

2018 *Annual Report*



Clean Water State Revolving Fund

Financial Assistance Division | Oklahoma Water Resources Board

CW\$RF
OKLAHOMA

OWRB
the water agency

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FINANCIAL ASSISTANCE DIVISION

Our Mission Statement:

We provide assistance for water and wastewater projects.



Joe Freeman, Division Chief

Lori Johnson, Assistant Division Chief



Back Row, L to R: Kate Burum, Claressa Bailey, Kar Tang, Hernan Fernandez, Vivek Rajaraman, Jerri Hargis, Andy Allen, Charles de Coune, Brenda Hansel, Paula Mills Front Row, L to R: Kelly Jasper, Laura Oak, Tonya White, Lori Johnson, Joe Freeman, Lindy Clay, Connie Guinn, Sara Senyondo Not Pictured: Bryce Callies



STATE OF OKLAHOMA WATER RESOURCES BOARD

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I am extremely proud of the instrumental role the Oklahoma Water Resources Board has played in leading the state toward a stronger economy through improved water and wastewater infrastructure, water quality, and water management. Through the years, the agency has consistently made efforts to embrace both time-proven strategies and innovative new technologies and ideas to ensure adequate quantities of quality water for our state to grow and prosper.

This year marks the 20 year anniversary of the legislative appropriation of 1 million for a beneficial use monitoring program in Oklahoma. This was a critical component for the Water Quality Standards and state water management processes to ensure beneficial uses of surface water were protected and maintained. Today this information is used for various reasons, including the identification of pollution sources, regulatory compliance of our public water suppliers, determining the effectiveness of non-point source Best Management Practices, and identifying impaired waters.

The OWRB's financial assistance programs provide Oklahoma communities with the means to implement innovative projects to manage the state's water resources at a reduced cost. Our programs have provided low interest loans and grants for water and wastewater infrastructure projects since 1983. The Clean Water State Revolving Fund has been a critical program in helping communities ensure the beneficial uses of the state's waters are protected and maintained. It has also provided unparalleled financial assistance for communities to construct pollution control projects as well as projects focused on conservation, recycling, and efficiency—the goals of Oklahoma's Water for 2060 Act, which challenges Oklahoma to use no more fresh water in 2060 than was used in 2010.

This past year, the OWRB implemented the annual Water for 2060 Excellence Award, a Water for 2060 Advisory Group recommendations. This award program was developed to recognize individuals and entities that make exceptional contributions to the promotion and implementation of water use efficiency and conservation of Oklahoma's fresh water resources.

The Clean Water SRF will continue to be a prominent source of financing to assist Oklahoma in meeting this lofty goal and to provide plentiful, clean water to protect human health and the environment for a prosperous future.

Sincerely,

Julie Cunningham
Executive Director



STATE OF OKLAHOMA WATER RESOURCES BOARD

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The Financial Assistance Division (FAD) of the Oklahoma Water Resources Board (ORWB) is dedicated to assisting communities and rural districts in maintaining adequate water and wastewater facilities. Since 1983, we have provided approximately 60% of all the financing for Oklahoma's water and wastewater infrastructure needs. To date, we have funded over \$4 billion in projects with our loan and grant programs which in turn led to savings of over \$1.4 billion for Oklahoma communities and rural districts.

During SFY 2018, we provided loan forgiveness to communities with a population of 3,300 or less. Our loan forgiveness was provided in a phased approach. Phase one being projects that received one hundred percent loan forgiveness for planning and design and phase two for the construction of the project from the results of phase one. Phase two is funded at fifty percent or two hundred thousand dollars, whichever is lower. The outcome of this phased approach has been well received by our communities.

The ORWB and Oklahoma Rural Water Association (ORWA), partnered together to provide long range planning for communities in Oklahoma. Such trainings provide education on the water and wastewater planning guides, fiscal sustainability plan requirements, system resiliency and sustainability and provides mapping of their system infrastructure.

The FAD had many accomplishments in SFY 2018. We streamlined FAD by overhauling our rules, making them easier to follow and hired a fulltime marketing manager. One of our long term goals is to always be the leader in funding wastewater needs of Oklahoma. Except for the 2009 American Recovery Reinvestment Act, in SFY 2018 the CWSRF had the largest amount of assistance provided since inception of the program.

The Division looks forward to meeting challenges set forth by the state goals of the Water for 2060 Act and the eligibilities that came out of the Water Resources Reform and Development Act (WRRDA) of 2014. We are pleased that we can play such a significant role in helping finance solutions identified in the Water for 2060 Advisory Council's final report for recommendations for encouraging efficient water use across all of Oklahoma's major water use sectors. Given the excellent rapport that we share with so many communities and water users around our state, we are in a prime position to provide public education and outreach to encourage conservation, reuse, sustainability, planning, conservation pricing, consolidation, system cooperation, and so much more.

We strive to accomplish both sound financing and unparalleled environmental protection in all of our loan and grant programs. The Financial Assistance Division is proud of our AAA ratings on all of our bond issues as well as our use of innovative means to assist in meeting Oklahoma's water resources and infrastructure needs.

Work completed through the Oklahoma Comprehensive Water Plan process documented a tremendous need of over \$44 billion through the year 2060 for wastewater investments in Oklahoma. It will take the efforts of all of us in the industry to meet this great challenge.

We look forward to continuing our role in helping Oklahoma build its future.

Sincerely,


Joe Freeman, Chief
Financial Assistance Division

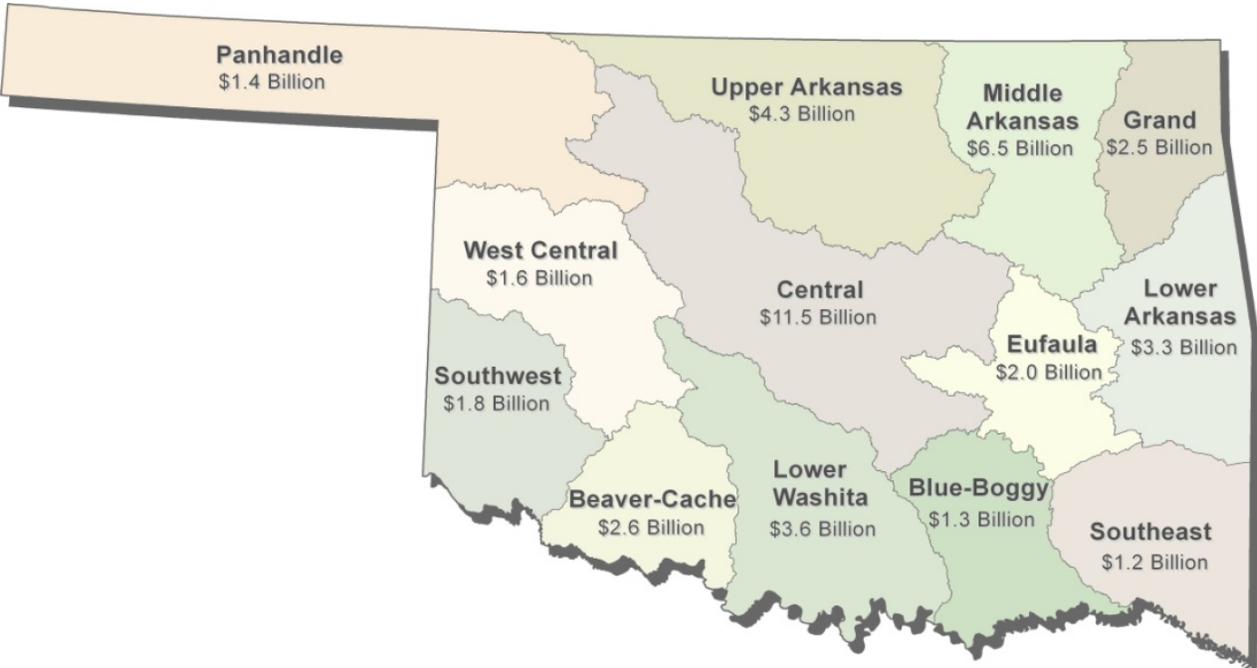
INTRODUCTION

The federal Clean Water Act (CWA) requires a report of the annual Clean Water State Revolving Fund (CWSRF) activities. The OWRB hereby submits the CWSRF Annual Report for State Fiscal Year (SFY) 2018, July 1, 2017 through June 30, 2018.

This report describes sources and uses of funds, environmental performance of construction activities, the OWRB's financial position, as well as the manner in which the OWRB met the SFY 2018 Intended Use Plan (IUP) goals and objectives.

The OWRB has agreed to submit this report to the Environmental Protection Agency (EPA) within 90 days following the end of the fiscal year. In addition, Oklahoma Statutes require an annual report be submitted to the Governor and Legislature within 120 days of the end of the state fiscal year. This report is intended to fulfill both requirements.

FIGURE 1: PROJECTED STATEWIDE WASTEWATER INFRASTRUCTURE COST BY REGION (2010 DOLLARS)



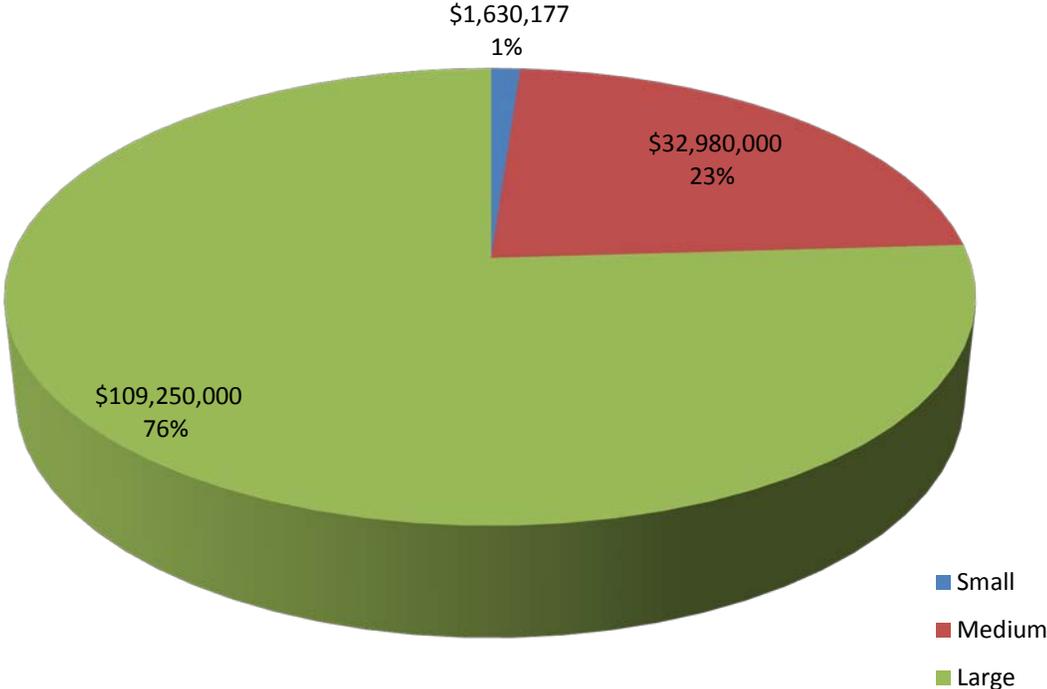
EXECUTIVE SUMMARY

Since 1990, the OWRB’s CWSRF Program has approved over \$1.5 billion in wastewater and water quality infrastructure projects throughout the state, historically providing over 60% of Oklahoma’s wastewater financing needs. Although enormous progress has been made in addressing Oklahoma’s wastewater infrastructure needs, much work is still required. Based on the 2012 Oklahoma Comprehensive Water Plan (OCWP), anticipated wastewater infrastructure needs through 2060 are more than \$44 billion (in 2010 dollars), figure 1.

The CWSRF plays a crucial role in meeting this ever-growing need by providing financing at 40% below market interest rates with standalone AAA bond ratings. The AAA rating allows the OWRB to provide access to significantly lower interest rates than those obtained through local debt issuance. Utilizing the CWSRF Program has saved Oklahomans an estimated \$429 million in principal and interest.

In SFY 2018, Oklahoma’s CWSRF committed approximately \$143.8 million in loans for projects listed on the SFY 2018 Project Priority List (PPL).

FIGURE 2: AMOUNT FUNDED IN SFY 2018 BY SYSTEM SIZE



PROJECT ACTIVITY

Capital financing through the CWSRF Program enables Oklahoma’s wastewater systems to meet treatment standards for wastewater. These discharges into the State’s rivers and lakes are in accordance with the National Pollutant Discharge Elimination System (NPDES), administered by the Oklahoma Department of Environmental Quality (ODEQ). For SFY 2018, the OWRB conducted eleven (11) environmental reviews and appropriate determinations were executed and distributed using the EPA-approved State Environmental Review Process (SERP) prior to providing assistance.

The SFY 2018 projects allowed borrowers to cost-effectively:

- Develop an engineering planning and design for infrastructure improvements;
- Rehabilitate aging treatment plants and collection lines;
- Expand capacity to meet anticipated population and economic growth opportunities throughout the projects’ design life;
- Attain compliance with State effluent discharge requirements to protect Oklahoma’s water resources;
- Aim to improve the quality of priority rivers and lakes identified as threatened or impaired by reducing pollutant loading; and
- Save on interest expenses by refinancing their loans.

Fifteen (15) Oklahoma entities received binding commitments (Table 1) totaling approximately \$143.8 million for the following activities during SFY 2018:

- Construction of new treatment and collection systems;
- Planning and design;
- Dam rehabilitation;
- Rehabilitation of existing wastewater facilities;
- Energy efficiency; and
- Water efficiency projects.

In SFY 2018, Broken Arrow Municipal Authority (MA), Altus (MA) and Bixby Public Works Authority (PWA) addressed the EPA’s Green Project Reserve (GPR) initiative via the incorporation of water and energy efficient devices.

Inola PWA, Coalgate PWA, Calumet PWA, Weleetka PWA, Porum PWA and Wilburton PWA received additional subsidy in the form of “Loan Forgiveness” totaling \$1,071,200. In total, systems approved by the OWRB for funding are expected to save more than an estimated \$14.6 million in principal and interest for their essential infrastructure over the life of the loans.

The following pages highlight the loans which were funded by the CWSRF Program in SFY 2018. For each loan, details including the project description, binding commitment amount, assistance provided, GPR amount as well as the status of construction as of June 30, 2018.

