L2 – Final Application
 - Requires current and 3 previous water rate structures,
 - Historical and projected population trends,
 - Per capita income,
 - Ten largest taxpayers,
 - Building Permits,
 - Sales Tax Collections,
 - Water and Sewer Connections,
 - Current Water Supply Source,
 - Water Rights Permits,
 - Historical and Projected Water Sales.





“Shovel Ready”

- Financial Application Approval

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“Shovel Ready”

- Critical Deadlines
 - April 24, 2009 – Deadline to be placed on PPL for ARRA funds
 - June 16, 2009 – Initial deadline to be “shovel ready”
 - February 16, 2010 – Deadline to have awarded contract or be under construction



ARRA – American Recovery and Reinvestment Act of 2009

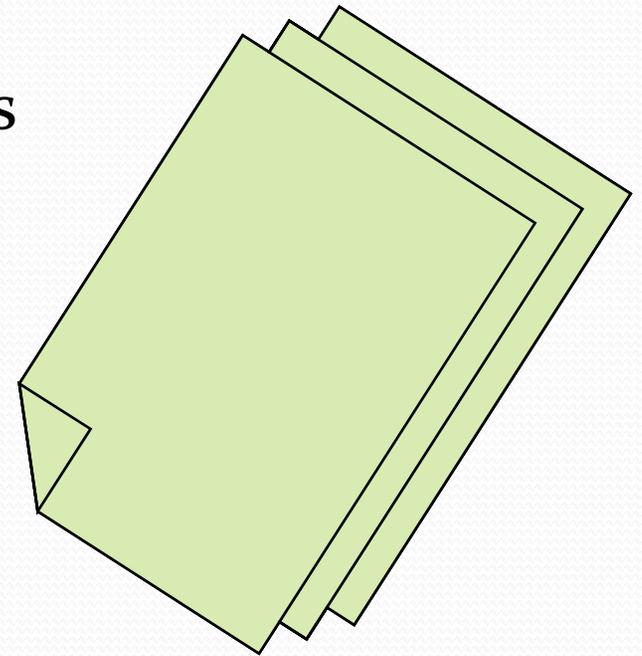
- Special Requirements
 - Davis-Bacon Act
 - “Buy American”
 - Green Infrastructure



**Presentations will
be posted at
www.owrb.ok.gov**

Housekeeping Issues

- FACT Evaluation Forms
- Board Member Training Forms



DWSRF

Questions?