

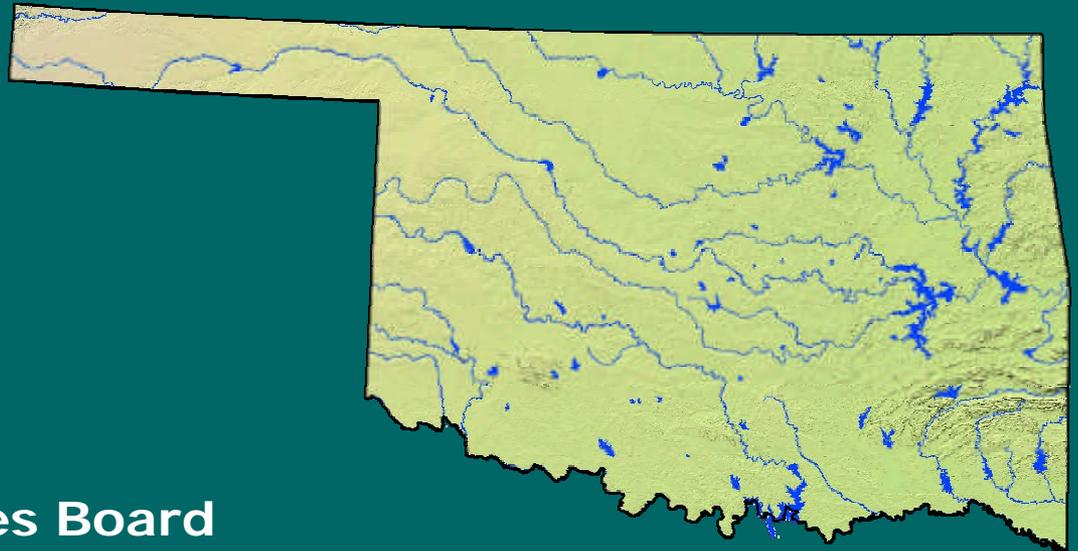
Financing Water & Sewer Infrastructure in Oklahoma



The State Financial Assistance Loan & Grant Program



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Getting Water to Oklahomans: OWRB Loan/Grant Programs

- **Financial Assistance Bond Loan Program:**
 - 268 loans for \$419 million
- **Emergency Grant Program**
 - 490 grants for \$29 million
- **Rural Economic Action Plan (REAP) Grant Program**
 - 340 grants for \$29 million
- **Clean Water State Revolving Fund (CWSRF) Loan Program**
 - 132 loans for \$450 million
- **Drinking Water State Revolving Fund (DWSRF) Loan Program**
 - 25 loans for \$78 million



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The Board's Financial Assistance Program has approved more than **\$1 billion in total loan/grant funds** from the initial \$25 million investment in 1983 (plus \$14 million in other appropriated funds):

- Total Population Served = 2.5 million
- Investment Per Person = \$400
- Cost Savings Per Person = \$125
- Program Cost Per Person = \$15
- Total Urban Investment (>5,000 population) = \$768 million
- Total Rural Investment (<5,000 population) = \$235 million
- **Total Return on Initial Investment = 8x**

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Rogers County RWD #7 & #8:

- joint water system improvement project
- construct new clarifiers and install additional filters

FAP Bond Loans:

- \$1,845,000 (Rogers RWD #7)
- \$2,085,000 (Rogers RWD #8)



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Cherokee County RWD #1:

- new package water treatment plant

FAP Bond Loan:

- \$380,000

Rural Economic Action Plan (REAP) Grant:

- \$100,000



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Osage County RWD #1:

- new booster pump station for water distribution system

FAP Bond Loan:

- \$190,000

FAP Emergency Grant:

- \$30,000



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Grand Lake

Public Works Authority:

- wastewater treatment plant/interceptor sewer project

Clean Water SRF Loan:

- \$2,700,000



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Stillwater Utilities Authority:

- new wastewater treatment plant

Clean Water SRF Loan:

- \$20,228,000



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Bartlesville Municipal Authority:

- construct raw water line from Lake Hulah to Lake Hudson

Drinking Water SRF Loan:

- \$1,965,000



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Edmond Public Works Authority:

- improvements to Lake Arcadia water treatment plant

Drinking Water SRF Loan:

- \$10,343,179



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- Estimate of Drinking Water System Needs:
 - 20-Year Estimated Needs = \$2.3 billion
(DEQ Needs Survey, 1999)
 - DEQ Priority List of Projects:
 - Funding Portion (awaiting funding) = \$ 32.3 million
 - Contingency Portion (borrowers in planning process) = \$ 20.4 million
 - Potential Projects (have indicated serious interest) = \$ 71.4 million
 - Current Need = \$ 124.1 million

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- Estimate of Wastewater System Needs:
 - 20-Year Estimated Needs = \$1.1 billion
(OWRB CWSRF FY-02 Annual Report)
 - OWRB Priority List of Projects:
 - Funding Portion (awaiting funding) = \$ 50.1 million
 - Contingency Portion (borrowers in planning process) = \$ 111.1 million
 - Potential Projects (have indicated serious interest) = \$ 62.1 million
 - Current Need = \$ 223.3 million

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- Anticipated drinking water system shortfall of \$103.8 million
- Estimated immediate cost to keep up with the anticipated demand of Oklahoma communities for drinking water-related infrastructure:
 - ◆ \$12 million (two years of matching funds to capitalize \$25 million in federal grants and provide reserve for leveraged bond issue of ~\$67 million).

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- Potential Sources of Funding:
 - General Appropriations
 - Constitutional Reserve (Rainy Day) Fund
 - State Windfall from High Natural Gas Prices
 - Gross Production Tax (REAP) Funding
 - Water User Fee
 - Tap Fee on Public Water Supply Systems
 - .25-cent/month tap fee would generate:
 - ✓ \$4.5 million/year
 - ✓ \$45 million bond issue
 - ✓ \$225,000 in interest earnings for grant awards

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Plan of Action

- ***Form Financial Assistance Steering Committee***
 - comprised of various interested groups/stakeholders whose members will benefit from an infusion of funds for municipal/rural water and sewer projects:
 - firm up Committee membership;
 - formally adopt recommended legislative action for approval of \$12 million appropriation in 2003 (FY-04);
 - provide active support for FAP funding during upcoming legislative session.



www.owrb.state.ok.us

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