TABLE 1: PROJECTS IDENTIFIED FOR RECEIVING CWSRF ASSISTANCE WITHIN SFY 2018

PART 1: SECTION 212 PUBLICLY OWNED TREATMENT WORKS

BORROWER	PROJECT NUMBER	ASSISTANCE PROVIDED REPORTABLE TO NIMS 2018	BINDING COMMIT. REPORTABLE TO ANNUAL REPORT 2018	BINDING COMMIT. DATE	TYPE	LOAN CLOSING DATE	% INTEREST RATE ON LOAN***	ESTIMATED SAVINGS	LOAN MATURE DATE
Inola Public Works Authority**	ORF-18-0013-CW	\$161,250.00	\$161,250.00	9/19/17	L	9/22/17	0	\$174,000.00	9/15/18
Calumet Public Works Authority*	ORF-18-0006-CW	\$102,500.00	\$102,500.00	9/19/17	L	9/22/17	0	\$119,500.00	9/15/38
Bixby Public Works Authority**	ORF-14-0003-CW	\$21,419,430.50	\$24,000,000.00	9/19/17	L	9/28/17	2.01	\$2,522,000.00	3/15/31
Altus Municipal Authority*	ORF-14-0007-CW	\$7,535,732.52	\$11,000,000.00	11/1/17	L	11/3/17	2.12	\$662,000.00	9/15/32
Weleetka Public Works Authority**	ORF-18-0012-CW	\$82,500.00	\$82,500.00	11/1/17	L	11/3/17	0	\$87,000.00	9/15/18
Coalgate Public Works Authority**	ORF-18-0014-CW	\$213,050.00	\$213,050.00	11/1/17	L	11/3/17	0	\$239,550.00	3/15/18
Porum Public Works Authority**	ORF-18-0016-CW	\$496,117.00	\$496,117.00	11/1/17	L	11/3/17	0	\$496,117.00	3/15/18
Choctaw Public Works Authority*	ORF-15-0007-CWA	\$1,425,000.00	\$1,425,000.00	11/1/17	L	11/7/17	2.61	\$45,000.00	3/15/20
Wilburton Public Works Authority**	ORF-18-0010-CW	\$204,760.00	\$204,760.00	12/19/17	L	6/20/18	0	\$233,000.00	9/15/28
Oklahoma City Water Utilities Trust*	ORF-17-0017-CWB	\$15,550,000.00	\$15,550,000.00	12/19/17	R	12/19/17	2.43	See Other Loan	3/15/43
Canton Public Works Authority*	ORF-18-0019-CW	\$370,000.00	\$399,000.00	2/20/18	L	3/9/18	2.48	\$83,000.00	9/15/38
Sapulpa Municipal Authority*	ORF-18-0020-CW	\$7,850,000.00	\$7,850,000.00	5/15/18	L	6/22/18	2.59	\$374,000.00	9/15/46
Lawton Water Authority*	ORF-18-0021-CW	\$12,705,000.00	\$12,705,000.00	6/19/18	L	6/25/18	2.52	\$2,212,000.00	9/15/38
Tulsa Metropolitan Utility Authority*	ORF-18-0001-CW	\$14,350,000.00	\$14,350,000.00	6/19/18	L	6/26/18	2.53	\$1,118,000.00	3/15/41
Okmulgee Municipal Authority****	ORF-09-0012-CW	-\$70.00	N/A	6/8/10	L	9/29/10	2.54	N/A	9/15/32
Skiatook Public Works Authority****	ORF-14-0013-CW	-\$2.95	N/A	1/21/14	L	2/12/14	2.63	N/A	3/15/35
Nicoma Park Development Authority****	ORF-15-0006-CW	-\$172,907.53	N/A	5/19/15	L	5/19/15	2.63	N/A	3/15/30
Pauls Valley Municipal Authority****	ORF-17-0013-CW	-\$3,335.00	N/A	10/12/16	L	10/26/16	2.49	N/A	3/15/30
PART 1 TOTAL		\$82,289,024.54	\$88,539,177.00					\$8,259,000.00	

PART 2: SECTION 319 NONPOINT SOURCE MANAGEMENT PROGRAMS

BORROWER	PROJECT	ASSISTANCE	B.C. AMOUNT	B.C. DATE	TY PE	CLOSING	% INTEREST	EST. SAVINGS	LOAN MATURE
Oklahoma City Water Utilities Trust*	ORF-17-0017-CW ORF-17-0017-CWA	\$53,250,000.00	\$53,250,000.00	12/19/17	L	12/19/17	2.50	\$6,267,000.00	9/15/49
PART 2 TOTAL		\$53,250,000.00	\$53,250,000.00					\$6,267,000.00	

PART 3: SECTION 603(c)(6) REDUCTION OF DEMAND CAPACITY THROUGH WATER CONSERVATION, EFFICIENCY AND REUSE

BORROWER	PROJECT	ASSISTANCE	B.C. AMOUNT	B.C. DATE	TY PE	CLOSING	% INTEREST	EST. SAVINGS	LOAN MATURE
Broken Arrow Municipal Authority*	ORF-18-0018-CW	\$2,100,000.00	\$2,100,000.00	12/19/17	L	1/11/18	1.8	\$31,000.00	3/15/25
Altus Municipal Authority*	ORF-14-0007-CW	\$3,464,267.48	SEE ABOVE	11/1/17	L	11/3/17	2.12	See Above	9/15/32
Bixby Public Works Authority*	ORF-14-0003-CW	\$2,580,569.50	SEE ABOVE	9/19/17	L	9/28/17	2.01	See Above	3/15/31
Eufaula Public Works Authority****	ORF-16-0009-CW	-\$1,200.11	N/A	11/17/15	L	12/9/15	2.14	N/A	9/15/30
PART 3 TOTAL		\$8,143,636.87	\$2,100,000.00					\$31,000.00	

GRAND TOTAL (CWSRF Projects)₁		\$143,682,661.41	\$143,889,177.00					\$14,557,000.00	
GRAND TOTAL (All Projects)		\$143,682,661.41	\$143,889,177.00					\$14,557,000.00	

₁ , the sum of the totals of PARTS 1, 2 & 3

E=Equivalency; L = Direct Loans; R = Refinance ;(Incr.) = Increase in Binding Commitment amount, (Dec.) = Decrease in Binding Commitment amount

* Total estimated savings calculated includes interest saved on the Promissory Note amount using the CWSRF program vs self or private financing; rounded to the nearest thousand

** Total estimated savings calculated includes loan forgiveness plus interest saved on the Promissory Note amount

*** Interest Rate includes 0.5% administrative fee

**** Negative dollars is a De-Obligation

2018



Loan Recipients



Altus Municipal Authority

Bixby Public Works Authority

Broken Arrow Municipal Authority

Calumet Public Works Authority

Canton Public Works Authority

Choctaw Utilities Authority

Coalgate Public Works Authority

Inola Public Works Authority

Lawton Water Authority

Oklahoma City Water Utilities Trust

Porum Public Works Authority

Sapulpa Municipal Authority

Tulsa Metropolitan Utility Authority

Weleetka Public Works Authority

Wilburton Public Works Authority

ALTUS MUNICIPAL AUTHORITY

ORF-14-0007-CW

BINDING COMMITMENT

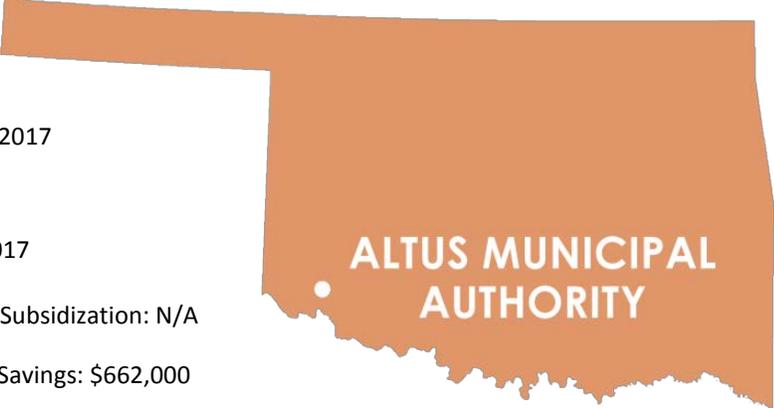
Approval: \$11,000,000 Approval Date: 11/01/2017

ASSISTANCE PROVIDED

Loan Amount: \$11,000,000 Funded Date: 11/03/2017

Percent Complete as of 6/30/2018: 50% Additional Subsidization: N/A

GPR: Water Efficiency \$3,464,267.48 Estimated Savings: \$662,000



ALTUS MUNICIPAL
AUTHORITY

The Altus Municipal Authority (Authority) is located in Jackson County in the southwest corner of Oklahoma with a population of 19,784 (2010 US Census) and currently services 6,632 sewer customers.

Altus' Southeast Wastewater Treatment Facility (WWTF) is an extended aeration plant designed to treat an average daily flow of 3.5 million gallons per day (MGD). The facility has a new Discharge Permit to an unnamed tributary to Stinking Creek. This permit requires seasonal effluent disinfection that will be addressed by the proposed project. The treatment facility has been in violation of the chloride limits which ODEQ has agreed to revise the permit to remove the chloride and TDS limits.



The Authority used the Clean Water State Revolving Fund (CWSRF) proceeds to repair and upgrade the WWTF, and install new Automated Meter Infrastructure (AMI) that reduces wastewater generation and air-pollutants deposition. Specifically, the Authority plans to install a new mechanical bar screen, replace existing pumps, modify the existing aeration basin influent distribution box, replace equipment in the existing clarifier and construct a new clarifier, a new auxiliary return activated sludge pump station, new ultraviolet effluent disinfection system, replace bypass pond pumps, replace existing plant control system, miscellaneous structures, piping, and electrical work, and other minor plant work.

The AMI project will replace approximately 8,000 existing water meters and 12,000 existing electric meters. The project meets the criteria from the Oklahoma Conservation Commission, under its Nonpoint Source Management Plan, for the replacement of outdated electric metering infrastructure with automated infrastructure (AMIs). The use of AMIs should help the city residents realize reductions in energy usage, and reduces the need for energy exploration and development. In addition, more efficient energy usage relates to decreased carbon emissions, a leading cause of climate change.



BIXBY PUBLIC WORKS AUTHORITY

ORF-14-0003-CW

BINDING COMMITMENT

Approval: \$24,000,000 Approval Date: 9/19/2017

ASSISTANCE PROVIDED

Loan Amount: \$24,000,000 Funded Date: 9/28/2017

Percent Complete as of 6/30/2018: 6.17% Additional Subsidization: N/A

GPR: Water Efficiency: \$2,580,569.50 Energy Efficiency: \$260,225.00

Estimated Savings: \$2,522,000



The Bixby Public Works Authority (Authority) is located in Tulsa County and currently serves 8,379 sewer customers. The city's population is 21,034 according to the 2010 US Census, and is considered the 4th fastest growing city in Oklahoma as of the 2015 American Community Survey.

The City of Bixby's corporate limits are divided into two separate wastewater collection basins by a northwest-southeast stretch of the Arkansas River. The City collects and treats wastewater in two separate lagoon treatment facilities on opposite sides of the Arkansas River, named the North and South Wastewater Treatment Plants (WWTP), respectively. The North WWTP is permitted to discharge 0.853 million gallons per day (MGD) and the South WWTP is permitted to discharge 0.684 MGD. Both plants discharge into the Arkansas River which is listed on Oklahoma's 303(d) list of impaired waterbodies for Enterococcus, Turbidity, and Cadmium. In 2013 the Department of Environmental Quality (DEQ) issued Bixby a consent order for discharge permit violations for both WWTPs that resulted from excessive flow rates due to population growth.



The Authority will use the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds to install a new automated meter reading (AMR) system and construct a new sequence batch reactor (SBR) wastewater treatment plant (WWTP) to transfer the flow of the North Collection System thereby eliminating all discharge from the North WWTP. The AMR system will replace approximately 9,000 older meters which contribute to unaccounted water loss. AMRs provide leak detection alerts, thereby reducing unintended flows to the wastewater system. Additionally, installation of AMRs could lead to increased water supply reliability because the Authority has a better understanding of any potential system vulnerabilities. The new SBR WWTP will have a single discharge point

and will provide on-site stormwater equalization to prevent bypasses at the South WWTP. This will decrease the amount of sediment to the Arkansas River.

BROKEN ARROW MUNICIPAL AUTHORITY

ORF-18-0018-CW

BINDING COMMITMENT

Approval: \$2,100,000 Approval Date: 12/19/2017

ASSISTANCE PROVIDED

Loan Amount: \$2,100,000 Funded Date: 1/11/2018

Percent Complete as of 6/30/2018: 0% Additional Subsidization: N/A

GPR: Water Efficiency \$2,100,000 Estimated Savings: \$31,000



The Broken Arrow Municipal Authority (Authority) is located in Tulsa County is a thriving community located in Tulsa County and currently serves 34,650 sewer customers and 36,596 water customers. The city's population is 98,850 according to the 2010 US Census.



The City has been working since April of 2008 to transition their customers to drive-by AMRs for the water utility system. The new meters will provide leak detection alerts, thereby reducing unintended flows to the wastewater system. Additionally, the installation of the meters could lead to increased water supply reliability through providing the system officials with a better understanding of potential vulnerabilities, and will help the Authority meet Oklahoma's Water for 2060 goals



The Authority will utilize the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds to acquire and install approximately 9,000 automated meter reading (AMR) water meters, as well as meter boxes, meter box lids, shut-off valves, and hand held meter reading devices. This project focuses on water conservation and efficiency by reducing water loss in Broken Arrow's system.



CALUMET PUBLIC WORKS AUTHORITY

ORF-18-0006-CW

BINDING COMMITMENT

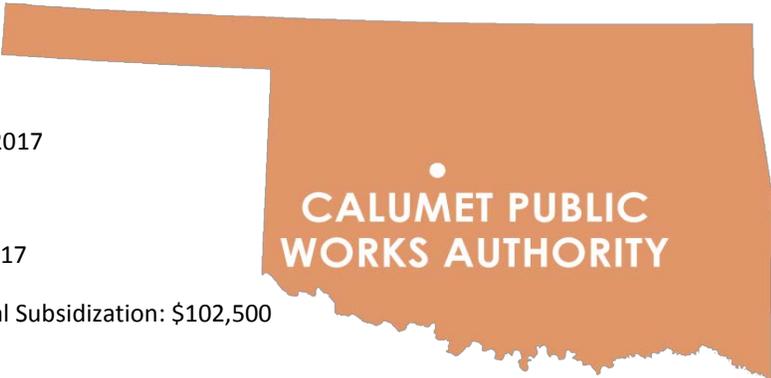
Approval: \$102,500 Approval Date: 9/19/2017

ASSISTANCE PROVIDED

Loan Amount: \$102,500 Funded Date: 9/22/2017

Percent Complete as of 6/30/2018: 100% Additional Subsidization: \$102,500

GPR: N/A Estimated Savings: \$119,500



CALUMET PUBLIC
WORKS AUTHORITY

The Calumet Public Works Authority (Authority) is located in Canadian County 40 miles northwest of Oklahoma City and currently serves 300 water customers and 300 sewer customers. The city's population is 507 according to the 2010 US Census.



The Town of Calumet operates a total retention lagoon Wastewater Treatment Plant (WWTP) with a designed flow capacity of 0.051 million gallons per day (MGD).

The Authority utilized the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds for wastewater collection system assessment. Improvements from the assessment will include manhole rehabilitation/replacement and sanitary sewer collection line replacement. The replacements will reduce the amount of inflow and infiltration which will in turn reduce unintended flows to the wastewater system.



The project was funded by a 100% principal forgiveness loan through the Oklahoma Clean Water State Revolving Fund (CWSRF) additional subsidization.



CANTON PUBLIC WORKS AUTHORITY

ORF-18-0019-CW

BINDING COMMITMENT

Approval: \$399,000

Approval Date: 2/20/2018

ASSISTANCE PROVIDED

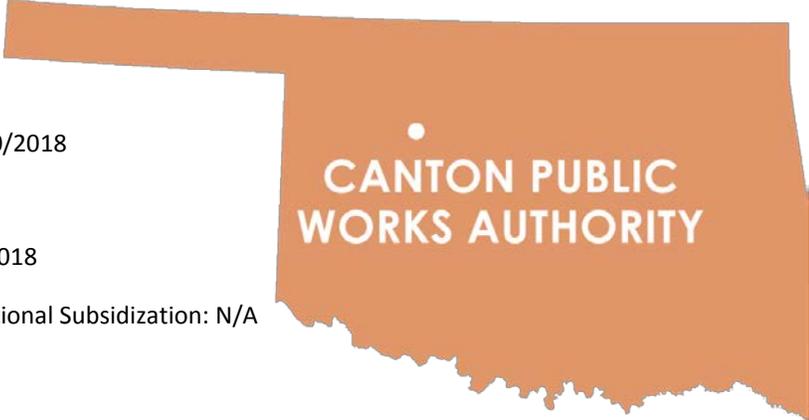
Loan Amount: \$370,000

Funded Date: 3/9/2018

Percent Complete as of 6/30/2018: 27.87% Additional Subsidization: N/A

GPR: N/A

Estimated Savings: \$83,000



CANTON PUBLIC
WORKS AUTHORITY

The Canton Public Works Authority (Authority) located in Blaine County currently serves 343 sewer customers. According to the 2010 US Census they had a population of 625.

The City owns a lagoon system Wastewater Treatment Plant (WWTP) which has a 2-cell lagoon; one primary and one secondary. It is upstream of Minnehaha Creek which flows directly into the North Canadian River. Minnehaha Creek is listed on Oklahoma's 303(d) list of impaired waterbodies where water quality and habitat are not adequately supporting fish communities. This project will prevent further degradation to the already impaired creek.

The Authority will be using Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds for constructing a new lift station with a wet well, submersible pumps, emergency generator and boring under Minnehaha Creek to replace the 6-inch force main and 12-inch sewer line.



CHOCTAW UTILITIES AUTHORITY

ORF-15-0007-CWA

BINDING COMMITMENT

Approval: \$1,425,000 Approval Date: 11/1/2017

ASSISTANCE PROVIDED

Loan Amount: \$1,425,000 Funded Date: 11/7/2017

Percent Complete as of 6/30/2018: 0% Additional Subsidization: N/A

GPR: N/A Estimated Savings: \$45,000



CHOCTAW
UTILITIES AUTHORITY



The Choctaw Utilities Authority (Authority) located in Oklahoma County currently serves 1,476 sewer customers. According to the 2010 US Census the city has a population of 11,146; however, more than half of the population is served by septic systems. The city plans to increase the connections to 2,500 in the near future. Choctaw is located in Oklahoma County 10 miles east of Oklahoma and is part of the metropolitan area.

Choctaw's Wastewater Treatment Facility (WWTF) is a sequencing batch reactor (SBR) facility designed to treat an average daily flow of 1 million gallons per day (MGD). The facility discharges into Choctaw Creek, which is a tributary to the North Canadian River. Choctaw creek is listed on Oklahoma's 303(d) list of impaired waterbodies for Dissolved Oxygen. The Authority has received an Administrative Compliance Order for unpermitted discharges, permit violations, construction violations, operation and maintenance violations and report violations.

The Authority received a loan in the amount of \$9,775,000 from the Oklahoma Clean Water State Revolving Fund in January of 2017 to fund upgrades to their existing SBR wastewater treatment plant to an Alternating-Zone Extended-Air Activated Sludge process, and will include the replacement of the influent lift station and headworks, conversion of the four existing sequencing batch reactor basins into a new wet-weather flow equalization system, conversion of the existing digesters into digested sludge holding basins, construction of a UV disinfection system, construction of a post-treatment cascade aeration unit and installation of new influent and effluent flow measurement units. The new treatment plant is expected to satisfy the needs of the growing population of the City of Choctaw and its surrounding areas while addressing the Compliance Order and helping to improve the water quality of the receiving stream. In addition to the construction project, the Authority is using part of the loan proceeds to refinance part of a bank note used to pay for engineering services.

It was found after bids were received that the project was underfunded. This loan is to provide additional CWSRF funds to bring the loan amount to the funds required to complete the project.



COALGATE PUBLIC WORKS AUTHORITY

ORF-18-0014-CW

BINDING COMMITMENT

Approval: \$213,050 Approval Date: 11/1/2017

ASSISTANCE PROVIDED

Loan Amount: \$213,050 Funded Date: 11/3/2017

Percent Complete as of 6/30/2018: 30.74% Additional Subsidization: N/A

GPR: N/A Estimated Savings: \$239,550



The Coalgate Public Works Authority (Authority) located in Coal County currently serves 781 sewer customers. According to the 2010 US Census the city's population is 1,967.

The City of Coalgate operates an aerated lagoon Wastewater Treatment Plant (WWTP) with a designed flow capacity of 0.22 million gallons per day (MGD). Its receiving stream is an unnamed tributary to Brier Creek.

The Authority will use the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds for planning and design and a Sanitary Sewer Evaluation Study (SSES). Planning and design will include the design of collection lines and lift station improvements to help with inflow and infiltration (I&I) of the system. Currently the system consists of clay, ductile iron and PVC pipes that are in need of repair or replacement. Video inspections and smoke testing of the existing 71,000 linear feet of sewer lines will allow the Authority to reduce operation and maintenance costs, improve system capacity, and reduce unintended flows to the wastewater treatment plant.

The project will be financed by a 100% principal forgiveness loan through the Oklahoma Clean Water State Revolving Fund (CWSRF) additional subsidization.



INOLA PUBLIC WORKS AUTHORITY

ORF-18-0013-CW

BINDING COMMITMENT

Approval: \$161,250 Approval Date: 9/19/2017

ASSISTANCE PROVIDED

Loan Amount: \$161,250 Funded Date: 9/22/2017

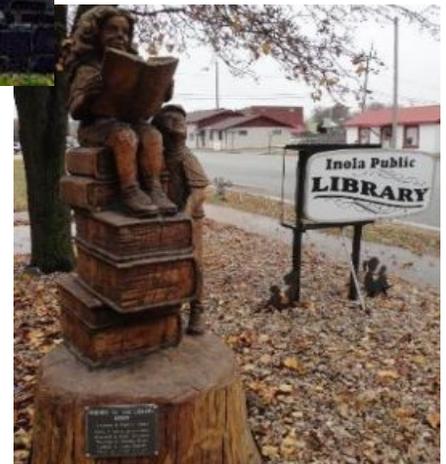
Percent Complete as of 6/30/2018: 77% Additional Subsidization: \$161,250

GPR: N/A Estimated Savings: \$174,000

The Inola Public Works Authority (Authority) located in Rogers County currently serves 674 sewer customers. The town's population is 1,788 according to the 2010 US Census.



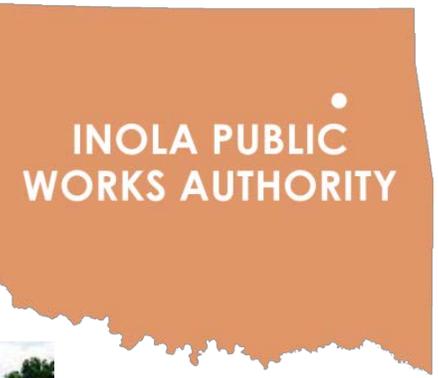
The town operates an aerated lagoon Wastewater Treatment Plant (WWTP) with a designed flow of 0.40 million gallons per day (MGD), and discharges into the Verdigris River. The Verdigris River is listed on Oklahoma's 303(d) lists of impaired waterbodies for Enterococcus and Escherichia coli. The collection system has had unpermitted discharges occurring from a manhole. The Lift Station located downstream from the unpermitted discharge does not comply with OAC 252:656-7-4, "Emergency Operations" and the town has been issued a Consent Order from the Oklahoma Department of Environmental Quality (DEQ), which requires they submit an approvable engineering report evaluating the lift station as well as the upstream and downstream wastewater collection system.



The Clean Water State Revolving Fund (CWSRF) proceeds will be used to perform a system wide inflow and infiltration investigation to prevent unpermitted discharges, prepare an engineering report, and prioritize the replacement of lines. The investigation and report will address deficiencies with the existing collection system.



The study and design of upgrades and improvements to the wastewater system will be financed by a 100% principal forgiveness loan through the Oklahoma Clean Water State Revolving Fund (CWSRF).



LAWTON WATER AUTHORITY

ORF-18-00021-CW

BINDING COMMITMENT

Approval: \$12,705,000 Approval Date: 6/19/2018

ASSISTANCE PROVIDED

Loan Amount: \$12,705,000 Funded Date: 6/25/2018

Percent Complete as of 6/30/2018: 0% Additional Subsidization: N/A

GPR: N/A Estimated Savings: \$2,212,000



The Lawton Water Authority (Authority) located in Comanche County currently serves 27,904 sewer customers with a population of 96,867.

The City of Lawton's South East Wastewater Treatment Plant (WWTP) is a backwash water lagoon system with primary and secondary lagoons. The design flow of the system is 0.5 million gallons per day (MGD). The receiving stream is an unnamed tributary to East Cache Creek which is listed on Oklahoma's 303(d) list of impaired waterbodies for enterococcus, Escherichia coli, and turbidity. The Authority is under consent order for unpermitted discharges of wastewater that date back to 2003.



The Authority's project will be using Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds and will address the replacement of approximately 95,000 linear feet of damaged sewer collection lines across eleven sub-basins, the North Wolf Creek Expansion and the South Wolf Creek Expansion. The line replacement will help improve inflow and infiltration problems and eliminate sanitary sewer overflows while continuing to protect the local water from future degradation.



OKLAHOMA CITY WATER UTILITIES TRUST

ORF-17-0017-CW, ORF-17-0017-CWA, ORF-17-0017-CWB

BINDING COMMITMENT

Approval: \$68,800,000 Approval Date: 12/19/2017

ASSISTANCE PROVIDED

Loan Amount: \$68,800,000 Funded Date: 12/19/2017

Percent Complete as of 6/30/2018: 5.04% Additional Subsidization: N/A

GPR: N/A Estimated Savings: \$6,267,000

OKLAHOMA CITY
WATER UTILITIES TRUST

The Oklahoma City Water Utilities Trust (Trust) located in Oklahoma County currently serves 198,943 sewer customers. The city's population according to the 2010 US Census was 579,999.

This project addresses two of the Trust's Wastewater Treatment Plants (WWTP):

Chisholm Creek and Deer Creek. The Chisholm Creek WWTP is an Activated Sludge treatment plant with a designed capacity of 11.5 million gallons per day (MGD) whose receiving stream is Chisholm Creek, which is listed on Oklahoma's 303(d) list of impaired waterbodies for Nitrates. The Deer Creek WWTP is a Bio Disc WWTP with a designed



capacity of 15 MGD whose receiving stream is Deer Creek. This Creek is also listed on Oklahoma's 303(d) list of impaired waterbodies for Escherichia coli, turbidity, chlorpyrifos, and enterococcus.

The Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds will be used for several projects and studies, including: rehabilitating of the Chisholm Creek Wastewater Treatment Plant (WWTP) to reduce maintenance requirements, conducting two engineering studies related to future construction of a combined wastewater treatment infrastructure in northern and western Oklahoma City, replacing 58,000 linear feet of sewer lines that have a history of failures, overflows, or high maintenance costs, and conducting other sewer line repairs as needed.



The Trust will also utilize the funds to refinance a loan and for a construction project to increase the capacity of the Atoka Dam spillway and to replace the existing chute. The spillway project will also replace additional deteriorated infrastructure while helping the receiving stream, North Boggy Creek, with sediment and erosion. The Oklahoma Conservation Commission issued an opinion that they believe that the structural renovations to the Atoka Dam will improve the water quality downstream and within Atoka Lake, and are acceptable conservation practices in the Nonpoint Source Management Program.

PORUM PUBLIC WORKS AUTHORITY

ORF-18-00016-CW

BINDING COMMITMENT

Approval: \$496,117

Approval Date: 11/1/2017

ASSISTANCE PROVIDED

Loan Amount: \$496,117

Funded Date: 11/30/2017

Percent Complete as of 6/30/2018: 0%

Additional Subsidization: \$307,140

GPR: N/A

Estimated Savings: \$390,000



The Porum Public Works Authority (Authority) located in Muskogee County currently serves 282 sewer customers. The town's population according to the 2010 US Census was 727.

The Authority operates a lagoon system Wastewater Treatment Plant (WWTP) which includes four cells: two primary and two secondary, with a designed daily flow of 0.08 million gallons per day (MGD). The receiving stream is Porum Creek to South Fork of Dirty Creek. The South Fork of Dirty Creek is listed on Oklahoma's 303(d) list of impaired waterbodies for enterococcus, dissolved oxygen, and sulfates.

The Authority will use the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds to correct for inflow and infiltration (I&I). Currently the system is comprised of mostly clay piping with brick and concrete manholes and is in poor condition. By removing and replacing the clay sewer line with PVC, replacing 20 manholes, and conducting surface repairs, the Authority will remedy their I&I issues and reduce operational costs. Additionally, an environmental improvement will be recognized by minimizing storm water inflow through sewer line and manhole replacement reducing unintended flows to the wastewater treatment plant.



SAPULPA MUNICIPAL AUTHORITY

ORF-18-0020-CW

BINDING COMMITMENT

Approval: \$7,850,000 Approval Date: 5/15/2018

ASSISTANCE PROVIDED

Loan Amount: \$7,850,000 Funded Date: 6/22/2018

Percent Complete as of 6/30/2018: 0% Additional Subsidization: N/A

GPR: N/A Estimated Savings: \$374,000

The Sapulpa Municipal Authority (Authority) located in Creek County currently serves 6,683 sewer customers. According to the 2010 US Census the population was 20,501.

The City of Sapulpa uses a Sequential Batch Reactor (SBR) and ultraviolet light disinfection of the effluent at its Regional Wastewater Treatment Plant with a present average daily flow of 3.5 million gallons per day (MGD). The receive stream of the WWTP is Polecat Creek, which is listed on Oklahoma's 303(d) list of impaired waterbodies for macroinvertebrate bio and enterococcus.

The Authority will use the funds to construct gravity sewer lines, to build a lift station and force main, to install sewer pipeline inspection components and to perform upgrades on the wastewater treatment plant which will enable the full utilization of the plant's treatment capacity. These plant upgrades will help to extend the design life of the equipment and allow the plant to continue to meet effluent discharge permit limits while providing reliable service for community residents and businesses in the area.



TULSA METROPOLITAN UTILITY AUTHORITY

ORF-18-0001-CW

BINDING COMMITMENT

Approval: \$14,350,000 Approval Date: 6/19/2018

ASSISTANCE PROVIDED

Loan Amount: \$14,350,000 Funded Date: 6/26/2018

Percent Complete as of 6/30/2018: 0% Additional Subsidization: N/A

GPR: N/A Estimated Savings: \$1,118,000

Tulsa Metropolitan Utility Authority (Authority) located in Tulsa County currently serves 144,200 sewer customers. According to the 2010 US Census the population was 391,906.

The City of Tulsa operates several Wastewater Treatment Plants (WWTP). Two of these are addressed by this Oklahoma Clean Water State Revolving Fund (CWSRF) loan: Tulsa Southside WWTP and the Regional Metropolitan Utility Authority (RMUA) Haikey Creek WWTP. The Southside WWTP is an activated sludge plant which has a design average daily flow of 42 million gallons per day (MGD). The RMUA Haikey Creek WWTP is an oxidation ditch plan with a designed average daily flow of 16 MGD. The Arkansas River is the receiving stream for both plants and is listed on Oklahoma's 303(d) list of impaired waterbodies for turbidity and enterococcus.

The Authority requested CWSRF proceeds for the engineering and construction of three (3) projects in their FY2018 Capital Improvement Plan. Project one is for modifications of the 71st Street Drying Bed, and will reduce maintenance costs, improve bio-solids handling capacity, and improve safety for operations staff. Project two is improvements on their Activated Sludge Diffused Aeration, and is needed to meet OPDES discharge permit requirements due to reduced reliability of the existing aeration system. Project three is a Grit Facility Rehabilitation, and is needed due to the poor condition of the existing grit removal structures and equipment.

TULSA METROPOLITAN
UTILITIES AUTHORITY



WELEETKA PUBLIC WORKS AUTHORITY

ORF-18-0012-CW

BINDING COMMITMENT

Approval: \$82,500 Approval Date: 11/1/2017

ASSISTANCE PROVIDED

Loan Amount: \$82,500 Funded Date: 11/3/2017

Percent Complete as of 6/30/2018: 27.61% Additional Subsidization: \$82,500

GPR: N/A Estimated Savings: \$87,000

The Weleetka Public Works Authority (Authority) located in Okfuskee County currently serves 347 sewer customers, and according to the 2010 US Census had a population of 998.

The City operates a lagoon flow through Wastewater Treatment Plant (WWTP) with a designed average daily flow of 0.144 million gallons per day (MGD). The receiving stream is Alabama Creek which is listed on Oklahoma's 303(d) list of impaired waterbodies for enterococcus and chloride.

The Authority will use the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds for a Sanitary Sewer Evaluation Study (SSES) and the design of collection lines and lift station improvements. The collection system has been identified as a major source of inflow and infiltration (I&I), which increases the unintended flows to the wastewater treatment facility and being discharged into Alabama Creek, a tributary of the North Canadian River.

The project will be funded with 100% principal forgiveness through the CWSRF additional subsidization.



WILBURTON PUBLIC WORKS AUTHORITY

ORF-18-0010-CW

BINDING COMMITMENT

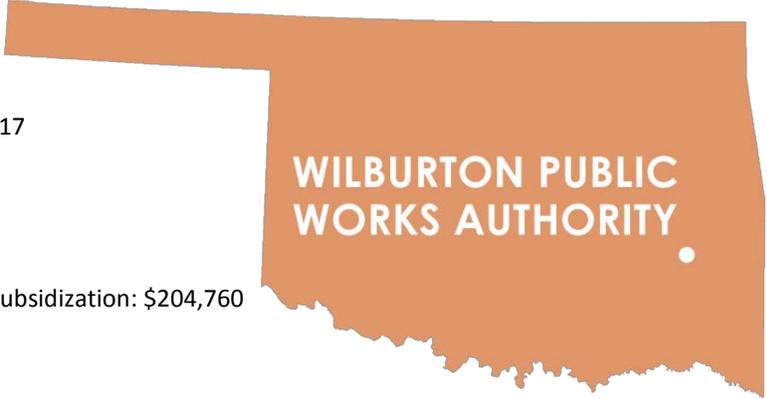
Approval: \$204,760 Approval Date: 12/19/2017

ASSISTANCE PROVIDED

Loan Amount: \$204,760 Funded Date: 6/20/2018

Percent Complete as of 6/30/2018: 0% Additional Subsidization: \$204,760

GPR: N/A Estimated Savings: \$233,000



WILBURTON PUBLIC
WORKS AUTHORITY



The Wilburton Public Works Authority (Authority) located in Latimer County currently serves 1,023 sewer customers. The 2010 US Census reports a population of 2,840.

The city operates an aerated lagoon Wastewater Treatment Plan which has a design average daily flow of 1.5 million gallons per day (MGD). The plant's receiving body is Bandy Creek which is listed on Oklahoma's 303(d) list of impaired waterbodies where water quality and habitat are not

adequately supporting fish communities. This project will prevent further degradation to the already impaired creek. The City was issued a Consent Order by the Oklahoma Department of Environmental Quality (DEQ) for biochemical oxygen demand (BOD) exceeding permit limit, pH, coliform, operational violations, discharge without a permit, construction violations and reporting violations.

The Authority will utilize the Oklahoma Clean Water State Revolving Fund (CWSRF) proceeds to make lift station improvements, replace approximately 3,450 linear feet of PVC sewer line, replace thirteen manholes, repair approximately 200 linear feet of surface, and rehabilitate the Northwest Lift Station by replacing the pumps. This project will reduce operating costs, reduce the effluent sent to the wastewater treatment plant, and improve the Authority's inflow and infiltration issues from heavy rain events which can also cause system failure. This project specifically addresses the tasks of the Consent Order.

The CWSRF loan for this project is 100% principal forgiveness through additional subsidization.



PROGRAMMATIC HEADLINES

OVERARCHING APPROPRIATIONS AND PROGRAMMATIC REQUIREMENTS

Oklahoma's Capitalization Grant was awarded on August 22, 2017 and included FFY 2017 Appropriations conditions. With the acceptance of the award, OWRB agreed to comply with all requirements pertaining to the Consolidated Appropriations Act, 2017 as listed in the Grant Agreement.

The Water Resources Reform and Development Act of 2014 (WRRDA) was signed into law by President Obama on June 10, 2014 and became effective on October 1, 2014. WRRDA provided changes to Titles I, II, V, and VI of the Federal Water Pollution Control Act and, in essence, reauthorized the CWSRF Program. Some of the more significant changes to the CWSRF Program resulting from the reauthorization included: land purchase necessary for construction now being an eligible cost for wastewater infrastructure; up to a 30-year loan term for qualified projects/applicants; a fiscal sustainability plan required for infrastructure repaired or replaced as well as American Iron and Steel (AIS) and prevailing wage provisions becoming permanent requirements of the CWSRF Program.

The following WRRDA requirements became effective in SFY 2015:

- Davis Bacon §602(b)(6)
- NEPA §602(b)(6)
- Generally Accepted Accounting Principles §602(b)(9)
- Use of Fees §602(b)(11)
- Expanded Eligibilities §603(c)
- Loan Terms Up to 30 Years §603(d)(1)(A)&(B)
- Fiscal Sustainability Plans §603(d)(1)(E)
- Administrative Costs §603(d)(7)
- American Iron and Steel §608
- Definition of 212 Projects §212(2)(A)

This Annual Report documents the OWRB's compliance and implementation with both the Appropriations Act and WRRDA as well as highlights projects which were funded between July 1, 2017 and June 30, 2018.

OPERATING AGREEMENT

The Operating Agreement (OA) between the State of Oklahoma and EPA incorporates required assurances, certifications and specific requirements related to the appropriate use of funds under the CWSRF. The purpose of the OA is to define and integrate rules, regulations, guidelines, policies, procedures and activities to be followed by the EPA and OWRB. In order to incorporate the new WRRDA requirements, a revised OA became effective on January 1, 2015.

TABLE 2: OKLAHOMA CWSRF SUSTAINABILITY

This table indicates how projects funded satisfy the intent of the EPA's Sustainability Policy.

RECIPIENT	PROJECT NUMBER	PROJECT TITLE	FUNDED AMOUNT ¹	SUSTAINABILITY CRITERIA MET ²
Bixby PWA	ORF-14-0003-CW	Automatic Meter Reading	\$24,000,000	1,2,3
Altus MA	ORF-14-0007-CW	WWTP improvements and water and electric Automated Meter Readers	\$11,000,000	1,2,3
Choctaw UA	ORF-15-0007-CWA	Improvements to WWTP	\$1,425,000	1,3
Oklahoma City WUT	ORF-17-0017-CW ORF-17-0017-CWA	Atoka Lake Dam rehab, WWTP improvements, Study of constructing a combined WWTP, City wide sewer line replacement	\$53,250,000	1,2,3
Oklahoma City WUT	ORF 17-0017-CWB	Refinance	\$15,550,000	2
Tulsa MUA	ORF-18-0001-CW	Sanitary Sewer and WWTP Improvements	\$14,350,000	1,2,3
Calumet PWA	ORF-18-0006-CW	Planning and Design for Sewer Improvements	\$102,500	2,3
Wilburton PWA	ORF-18-0010-CW	Sewer Line and Manhole Improvements	\$204,760	1,2,3
Weleetka PWA	ORF-18-0012-CW	Planning and Design for Sewer Improvements	\$82,500	2,3
Inola PWA	ORF-18-0013-CW	Planning and Design for Sewer Improvements	\$161,250	2,3
Coalgate PWA	ORF-18-0014-CW	Planning and Design for Sewer Improvements	\$213,050	2,3
Porum PWA	ORF-18-0016-CW	Sewer Line and Manhole Improvements	\$496,117	1,2
Broken Arrow MA	ORF-18-0018-CW	Automatic Meter Reading	\$2,100,000	1,2,3
Canton PWA	ORF-18-0019-CW	New Lift Station and Force Main	\$370,000	1,2
Sapulpa MA	ORF-18-0020-CW	Sanitary Sewer and WWTP Improvements	\$7,850,000	1,2,3
Lawton WA	ORF-18-0021-CW	Sanitary Sewer System Rehabilitation	\$12,705,000	1,2

¹Final Amount on the Promissory Note.

² Criteria are as follows: 1 = Repair, replacement and upgrade of infrastructure in existing communities 2 = Investigations, studies or plans to improve technical managerial or financial capacity. 3 = Preliminary planning and projects that reflect life cycle costs, conservation of natural resources, alternative approaches.

DEVELOPING SYSTEM SUSTAINABILITY AND RESILIENCY

The EPA's Clean Water and Drinking Water Infrastructure Sustainability Policy stresses the need to continue working with states and water systems to promote sustainable water infrastructure. EPA efforts in the area of sustainability practices and approaches include promoting green infrastructure, repurposing byproducts rather than creating waste, developing stormwater management systems, and supporting the sustainable design of communities. Sustainable design employs robust, comprehensive planning processes to deliver projects that are cost effective over their life cycle, resource efficient, and consistent with community sustainability goals.

Oklahoma's CWSRF Program encourages system sustainability through a series of procedures and requirements. This begins with the ranking and reviewing of projects to give preference points that include green infrastructure. Once the project was slated for possible funding, OWRB engineers worked closely with design engineers to ensure that all possible energy and water use efficiency options and technology were considered in the design. In 2016, OWRB worked with other Funding Agency Coordinating Team (FACT) members to finalize the guides and checklists for preparing Engineering Reports for both water and wastewater projects. Included in the guides are different aspects of sustainability such as water and energy efficiency considerations, and cost effectiveness analysis of all alternatives considered.

In 2016 the OWRB finalized its online Oklahoma Advantages Assessment & Scoring for Infrastructure Solutions (OASIS) interface to bring sustainability ideas to both new and current applicants or entities that are considering the construction of a new project. The OASIS tool explores the benefits of these sustainability alternatives through a series of simple background questions that can be easily answered by the user. Several presentations on the use of OASIS interface were given throughout the state of Oklahoma during the last year to introduce the tool to the entities and provide training.

Sustainability policy and goals were also addressed in the Wastewater Planning Guide (Guide) and Fiscal Sustainability Plan (FSP) released in July 2015. The Guide and FSP encourage systems to consider designing facilities that will be sustainable well into the future and can assist in fulfilling the new CWA requirements for asset management and system planning. The OWRB has given several presentations at various conferences regarding the use of the Guide and FSP. The OWRB has also teamed up with the Oklahoma Rural Water Association to provide long range planning to water and wastewater systems utilizing guides to promote and encourage sustainability.

To better serve our communities, a contract between Oklahoma Rural Water Association (ORWA) and OWRB is targeting more of a holistic approach by focusing on long range planning and sustainability. During SFY 2018 the ORWA and ORWB provided training for 5 sustainability workshops where communities were instructed on how to fill out FSPs and plan for risk and asset management. The contract also provided one on one assistance to communities with finding areas of improvement and implementing corrective action necessary to creating a sustainable system. There were 2 communities that were assisted in SFY 2018, Inola PWA and Lincoln County Rural Water and Sewer District #4. The items addressed include, but are not limited to:

- Rate analysis and setting of sustainable rate structures;
- Coordinating with ODEQ on system water audits and leak detection;
- Assist with writing policies and/or Procedures;
- Sanitary sewer evaluation surveys and Smoke Testing; and
- Mapping water/sewer infrastructure.

RURAL WATER & SEWER DISTRICT #4
LINCOLN COUNTY, OKLAHOMA
P. O. BOX 178
AGRA, OK 74824
918-375-2625 - FAX# 918-375-2225
email: lcrwsd@cotc.net

To Whom It May Concern:

On behalf of Rural Water & Sewer District #4, Lincoln County, I would like to express our gratitude to the Oklahoma Water Resources Board as well as other agencies that are working together for the benefit of our district and other districts in Oklahoma.

The leadership of these agencies providing a plan to assist public water supply systems, like ours, to address and develop plans to meet our individual, current and long term needs is truly an essential need for our continued success.

Through this ground breaking positive partnership our district has received assistance in a rate analysis, water loss audit, mapping, system sustainability planning (still in progress) along with positive and encouraging feedback. We now have a five year plan in place for improvements and currently looking for funding to complete and upgrade needed areas of our system.

I cannot express my appreciation as a manager for the invaluable help I have received from these agencies. I have seen and felt their dedication, compassion, knowledge, leadership and excitement as they continue to lead our strategic planning and preparation for the ever changing circumstances to keep us organized and financially stable.

Sincerely,



Tawanna Chapman
District Manager

RESILIENCY

Resiliency of water and wastewater systems in Oklahoma can best be attained through cooperation and connection between systems for redundancy and increased capacity. While such activities are more common in the water than in the wastewater sector, where feasible, it will be strongly encouraged by the OWRB. The OCWP further addresses climate change by providing new 2030 and 2060 demand projections for both the Municipal and Industrial sector and the Crop Irrigation sector, based on a "Hot and Dry" scenario, and a "Warm and Wet" scenario. Both scenarios have shown a significant increase in demand. The OCWP Executive Report summarizes that: "Impacts on surface water gaps are expected to be most significant under the "Hot and Dry" scenario and are anticipated to increase in severity. Federal, state, and local water planners should continue to monitor climate change science in light of these potential impacts on Oklahoma's supplies and demand."

Additionally, the Drought Tool for Oklahoma is an outline of drought management concepts and options with an exhaustive set of links to valuable resources available to entities and planners. www.owrb.ok.gov/drought/index

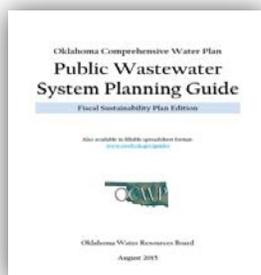
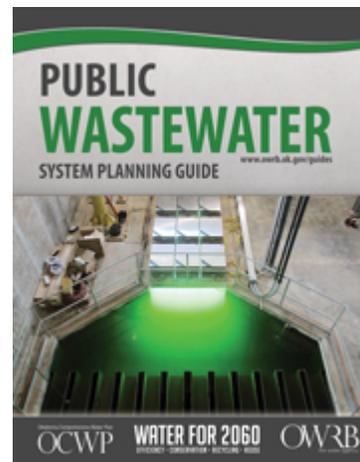
PUBLIC WASTEWATER PLANNING GUIDE

Wastewater system planning decisions are local and can vary greatly by system. Since 2015, the OWRB has been presenting the Guide as a way to assist public wastewater utilities in developing plans to meet their long-term needs. The Guide is an easy-to-use printed document with companion online fillable forms and spreadsheets designed to assist entities in developing detailed strategies to meet both their short-term and long-term wastewater infrastructure needs. This allows entities to think about a more resilient, sustainable, and efficient design capable of meeting its long-term goals.

The Guide may be most useful for smaller utilities who have not prepared Capital Improvement Plan (CIP) in the past. However, the steps and processes outlined are applicable to all wastewater systems, regardless of their capacity and size. The Guide walks the user through the process of understanding what infrastructure it has in place, what its needs are, and the options it has in order to meet those needs using a question and answer format. The planning process involves several steps, including gathering data, identifying goals and objectives of the organization, developing and accessing alternatives to meet those goals, and outlining methods to implement the selected alternatives.

Planning also includes periodic reassessment to account for any changes in conditions, goals, or objectives. The Guide also provides resources to additional information that may be valuable in the planning process. The intent of the Guide is not to provide a single solution that fits every system, but to provide a framework for collecting data that is necessary for long-term wastewater system planning.

The Guide, which can be found online at www.owrb.ok.gov/guides, includes color coded sections and tables for use with FSPs.



FISCAL SUSTAINABILITY PLANS (FSP) – §603(D)(1)(E)

As amended, the CWA now includes section 603(d)(1)(E) which states that an FSP will be developed and implemented for proposed “repair, replacement, or expansion,...” of existing treatment works. Per EPA guidance, FSPs are required for projects who submitted a programmatic application on or after October 1, 2014. Programmatic Application is defined in the Oklahoma Administrative Code (OAC) in Section 785:50-9-9 as “the application that is required prior to being placed on the Project Priority List.”

The FSP includes, at a minimum:

- An inventory of critical assets (Section 4 of the Guide, Asset Management: Inventory Development, System Operation and Maintenance);
- An evaluation of the condition and performance of those assets (Sections 4 & 5, Wastewater System Administration, of the Guide);
- Documentation that the system has evaluated and will be implementing water and energy conservation efforts; and

- A plan to maintain, repair and replace the treatment works over time and a plan to fund these activities (Section 8 of the Guide).

With new guidance in place, sustainability is intended to take a front seat in the design and development phase using the entity's own FSP. An FSP is not initially required to describe an entire system, but rather be a dynamic plan of sustainability that describes the project being funded in logical sections. As new projects come online, their respective FSPs should be added to any earlier FSPs that may exist and describe how it fits into the larger system context. The OWRB encourages that entities take a look at developing a system-wide FSP (fundable by the CWSRF) or at least doing so in stages as subsequent projects come online.

It is not the intention that all projects heretofore require an FSP. As explained in EPA's January 6, 2015 Memorandum regarding its WRRDA Interpretive Guidance footnote 5, page 12:

"FSPs are not required for new treatment works (unless they are physically replacing an existing treatment works or expanding the treatment capacity of an existing system) or for projects involving an upgrade that does not involve repair/replacement or expand the treatment capacity (e.g., adding advanced treatment)."

Hence, systems that are determined by the OWRB to meet the above description will not be asked to prepare or certify that they have an FSP. The OWRB will, however, continue to encourage the use of such plans in all new projects as a valuable tool for both maintaining their existing treatment works as well as establishing a better long-term system and planning for the funds that make it possible.

For assistance recipients who submitted a programmatic application on or after October 1, 2014, as part of their loan agreement, they certified with their loan agreement that they either:

- Have a plan that fulfills the requirements of the FSP. Additional certification will be received with the final reimbursement request that documents that their plan was updated to include the CWSRF funded infrastructure; or
- Will develop an FSP as part of the CWSRF project. The OWRB will review the FSP prior to the final reimbursement request on site using the OWRB's FSP Checklist.

ONLINE BENEFITS ASSESSMENT PROGRAM FOR WASTEWATER

The OASIS program was designed to help communities quantify the environmental, social, and economic benefits of their wastewater infrastructure investment. The information included in the resulting output statements can help community leaders make well-informed decisions regarding the types of projects that will best meet their community's short- and long-term goals. The current application was developed and made available to communities at www.owrb.ok.gov/oasis. In SFY 2018, OWRB integrated the Programmatic Application, ranking and the Project Priority List (PPL) to OASIS. This allows a paperless way for us to do conduct business, for our borrowers to apply on-line, and an automated process for staff to rank and prepare the PPL.

EXPANDED ELIGIBILITIES §603(c)

With the passage of WRRDA, projects eligible for consideration for funding expanded and were promoted during marketing sessions conducted by OWRB staff.

Oklahoma's CWSRF Program eligibilities include the following types of projects:

- Construction of publicly owned treatment works (POTW); as defined by FWPCA Section 212 (2)(A)(B), which now includes land necessary for construction;
- Implementation of a nonpoint source (NPS) management program;
- Development and implementation of a conservation and management plan under CWA Section 320;
- Construction, repair or replacement of decentralized wastewater systems that treat municipal wastewater;
- Measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water;
- Measures to reduce the demand for POTW capacity through water conservation, efficiency or reuse;
- Development and implementation of watershed projects consistent with Section 122 of the CWA. Eligible projects include watershed management of wet weather discharges, stormwater best management practices (BMPs), watershed partnerships, integrated water resource planning, municipality-wide stormwater management planning or increased resilience of treatment works;
- Reusing or recycling wastewater, stormwater, or subsurface drainage water. Eligible items also include the purchase and installation of treatment equipment sufficient to meet reuse standards;
- Measures to reduce the energy consumption needs for POTW; and
- Measures to increase the security of publicly owned treatment works.

INTEREST RATES AND FINANCING TERM 603(D)(1)(A)&(B)

The interest rate on each loan reflects the current rate of approximately 60% of Municipal Market Daily (mmd) AAA scale spot rates through maturity plus 40 to 76 basis points depending on the duration of the loan. The interest rate is calculated approximately 10 days prior to loan closing.

CWSRF loans have a maximum term of 30 years or the anticipated weighted average life expectancy of the project components being financed, whichever is less. The worksheet that the OWRB uses to determine the Weighted Average Useful Life of project components can be found online at www.owrb.ok.gov/forms.

AFFORDABILITY

Previously the OWRB used disadvantaged communities, defined as communities with incomes less than 85% of the U.S. median household income, to provide extended 30-year financing. Because extended-term financing is now available to all communities, pending the design life of the project, the OWRB did not use disadvantaged communities in their review. OWRB financial analysts also consider population change, per capita income, and unemployment as part of the affordability criteria in their financial review. Applicants are scored based on a comparison between the borrower's statistics and the state's statistics. OWRB uses the population and affordability criteria to award loan forgiveness.

GREEN PROJECT RESERVE

The FFY 2017 Capitalization Grant Conditions state that “the recipient agrees to make a timely and concerted good faith solicitation for projects that address green infrastructure, water or energy efficiency improvements or other environmentally innovative activities. A good faith solicitation must be open to all GPR eligible projects in each of the four GPR categories... The recipient agrees to include in its IUP such qualified projects, or components of projects, that total an amount at least equal to 10% of its capitalization grant...” As a result, Oklahoma was required to allocate a minimum of \$1,071,200 to projects which met the GPR requirements. Broken Arrow MA, Altus MA, and Bixby PWA were projects that met the GPR requirement and were funded for automatic meter readers and supervisory control and data acquisition system (SCADA) totaling \$8,405,061.98

All projects listed on the SFY 2018 PPL were evaluated by OWRB engineers to determine if the project could be eligible under the GPR. As of June 30, 2018, three (3) of the loans approved in SFY 2018 included green components totaling \$8,405,061.98 (Table 4). Business cases and/or justifications were available for public viewing at www.owrb.ok.gov/greenreserve within the quarter in which the loan was made.

Green components are identified in the Engineering Report. The guidelines have been developed to assist consulting engineers in preparing engineering reports that include for the identification of green components and their associated estimated cost. The GPR components are tracked from the planning phase of the project through design, bidding, and construction. A tracking sheet has been developed to compare the estimated cost of the green components to actual purchased and installation cost. During construction inspections, green components are identified, evaluated and included in the inspection reports. They are reviewed again during the payment approval process.

ADDITIONAL SUBSIDIZATION

With the passage of WRRDA, the Federal Water Pollution Control Act (FWPCA) section 603(i) now includes the authority for a CWSRF Program to provide a certain percentage of its capitalization grant as additional subsidization to a municipality or intermunicipal, interstate, or State agency that meet the requirements of the section. There is no minimum amount of additional subsidization required; however, the maximum allowable is 30 percent depending on the total appropriations received. The total amount available for eligible recipients is no more than \$3,213,200 under section 603(i).

In addition to the additional subsidy that can be used at a state’s discretion as described in WRRDA, the FFY 2017 Capitalization Grant stated that “the recipient agrees to use ten percent of the funds available in the capitalization grant to provide additional subsidy to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants (or any combination of these), which shall be used only where such funds are provided as initial financing for an eligible recipient or to buy, refinance, or restructure the debt obligations of eligible recipients only where such debt was incurred after May 5, 2017.”

For SFY 2018, OWRB awarded 10% of the capitalization grant as subsidy in the form of loan forgiveness. No additional subsidy was awarded under the authority of WRRDA. Loan forgiveness was awarded to projects that focused on construction, planning and design for wastewater infrastructure. The program had six (6) entities that received Loan Forgiveness: Inola PWA, Coalgate PWA, Calumet PWA, Weleetka PWA, Porum PWA, and Wilburton PWA, totaling \$1,071,200 (Table 4). Any other projects that included GPR components were eligible if the targeted projects were not identified.

FFATA REPORTING

Reporting under the Federal Funding Accountability and Transparency Act (FFATA) was completed as required. FFATA reports were submitted monthly to the FFATA Subaward Reporting System as federal funds were drawn. The OWRB reports were based on the actual expenditure of federal funds. The amount reported to FFATA during SFY 2018 totaled \$5,959,066.60.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES 602(B)(9)

CWSRF recipients are required to maintain project accounts in accordance with generally accepted governmental accounting standards. All loan agreements stipulate that the “Borrower shall maintain separate Project accounts in accordance with generally accepted government accounting standards.”

Active borrowers are required to submit financial audits annually to the OWRB. Annual Financial Audits were reviewed to verify that the borrowers maintained the minimum Debt Coverage Ratio required by their loan covenants. The audit’s opinions, findings and notes were also reviewed in an effort to identify risks and concerns regarding the borrowers’ financial and operational situation. Issues were discussed with the borrower or its auditor and resolved as needed. If required, CWSRF borrowers will be notified that a single audit was required. All single audits were reviewed in accordance with the revised Office of Management and Budget Guidance and internal procedures. Information pertaining to federal expenditures passed through our programs was verified for accuracy. Federal expenditure amounts were verified by internal records. Any discrepancies in federal expenditure amounts between the single audits and internal records were resolved through contact with auditors. When necessary, single audits were corrected by the auditors and resubmitted.

NEPA REVIEW §602(B)(6)

All projects requesting funding for treatment works projects from the CWSRF Program were subject to an interdisciplinary environmental review by the OWRB consistent with the National Environmental Policy Act (NEPA) as required by the FWPCA section 511(c)(1). The Oklahoma CWSRF applies a NEPA-like State environmental review process to all treatment works projects seeking funding through the CWSRF Program. Oklahoma’s State Environmental Review Process is memorialized as part of the OWRB’s Chapter 50 Rules and reviewed annually by the EPA.

There are three basic environmental determinations which can apply to treatment works projects funded with the CWSRF. These include Categorical Exclusion (CATEX), Finding of No Significant Impact (FONSI) following the preparation of an Environmental Assessment (EA) or a Record of Decision (ROD) following the preparation of an Environmental Impact Statement (EIS). The Board may also choose to accept determinations made by other federal agencies in lieu of conducting a formal environmental review. In this case, a Statement of Finding would be issued. Eleven (11) environmental determinations were made during SFY 2018 and are listed in Table 5 for each project.

As part of the environmental review, the Oklahoma CWSRF Program required all projects in SFY 2018 to be in compliance with Federal Environmental Cross-Cutting Requirements. The requirements are those provisions in federal law, executive orders, and government-wide policies which apply by their own terms to projects and activities receiving federal financial assistance. Consultants for wastewater projects which anticipated receiving a FONSI were required to send a Request for Comment letter to all cross-cutter agencies, as listed in the Funding Agency Coordinating Team (FACT) Environmental Information Document (EID) Checklist for the preparation of the EID. A response was required from each agency responsible for the cross-cutter, confirming the project would have

no impact. In the case that no response was received, the CWSRF staff made an internal determination and documented that the cross-cutter was not impacted. For projects receiving a CATEX determination, CWSRF staff sent request for comment letters and did internal determinations based on information received from the project owners. Documentation for this determination was included in the CATEX determination.

BENEFITS REPORTING CBR/NIMS

The OWRB complied with reporting requirements regarding the utilization of funds under the SFY 2018 IUP. The major reporting vehicle was the CWSRF Benefits Reporting (CBR) Database. This reporting was done within 30 days of loan closing. Reporting included basic information including additional subsidization, GPR components, general data elements and environmental benefits. For SFY 2018, The National Information Management System (NIMS) reporting was completed in September 2018.

SFY 2018 loans were reported in CBR based on the loan closing amounts and closing dates. These were entered as CBR data field “Initial Agreement.” CBR data for SFY 2018 loans were digitally uploaded into NIMS. Loan amounts reported in the SFY 2018 Annual Report, however, are based on the Letter of Binding Commitment (Board Approval) amount and date (Table 1). Binding Commitment amounts are occasionally greater than the final “loan closing” amounts as they are generally made prior to the bidding and subsequent loan closing process.

A total of \$143,860,177 of “assistance” (amount for OWRB “closed loans”) minus this year’s de-obligations of \$177,515.59 gave an amount that was reported to NIMS for the SFY 2018 of \$143,682,661.41.

DISADVANTAGED BUSINESS ENTERPRISE

To ensure compliance with the OWRB’s Capitalization Grant and the EPA’s Disadvantaged Business Enterprise (DBE) requirements, the OWRB has established a DBE program in accordance with the regulations of 40 CFR Part 33. Both Loan Recipients (Project Owners) and Prime Contractors are required to implement DBE Guidance (ORF-267) found at www.owrb.ok.gov/forms. The OWRB submits a “Minority Business Enterprise (MBE) / Women Business Enterprise Utilization under Federal Grants, Cooperative Agreements” report (EPA Form 5700-52A) annually to the EPA. The OWRB reported \$1,344,008.00 procured to MBEs and \$13,500.00 to WBEs for the FFY 2017 Capitalization Grant.

DAVIS BACON §602(B)(6)

The FWPCA reauthorized under WRRDA section 602(b)(6) permanently applies the prevailing wage Davis-Bacon (DB) provision of the FWPCA section 513 to any projects for treatment works that are funded by a CWSRF. Consistent with EPA’s prior implementation of this provision, application of the Davis-Bacon Act requirements extend not only to assistance agreements funded with capitalization grants, but to all CWSRF-funded projects involving the construction of treatment works regardless of the source of the funding (e.g., prior years’ appropriations, statematch, bond proceeds, interest earnings, principal repayments, etc.). Any project that is considered a “treatment work” as defined in the FWPCA section 212, now incorporated in FWPCA Section 502(26), must comply with the FWPCA 513, regardless of which eligibility it is funded under. The DB requirements were included in the required information to bidders as part of the Supplemental Conditions (ORF-185) and posted on OWRB’s website at www.owrb.ok.gov/forms.

For every project for which DB regulations applied, OWRB staff verified that appropriate wage rates were being utilized, and that the wage rates and DB posters were posted at the job site where it could be seen by all. Additionally, OWRB staff received certifications from borrowers or their designees that payroll reports were

reviewed on a weekly basis and are accurate, and conducted interviews with workers on site to ensure compliance with all DB requirements.

AMERICAN IRON AND STEEL §608

Beginning with the FFY 2014 Appropriation, WRRDA further codified the requirement that funds made available from a CWSRF may not be used for a project for the construction, alteration, maintenance, or repair of treatment works unless all of the iron and steel products used in the project are produced in the United States. The term “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, construction materials.

The AIS requirements were included in the required information to bidders as part of the Supplemental Conditions (ORF-185) posted on the OWRB’s website at www.owrb.ok.gov/forms and also in the advertisement information and other front end documents for loans approved in SFY 2018. All materials that fall under the AIS requirements are inspected and checked to ensure that they are made in the USA, and have the manufacturer’s certifications. Materials that qualify for de minimus waiver are tracked to ensure that they do not exceed five percent of the total material cost. Any deviations from the AIS requirements are noted in the inspection report.

LOAN CONDITIONS

The loan documents are reviewed annually to ensure that they adhere to the necessary state and federal regulations. This includes updating language that is appropriate for each new Capitalization Grant condition.

TABLE 3: PROGRAMMATIC APPLICATION DATES AND REQUIREMENTS

RECIPIENT	PROJECT NUMBER	PROGRAMMATIC APPLICATION DATE	BINDING COMMITMENT DATE	FUNDED DATE	AIS	FSP (Y/N)	NEPA	GPR*	AD SUB*	DB
Bixby Public Works Authority	ORF-14-0003-CW	4/29/2014	9/19/2017	9/28/2017	Y	N	NR	Y	N	Y
Calumet Public Works Authority	ORF-18-0006-CW	7/17/2017	9/19/2017	9/22/2017	NR	N	NR	N	Y	NR
Inola Public Works Authority	ORF-18-0013-CW	7/26/2017	9/19/2017	9/22/2017	NR	N	NR	N	Y	NR
Altus Municipal Authority	ORF-14-0007-CW	4/29/2014	11/3/2017	11/3/2017	Y	N	Y	Y	N	Y
Weleetka Public Works Authority	ORF-18-0012-CW	7/24/2017	11/1/2017	11/3/2017	NR	N	NR	N	Y	NR
Coalgate Utilities Authority	ORF-18-0014-CW	7/27/2017	11/3/2017	11/3/2017	NR	N	NR	N	Y	NR
Porum Public Works Authority	ORF-18-0016-CW	8/7/2017	11/1/2017	11/30/2017	NR	N	NR	N	Y	NR
Choctaw Utilities Authority	ORF-15-0007-CWA	9/25/2017	11/1/2017	11/7/2017	Y	N	Y	N	N	Y
Oklahoma City Water Utilities Trust	ORF-17-0017-CW	12/20/2016	12/19/2017	12/19/2017	Y	Y	Y	N	N	Y
Wilburton Public Works Authority	ORF-18-0010-CW	7/20/2017	12/19/2017	6/20/2018	Y	Y	NR	N	Y	Y
Broken Arrow Municipal Authority	ORF-18-0018-CW	8/21/2017	12/19/2017	1/11/2018	NR	NR	NR	Y	N	N
Oklahoma City Water Utilities Trust	ORF-17-0017-CWA	12/20/2016	12/19/2017	12/19/2017	Y	Y	Y	N	N	Y
Oklahoma City Water Utilities Trust**	ORF-17-0017-CWB	12/20/2016	12/19/2017	12/19/2017	N	N	N	N	N	N
Canton Public Works Authority	ORF-18-0019-CW	2/20/2018	1/4/2018	3/9/2018	Y	Y	Y	N	N	Y
Sapulpa Municipal Authority	ORF-18-0020-CW	3/19/2018	5/15/2018	6/22/2018	Y	Y	Y	N	N	Y
Tulsa Metropolitan Utility Authority	ORF-18-0001-CW	3/10/2014	6/19/2018	6/26/2018	Y	N	Y	N	N	Y
Lawton Water Authority	ORF-18-0021-CW	4/9/2018	6/19/2018	6/25/2018	Y	Y	Y	N	N	Y

*Funds were from the FFY 2017 Appropriations

**Refinance

NR=Non-Treatment Works (examples AMRs, Non-Point Source, Engineering Study, etc.)

TABLE 4: GREEN PROJECT RESERVE AND SUBSIDIZATION FOR SFY 2018

RECIPIENT	SMALL COMMUNITY < 3,300	APPROPRIATION YEAR	ASSISTANCE AMOUNT	GREEN AMOUNT	LOAN FORGIVENESS	PROJECT DESCRIPTION	GREEN CATEGORY
Broken Arrow Municipal Authority	No	2017	\$2,100,000.00	\$2,100,000.00	\$0.00	Automatic Meter Reading System (AMR)	WE
Altus Municipal Authority	No	2017	\$11,000,000.00	\$3,464,267.48	\$0.00	Automatic Meter Reading System (AMR)	WE
Bixby Public Works Authority	No	2017	\$24,000,000.00	\$2,840,794.50	\$0.00	Automatic Meter Reading System (AMR) and a SCADA System	WE, EE
TOTAL				\$8,405,061.98			
SUBSIDIZATION FOR SFY 2018							
Porum Public Works Authority	Yes	2017	\$496,117.00	N/A	\$307,140.00	Remove and Replace Sewer Lines and Manholes	N/A
Coalgate Public Works Authority	Yes	2017	\$213,050.00	N/A	\$213,050.00	Planning and Design/Sanitary Sewer Evaluation Services	N/A
Inola Public Works Authority	Yes	2017	\$161,250.00	N/A	\$161,250.00	I/I Study and Engineering Report	N/A
Weleetka Public Works Authority	Yes	2017	\$82,500.00	N/A	\$82,500.00	Planning and Design/Sanitary Sewer Evaluation Services	N/A
Calumet Public Works Authority	Yes	2017	\$102,500.00	N/A	\$102,500.00	Planning and Design for Sanitary Sewer Improvements	N/A
Wilburton Public Works Authority	Yes	2017	\$204,760.00	N/A	\$204,760.00	Improvements to Sewer Lines and Manholes	N/A
TOTAL					\$1,071,200.00		

WE = Water Efficiency EE = Energy Efficiency

TABLE 5: ENVIRONMENTAL DETERMINATIONS ISSUED WITHIN SFY 2018

RECIPIENT	LOAN NUMBER	ENFORCEMENT SCHEDULE ORDER	DECISION TYPE	DATE
Altus MA	ORF-14-0007-CW	Yes	CE	9/28/2017
Oklahoma City WUT	ORF-17-0017-CW	No	CE	4/24/2018
Oklahoma City WUT	ORF-17-0017-CWA	No	CE	4/24/2018
Canton PWA	ORF-18-0019-CW	No	CE	2/16/2018
Sapulpa MA	ORF-18-0020-CW	No	CE	5/15/2018
Tulsa MUA	ORF-18-0001-CW	No	CE	6/21/2017
Wilburton PWA	ORF-18-0010-CW	Yes	CE	11/9/2017
Porum PWA	ORF-18-0016-CW	No	CE	10/24/2017
Muskogee MA	ORF-17-0019-CW	Yes	CE	8/7/2017
Grand Lake PWA	ORF-17-0018-CW	No	CE	10/3/2017
Lawton WA	ORF-18-0021-CW	Yes	CE	6/14/2018

CE = Categorical Exclusion

2018 IUP ACCOMPLISHMENTS

After the SFY 2018 IUP was published, the PPL was revised three times for the addition of new projects, adjustments to the loan award dates, revisions to construction assistance amounts, updates to GPR amounts as well as subsidy amounts.

REVISION I – SEPTEMBER 19, 2017

ADDITION/REMOVAL OF NEW PROJECTS

Inola PWA, Coalgate PWA, Calumet PWA, Weleetka PWA, Porum PWA, Wilburton PWA, Haileyville PWA, Carney PWA, Broken Arrow MA, Big Cabin PWA submitted loan requests to be considered for funding during SFY 2018.

Jay PWA requested to be removed from the funding list in SFY 2018

REVISION II – OCTOBER 27, 2017

ADDITION OF NEW PROJECTS

Choctaw PWA and Guthrie PWA submitted loan requests to be considered for funding during SFY 2018.

REVISION III – DECEMBER 18, 2017

ADDITION OF NEW PROJECTS

Oklahoma City WUT submitted a loan request to be considered for funding during SFY 2018.

REVISION IV – FEBRUARY 7, 2018

ADDITION OF NEW PROJECTS

Canton PWA submitted a loan request to be considered for funding during SFY 2018.

REVISION V – MAY 15, 2018

ADDITION OF NEW PROJECTS

Lawton MA and Sapulpa PWA submitted loan requests to be considered for funding during SFY 2018.

OTHER CHANGES

Several entities with projects listed on the SFY 2018 CWSRF PPL had ranking changes due to revised project items or construction estimates and/or target project approval dates. The list was revised to reflect these adjustments.

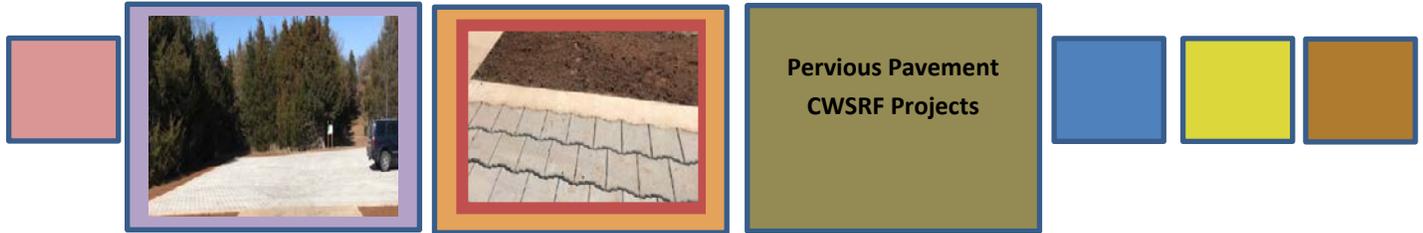
ADDITIONAL REQUIREMENTS

GREEN PROJECT RESERVE

Broken Arrow MA, Altus MA and Bixby PWA projects were identified as including elements that qualified under the GPR. Project descriptions and business cases were available on the OWRB's website at www.owrb.ok.gov/greenreserve at the time of project funding. No additional projects were identified as including elements that qualified under the GPR.

ADDITIONAL SUBSIDY

Wilburton PWA, Calumet PWA, Weleetka PWA, Inola PWA, Coalgate PWA, and Porum PWA projects were eligible to receive additional subsidization under the FFY 2017 Appropriation Provisions. Additional subsidy was available on a first come first serve basis per the SFY 2018 IUP and the project's readiness to proceed.



GOALS AND ACCOMPLISHMENTS

Goals set in the IUP provide a road map for activities conducted throughout the year. The SFY 2018 IUP included eleven (11) short-term and ten (10) long-term goals for the year.

SHORT-TERM GOALS AND ACCOMPLISHMENTS

PROVIDE FINANCING TO ASSIST BORROWERS IN ELIMINATING WATER POLLUTION PROBLEMS THROUGH THE BEST AVAILABLE TECHNOLOGIES TO IMPROVE WATER QUALITY IN THE STATE'S WATERS.

Once constructed, all funded projects will contribute to the long-term elimination of pollution to surface and groundwater. As detailed in Table 12, loans were made to nine (9) communities to address a consent order or enforceable schedule. Eleven (11) projects will reduce pollutants from affected stream segments identified as threatened or impaired on the Impaired Waterbodies List, Section 303(d) (Oklahoma's Integrated Water Quality Assessment Report). Twelve (12) projects are located within hydrologic basins where groundwater vulnerability is designated as "Very High" due to contamination from surface sources of pollution as designated in Oklahoma's Water Quality Standards (OWQS) or affecting source water protection areas.

PROVIDE FINANCING TO BORROWERS LISTED IN THIS PLAN THAT ARE UNDER THE NPDES OR OTHER ENFORCEMENT ORDERS TO MEET DEADLINES FOR MUNICIPAL COMPLIANCE IN ACCORDANCE WITH THE CWA.

Eleven (11) of the seventeen (17) projects funded during SFY 2018 were proposed as a result of violations to wastewater discharge permits and/or enforceable order violations detailing a specific short-term compliance schedule. This assistance allows these communities to attain compliance with the enforceable requirements of the CWA and improve or maintain water quality in receiving streams and underlying groundwater. The OWRB continues to initiate immediate contact with municipalities receiving new consent orders to inform and work with them in determining eligibility and to provide funding in accordance with enforcement schedules.

PROACTIVELY COACH OUR BORROWERS, ENGINEERS AND SERVICE PROVIDERS THROUGH OUTREACH, WRITTEN GUIDANCE, AND SITE VISITS ON WAYS TO UTILIZE THE CWSRF OPPORTUNITIES AND MEET PROGRAM REQUIREMENTS, ESPECIALLY HOW TO BEST PLAN FOR SUSTAINABILITY IN THEIR PROJECTS AND THEIR SYSTEM OVERALL.

In SFY 2018, several meetings with applicants and service providers were conducted. The loan analysts visited 47 communities educating them on various CWSRF program requirements and answering any questions they may have on how the OWRB may help them with their system’s needs. In addition, the OWRB and the Oklahoma Rural Water Association (ORWA) teamed up to provide sustainability training at five (5) locations across Oklahoma and began creation of long range plans for two (2) communities. They discussed OWRB’s Water and Wastewater Planning Guides, FSPs, rate structures, asset management, policies and procedures, risk management, on site troubleshooting, overall system sustainability and resiliency. Both online and in print, the OWRB made planning guides and FSPs available to help communities plan for their future.



MARKET THE CWSRF LOAN PROGRAM THROUGH: BOTH PRESENCE AT RELEVANT CONFERENCES; PRESENTATIONS TO TARGETED AUDIENCES REGARDING OWRB FUNDING; PHONE CALLS TO INTRODUCE OUR PROGRAM TO ENTITIES ISSUED AN ENFORCEMENT ORDER; WORKSHOPS AND ONE-ON-ONE TRAININGS; DEVELOPING AND UPDATING APPROPRIATE HANDOUTS FOR PROGRAM INITIATIVES; EMAIL BLASTS EXPLAINING THE PPL PROCESS; SENDING OUT BORROWER SURVEYS; INVITATION TO POTENTIAL BORROWERS TO JOIN ONE OF OKLAHOMA’S QUARTERLY FACT MEETINGS; AND HOSTING A FOCUS GROUP.

For all of SFY 2018 there were 5 sustainability workshops; per our contract, OWRA had 187 technical assistance hours for on-site visits ; 20 conferences where we attended and/or presented; 2 emails were sent for projects for the SFY 2018 PPL; 1 SRF Focus Group was held; and 9 communities attended the FACT meetings. To help market the SRFs, the Financial Assistance Division hired a fulltime marketing & outreach officer in January of 2018. One of the strategies implemented by the officer was the use of Gov Delivery. This is an email based subscription management system that allows a member of the public to subscribe for news and information on specific topics from the OWRB. Program enhancements to OASIS allowed for a paperless approach for submission by Oklahoma Districts and Authorities to SFY 2019’s PPL within our SFY 2018. This implementation required several training opportunities for instruction on how to navigate through changes.

CREATE STRATEGIES AND FINANCE IMPLEMENTATION OF THE WATER FOR 2060 INITIATIVE BY ENCOURAGING NONPOINT SOURCE, STORMWATER, GREEN INFRASTRUCTURE, WATER/ENERGY CONSERVATION AND WATER REUSE PROJECTS.

The Oklahoma CWSRF Program team consults with sister state agencies periodically during the year to identify potentially eligible CWSRF projects. The CWSRF's ability to fund these types of projects is at the forefront of our presentations to systems and service providers. In SFY 2018, four (4) projects were approved for nonpoint source, water efficiency and energy efficiency that met these initiatives.



PROVIDE 25% OF ALL CWSRF LOANS, AS SYSTEM INTEREST IS RECEIVED, TO COMMUNITIES WITH A POPULATION OF LESS THAN 10,000.

In SFY 2018, approximately forty one percent (41%) of binding commitments (seven of seventeen) for long-term, low-interest loans were made to Oklahoma's communities with populations under 10,000, for a total amount of approximately \$1.6 million. This total is below the Program's goal and the CWSRF is anticipated to continue providing below-market rate loans to help ensure project affordability and environmental health protection for small communities across Oklahoma.

APPLY FOR THE CAPITALIZATION GRANT WITHIN THE FIRST YEAR APPROPRIATED.

OWRB applied for the FFY 2017 capitalization grant in June of 2017.

GAIN EPA APPROVAL TO RESERVE TRANSFER AUTHORITY IN AN AMOUNT EQUAL TO 33% OF THE DRINKING WATER (DW) SRF CAPITALIZATION GRANT BETWEEN THE DWSRF AND THE CWSRF.

This goal was met as this request was made through both the CWSRF and DWSRF IUPs. Oklahoma has reserved the authority to transfer 33% of the SFY 2003 through 2017 capitalization grants, totaling over \$69 million. Transfers from the CWSRF to the DWSRF were made in SFY 2005 - \$12 million; SFY 2007 - \$4.9 million; SFY 2009 - \$4.3 million; SFY 2010 - \$8.6 million; and SFY 2012 - \$3 million; totaling \$32.9 million. It is anticipated that an additional \$5 million will be available through the FFY 18 DWSRF Capitalization Grant.

PROVIDE THE NECESSARY TRAINING AND EQUIP PERSONNEL WITH THE SKILL SET AND TOOLS NEEDED TO PERFORM TO MEET THE OVERALL GOALS OF THE CWSRF PROGRAM.

The OWRB provided training for employees in SFY 2018 by attending approximately 20 conferences, providing 38 staff trainings for CEUs and 12 webinars over wastewater and job related topics.

ASSIST ENTITIES IN WORKING THROUGH THE RULES AND REGULATIONS, CONTINUING TO MAKE RULE COMPLIANCE AS EASY FOR THE APPLICANTS AS POSSIBLE.

The OWRB worked on simplifying our Financial Assistance Rules making it easier for our borrowers to follow.

MAKE USE OF PROCEEDS FROM REVENUE BONDS TO PROVIDE MATCHING FUNDS FOR ADDITIONAL FEDERAL GRANTS IN ORDER TO HELP ASSIST OKLAHOMA COMMUNITIES AND WATER USERS TO IMPLEMENT EPA GPR PROJECTS TO FULFILL WATER FOR 2060 GOALS.

In SFY 2018, the OWRB met with Oklahoma Department of Transportation, Office of Emergency Management, and other federal grant agencies, to identify projects that would be eligible to use CWSRF revenue bonds.

LONG-TERM GOALS AND ACCOMPLISHMENTS

ASSIST BORROWERS IN COMPLYING WITH THE ENFORCEABLE REQUIREMENTS OF THE CWA TO REACH THE GOAL OF ELIMINATING DISCHARGE OF POLLUTANTS INTO THE STATE'S WATERS.

This goal is accomplished on an ongoing basis. As detailed in the first short-term goal, financial assistance provided through the CWSRF focuses on providing loans to communities with wastewater discharge permit violations and/or consent orders detailing a schedule of compliance. For SFY 2018, nine (9) commitments were made for projects as a result of a state or federal enforceable compliance schedule. CWSRF assistance will contribute to bringing these Oklahoma communities into compliance with the enforceable requirements of the CWA. The OWRB continued to provide technical assistance to communities with projects listed on the SFY 2018 IUP, but were not ready to proceed to loan commitments during the year. Many of the projects not funded in SFY 2018 have been moved to the SFY 2019 IUP and are scheduled to be funded during SFY 2019.

ASSIST IN THE MAINTENANCE, RESTORATION, AND PROTECTION OF BENEFICIAL USES IDENTIFIED IN THE OWQS FOR ALL WATERS OF THE STATE.

This goal is accomplished on an ongoing basis. Loans made during SFY 2018 assist communities by funding the following improvements:

- The elimination of sewage system bypasses that degrade the integrity of surface water by repairing damaged or inoperable components and reducing system infiltration and inflow;
- An increase in system capacity;
- Additional levels of treatment to reduce pollutant loads to effluent-receiving streams; and/or
- Addressing Nonpoint Source pollution.

Loan commitments and subsequent construction directly accomplish this goal by enabling municipalities to discharge water that has been treated to meet both CWA discharge requirements for fishable/swimmable water and the OWQS for surface and groundwater. Increasing levels of treatment prior to discharge into the state's surface waters protects fish and wildlife habitats and enhances recreational uses.

ASSIST THE STATE IN MEETING WATER QUALITY GOALS IDENTIFIED IN THE CONTINUING PLANNING PROCESS AND NPS MANAGEMENT PROGRAM TO REDUCE OR ELIMINATE WATER QUALITY THREATS IN OKLAHOMA'S WATERSHEDS.

This Program goal is achieved on an ongoing basis by funding projects. Of the seventeen (17) projects approved in SFY 2018:

- Seven (7) projects implement aspects of approved water quality plans;
- One (1) project was located in a top ten NPS priority watershed;
- Eleven (11) projects affect 303(d)-listed stream segments; and
- No projects were implemented in a nutrient-limited watershed.

MAINTAIN THE FISCAL INTEGRITY OF THE FUND TO ENSURE IT REMAINS VIABLE AND SELF-PERPETUATING TO MEET THE LONG-RANGE WATER QUALITY NEEDS OF THE STATE WHILE MAINTAINING NET ASSETS EQUAL TO FEDERAL CAPITALIZATION GRANTS AND STATE MATCHING FUNDS.

This goal is being achieved on an ongoing basis through stringent program procedures and financial controls as well as continuous repayment of previously issued loans that provide a renewable source of funding for future loans.

To maintain the fiscal integrity of the CWSRF, the OWRB performs a variety of processes including providing credit reviews and technical assistance to loan recipients, establishing fiscal controls, and maintaining financial accounts within the CWSRF sufficient to minimize financial risk.

The OWRB's credit review of CWSRF applications and the OWRB's procedures for monitoring loan conditions and collecting payments of interest and principal have enhanced the fiscal integrity of the program.

Traditionally, each of these processes has ensured that payments from loan recipients are billed and paid promptly, thus enhancing the fiscal integrity of the CWSRF. To date, the program has maintained a zero default loan repayment record (Table 6). Should a default occur, the cross-collateralization strategy included in the Master Trust Agreement makes CWSRF revenues available to cure any DWSRF bond payment default or reserve fund deficiency, or vice versa. The OWRB also maintains the Capacity Model, which demonstrates perpetuity and is available at www.owrb.ok.gov/audit.

ASSIST COMMUNITIES IN IMPLEMENTING SUSTAINABLE COST AND EFFECTIVE PLANNING ELEMENTS INTO THEIR PROJECTS.

The OASIS Program is a web-based application that will assist communities in making sustainable decisions. This last year we incorporated the Project Priority List (PPL) into OASIS. This allows for our borrowers to make those sustainable decisions and also apply on line for the PPL. Additionally, OWRB's wastewater planning guides have assisted systems with long-term sustainable infrastructure planning. The Guides are available online and in print. A cost curve to compare engineering and inspection fees as a percentage of overall project costs was created in collaboration with other funding agencies that make up FACT. Borrowers are able to use this curve as a negotiation tool to assure pricing is reasonable for professional services.

ASSIST COMMUNITIES INTEGRATING INNOVATIVE WATER CONSERVATION PRACTICES INCLUDING REUSE, RECLAMATION, CONSERVATION INCENTIVES, WATER EFFICIENCY, ENERGY EFFICIENCY, STORMWATER RUNOFF MITIGATION, GREEN INFRASTRUCTURE OR OTHER MEASURES THAT WILL ASSIST OKLAHOMA IN REACHING THE GOALS OUTLINED IN THE WATER FOR 2060 INITIATIVE INTO THEIR PROJECTS.

As part of the OWRB's ongoing outreach, conservation and other Water for 2060 initiatives are continually discussed during field visits and conferences. Some of the projects that were funded in SFY 2018 were for automated meter readers, dam infrastructure improvements, and for engineering studies.

COMPLETE REVENUE BOND ISSUES AS NECESSARY TO PROVIDE MATCHING FUNDS FOR FEDERAL CAPITALIZATION GRANTS AND TO PROVIDE FUNDING IN ORDER TO MEET THE NEEDS OF BORROWERS WITHIN SFY 2018.

A bond issue was not necessary to meet the demands during SFY 2018. There were sufficient funds remaining from the 2015 bond issue proceeds to fulfill all draw requests during SFY 2018. The state matching funds for the 2017 Capitalization Grant were provided from the 2015 bond issue which closed in SFY 2016.

MAINTAIN A MAXIMUM OF TWO (2) CAPITALIZATION GRANTS OPEN AT ANY GIVEN TIME IN ORDER TO ENSURE A LOW LEVEL OF UNLIQUIDATED OBLIGATION OF FEDERAL FUNDS.

The FFY 2017 Capitalization Grant was awarded in August 2017. At that time the FFY 2016 grant was still open. Closeout paperwork for the FFY 2016 grant was submitted July 12, 2018.

Closeout paperwork for the FFY 2017 Capitalization Grant has not been submitted as there is funding that needs to be withdrawn. The listed end date for the FFY 2017 Capitalization Grant is June 30, 2019.

OBTAIN MAXIMUM CAPITALIZATION OF THE FUND FOR THE STATE WHILE GENERATING SUFFICIENT INVESTMENT AND LOAN INTEREST EARNINGS TO RETIRE REVENUE BONDS.

During SFY 2018, \$2,142,400 was provided from 2015 bond issue proceeds to meet the state match requirement for the 2017 Capitalization Grant.

Based on the CWSRF's projected cash flows provided by OWRB Financial Advisor Hilltop Securities, the state match debt was structured to coincide with the repayment of bonds. The intention was for total income to be slightly in excess of debt service to ensure adequate coverage. This schedule and bond sizing provides for required bond repayment while allowing the CWSRF Program sufficient operational capacity for upcoming projects. Additionally, significant cost savings are passed on to CWSRF loan recipients by leveraging federal capitalization grant monies with larger bond issuances, reducing bond issuance costs. Sufficient funds will be generated from interest and investment earnings to retire the balance of the state match bonds by April 1, 2025.

MAXIMIZE BENEFIT OF STATE FUNDING OPPORTUNITIES BY WORKING WITH OTHER FUNDING AGENCIES TO FIND FINANCING PRODUCTS THAT MOST APPROPRIATELY FIT ENTITY NEEDS.

The State is a part of a group named Funding Agency Coordinating Team (FACT). This group consists of federal and state organizations that offer financing to eligible Oklahoma public entities for water and wastewater projects. The purpose of the team was to facilitate the funding process through communication and streamlined application processes. FACT meets quarterly to discuss the status of Oklahoma community water supplies identified in DEQ's enforcement list. In SFY 2018, this team invited 9 communities to sit in this meeting to discuss ways to fund their needs.

TABLE 6: STATEMENT OF SOURCES AND USES OF FUNDS AND AGING SUMMARY

SOURCES	CUMULATIVE TOTAL THROUGH JUNE 30, 2017	JULY 1, 2017 - JUNE 30, 2018	CUMULATIVE TOTAL THROUGH JUNE 30, 2018
Federal Capitalization Grants	\$308,377,600.00	\$10,712,000.00	\$319,089,600.00
ARRA Capitalization Grant	\$31,662,100.00	\$0.00	\$31,662,100.00
State Match - Appropriation/Agency Cash - Committed	\$16,435,380.00	\$0.00	\$16,435,380.00
State Match - Provided from State Match Bond Issues	\$49,653,249.00	\$2,142,400.00	\$51,795,649.00
CWSRF Bond Proceeds	\$451,777,745.00	\$0.00	\$451,777,745.00
Principal Repayments on Assistance Provided	\$516,162,822.00	\$57,274,697.00	\$573,437,519.00
Interest Repayments on Assistance Provided	\$100,309,710.00	\$10,320,076.00	\$110,629,786.00
Investment Earnings	\$77,913,434.00	\$1,930,686.00	\$79,844,120.00
TOTAL SOURCES	\$1,552,292,040.00	\$82,379,859.00	\$1,634,671,899.00

USES			
Loan Assistance Disbursed (Base Program)	\$974,669,389.00	\$60,771,493.00	\$1,035,440,882.00
ARRA Loan Assistance Disbursed	\$30,395,616.00	\$0.00	\$30,395,616.00
Leveraged Bond Debt Service - Principal	\$127,235,000.00	\$18,700,000.00	\$145,935,000.00
Leveraged Bond Debt Service - Interest	\$97,149,032.00	\$11,628,811.00	\$108,777,843.00
Bond Debt Service Reserve	\$25,100,351.00	-\$3,475,119.00	\$21,625,232.00
State Match Bond Debt Service - Principal	\$23,150,000.00	\$810,000.00	\$23,960,000.00
ARRA Administrative	\$1,266,484.00	\$0.00	\$1,266,484.00
Administrative Expenses (Non-ARRA)	\$2,496,721.00	\$0.00	\$2,496,721.00
Transfer to DWSRF Program	\$32,992,182.00	\$0.00	\$32,992,182.00
TOTAL USES	\$1,314,454,775.00	\$88,435,185.00	\$1,402,889,960.00

TOTAL SOURCES OF FUNDS FOR SFY 2018	\$82,379,859.00
LESS TOTAL SFY 2018 EXPENDITURES	-\$88,435,185.00
DIFFERENCE OF SOURCES AND FUNDS	-\$6,055,326.00

AGING SCHEDULE FY 2018

NAME OF LOAN RECIPIENT	-	OVER 30 DAYS
None		\$0

FUND FINANCIAL MANAGEMENT

BINDING COMMITMENTS AND ASSISTANCE ACTIVITY, NIMS

A “binding commitment” as defined by OWRB 785:50 means “legal obligations by the State to the local recipient that define the terms and the timing for assistance under the Clean Water SRF.”

As detailed in Table 1, the Oklahoma CWSRF entered into binding commitments for seventeen (17) SFY 2018 projects, all of which were distributed to §212 sewer construction, §319 nonpoint source management, and water efficiency projects. There were no §320 projects funded this fiscal year. The §212 and §319 activities, including adjustments, totaled \$143.8 million meeting the 120% requirement. Assistance provided reportable to NIMS for SFY 2018 totaled \$143.6 million.

SOURCES, USES AND GUARANTEES OF FUNDS

As shown in Table 6, sources of funds totaled approximately \$82.4 million. Federal funds are drawn as construction is completed and reimbursement requests are submitted. Federal funds are drawn down as quickly as possible using the First In First Out method.

BYPASS PROCEDURES

The OWRB has established bypass procedures within the OWRB Rules which, along with the Integrated Priority Rating System, guides project funding. The bypass procedure states “A project on the fundable portion of the list may be bypassed if it is determined that the project will not be ready to proceed during the funding year. This determination will be made on projects that are unable to meet the schedule established on the priority list. The applicant whose project is affected shall be given written notice that the project is to be bypassed. Projects that have been bypassed may be reinstated on the fundable portion of the list if sufficient funds are available, and the applicant completes the necessary tasks to proceed. Funds which become available due to the utilization of these bypass procedures will be treated in the same manner as additional allotments.” Due to the Program’s capacity, there were no bypassed priority projects in SFY 2018.

FINANCIAL SUSTAINABILITY

The OWRB and Hilltop Securities (formerly First Southwest) have developed the Clean Water SRF capacity model to gauge the long-term health of the SRF. The model is continually monitored throughout each fiscal year to assure that the perpetuity of the CWSRF Program is sustainable. A snapshot of the long-term sustainability of the fund can be found online at www.owrb.ok.gov/audit.

CWSRF PROGRAM COMPLIANCE AND FINANCIAL AUDITS

Arledge & Associates Inc., Certified Public Accountants, were retained to audit SFY 2018 CWSRF financial statements and Program compliance. The Single Audit of the Program, audited financial statements, along with the financial statements of the administrative fund held outside the CWSRF can be found at www.owrb.ok.gov/audit.

INTEREST RATE SUBSIDY

An additional indicator, “Estimated Interest Rate Subsidy” provides a description of the subsidy provided by the CWSRF Program’s AAA rated bonds compared to interest rates available to communities whose local debt would fit into a given credit rating category. The OWRB offers CWSRF loans at an interest rate equal to 60% of the MMD AAA scale spot rates for each year through maturity with 40 to 76 basis points added to compensate for risk. The interest rate is calculated approximately 10 days prior to loan closing and is provided to communities regardless of credit quality. CWSRF interest rates have remained low thanks to the attractive market situation. They have varied between 1.21% and 2.11%.

STATE MATCHING FUNDS

Through SFY 2018, Oklahoma received federal capitalization grant awards totaling over \$350 million matched in previous years by \$63.8 million in state funds. As a part of the Series 2015 Bond Issue, \$6.5 million of the bond proceeds were allocated to cover the 20% match for the 2015, 2016 and 2017 capitalization grants.

Since July 24, 1996 the OWRB has expended available state matching funds prior to expending federal funds for the convenience of accounting for the drawdown of state funds to ensure federal capitalization grant funds are not drawn down prior to state funds, in accordance with federal regulations. These regulations, found in 40 CFR 35.3135, stipulate that, at a minimum, state match funds proportional to the state match share (17% of combined state match and capitalization grant funds) must be expended as federal funds are drawn down. This approach is not intended to alter any relationship, legal or otherwise, that would have existed had the prescribed draw down ratio been followed.

FINANCIAL INDICATORS

In an effort to measure the pace, Oklahoma’s CWSRF Program incorporates “financial indicators” into its annual review. The Financial Indicators table on page 46 presents seven key measures that reflect the different financial objectives of the SRF and provides broad indicators of how the CWSRF is meeting them.

GRANT PAYMENT SCHEDULE

The OWRB is committed to the timely and expeditious use of its Capitalization Grant funds by expending those funds usually within the SFY they are received. The remainder of the funds, set aside for loan forgiveness projects, should be drawn shortly after the beginning of SFY 2019.

FEES §602(B)(12)

Administrative fees are assessed to each participating borrower at the rate of one-half of one percent (0.5%) per annum of the amount of each borrower’s loan balance outstanding. These totaled \$2,424,954 in SFY 2018. Application fee rates totaled \$4,500 for SFY 2018. As required by §602(b)(11), these fees are deposited into the CWSRF administrative account outside of the SRF for operating expenses.

ADMINISTRATIVE COSTS §603(D)(7)

With WRRDA, the methodology of determining funds allowable “for the reasonable costs of administering the fund and conducting activities” has changed.

The OWRB has the option of using one of the following methods:

- An amount equal to 4 percent of all grant awards received by a state CWSRF less any amount that have been used in previous years to cover administrative expenses;
- \$400,000; or
- 1/5 percent of the current valuation of the fund.

As documented in the OWRB's OA, it is beneficial to the OWRB to continue to utilize the 4% of all grant awards received by the state.

CONSTRUCTION STARTS AND INITIATION OF OPERATIONS

The Program saw thirteen (13) projects begin construction within SFY 2018. After subtracting the total of this year's de-obligations of \$177,515.59 from the total Assistance Amount of the 13 loans, a total annual assistance amount of \$113,016,592.41 was reported to NIMS for SFY 2018.

Six (6) projects completed construction and initiated operations within SFY 2018. After subtracting the total of this year's de-obligations of \$176,312.53 plus any change in assistance from the total Assistant Amount of the 6 loans, a total annual assistance amount of \$6,366,484.47 was reported to NIMS for SFY 2018.

TABLE 7: FINANCIAL INDICATORS

FEDERAL RETURN ON INVESTMENT	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
306 *Annual	3840%	196%	337%	384%	569%	644%	324%	570%	533%	1145%
307 *Cumulative	247%	242%	253%	265%	278%	287%	289%	307%	302%	315%

EXECUTED LOANS AS A % OF FUNDS AVAILABLE

308 *Annual	223%	374%	55%	370%	31%	137%	73%	86%	381%	265%
309 *Cumulative	97%	118%	106%	111%	100%	102%	101%	101%	98%	105%

DISBURSEMENTS AS A % OF EXECUTED LOANS

310 *Annual	80%	23%	121%	174%	182%	62%	180%	183%	30%	42%
311 *Cumulative	85%	70%	75%	81%	85%	84%	86%	89%	84%	79%

ADDITIONAL LOANS MADE DUE TO LEVERAGING

312 *Annual	\$26,574,962	\$148,666,847	\$28,878,228	\$43,218,046	\$10,946,356	\$23,584,069	-\$6,683,421	-\$2,202,799	\$79,470,865	\$92,870,093
313 *Cumulative	\$71,623,351	\$220,290,198	\$249,168,426	\$292,386,472	\$303,332,828	\$326,916,897	\$320,233,476	\$318,030,677	\$397,161,369	\$490,031,462
314 *Cumulative Additional Loans as a % of Contributed Capital	28%	74%	74%	87%	87%	90%	85%	81%	99%	118%

SUSTAINABILITY (RETAINED EARNINGS) EXCLUDES SUBSIDY

318 *Annual	\$4,603,656	\$3,698,749	\$3,479,826	\$1,398,069	\$828,929	-\$132,198	\$2,406,234	\$361,550	-\$1,686,758	-\$188,049
319 *Cumulative	\$47,359,393	\$51,058,142	\$54,537,968	\$55,936,037	\$56,764,966	\$56,632,768	\$59,039,002	\$59,400,552	\$57,924,112	\$57,736,063
320 *Cumulative Retained Earnings as a % of Contributed Capital	19%	19%	18%	19%	18%	17%	18%	17%	16%	16%

TABLE 8: LOAN APPLICATION FEES

\$249,999 or less	\$100.00
\$250,000 - \$999,999	\$250.00
\$1,000,000 or more	\$500.00

TABLE 9: HISTORICAL FUNDING SOURCES AS OF JUNE 30, 2018

FISCAL YEAR	FEDERAL CAP GRANT AMOUNT	STATE MATCH AMOUNT	EXPRESS MATCH AMOUNT	BOND ISSUE PROCEEDS	NOTES	LESS 4% ADMINISTRATION FEE	TOTAL AVAILABLE FOR ASSISTANCE
1988	\$9,278,000.00	\$1,855,600.00	\$0.00	\$0.00	(1)	\$371,120.00	\$10,762,480.00
1989	\$7,597,400.00	\$1,519,480.00	\$0.00	\$0.00	(2)	\$303,896.00	\$8,812,984.00
1990	\$7,862,000.00	\$1,572,400.00	\$0.00	\$0.00	(3)	\$314,480.00	\$9,119,920.00
1991	\$16,580,619.00	\$3,316,123.80	\$0.20	\$0.00	(3)	\$663,224.76	\$19,233,518.24
1992	\$15,697,737.00	\$3,139,547.40	\$0.60	\$0.00	(4)	\$627,909.48	\$18,209,375.52
1993	\$15,528,546.00	\$3,105,709.20	-\$0.20	\$0.00	(5)	\$621,141.84	\$18,013,113.16
1994	\$9,632,600.00	\$1,926,520.00	\$0.00	\$0.00	(6)	\$385,304.00	\$11,173,816.00
1995	\$9,951,183.00	\$1,990,236.60	\$0.40	\$0.00	(7)	\$398,047.32	\$11,543,372.68
1996	\$16,300,350.00	\$3,260,070.00	-\$1.00	\$0.00	(7,8)	\$652,014.00	\$18,908,405.00
1997	\$4,986,100.00	\$997,220.00	\$21,450.00	\$0.00	(8)	\$199,444.00	\$5,805,326.00
1998	\$10,879,110.00	\$2,175,822.00	\$8,644.94	\$0.00	(9)	\$435,164.40	\$12,628,412.54
1999	\$10,880,001.00	\$2,176,000.20	\$105,646.80	\$0.00	(10)	\$435,200.04	\$12,726,447.96
2000	\$10,996,702.00	\$2,199,340.40	\$82,990.54	\$0.00	(11)	\$439,868.08	\$12,839,164.86
2001	\$10,746,747.00	\$2,149,349.40	\$677.89	\$0.00	(12)	\$429,869.88	\$12,466,904.41
2002	\$10,770,705.00	\$2,154,141.00	\$0.00	\$26,000,000.00	(12,13)	\$430,828.20	\$38,494,017.80
2003	\$10,700,700.00	\$2,140,140.00	\$0.00	\$127,500,000.00	(14)	\$428,028.00	\$139,912,812.00
2004	\$10,720,400.00	\$2,144,080.00	\$0.00	\$0.00	(14)	\$428,816.00	\$12,435,664.00
2005	\$8,693,800.00	\$1,738,760.00	\$0.00	\$0.00	(14)	\$347,752.00	\$10,084,808.00
2006	\$7,046,300.00	\$1,409,260.00	\$67,760.00	\$0.00	(14)	\$281,852.00	\$8,241,468.00
2007/2008	\$14,087,400.00	\$2,817,480.00	\$0.00	\$0.00	(15)	\$563,496.00	\$16,341,384.00
ARRA	\$31,662,100.00	N/A	\$0.00	\$0.00		\$1,266,484.00	\$30,395,616.00
2009/2010	\$21,914,100.00	\$4,382,820.00	\$0.00	\$93,534,169.20	(15,16)	\$876,564.00	\$118,954,525.20
2011	\$11,930,000.00	\$2,386,000.00	\$0.00	\$0.00	(16)	\$477,200.00	\$13,838,800.00
2012	\$11,419,000.00	\$2,283,800.00	\$0.00	\$100,030,252.74	(16,17)	\$456,760.00	\$113,276,292.74
2013	\$10,786,000.00	\$2,157,200.00	\$0.00	\$0.00	(17)	\$431,440.00	\$12,511,760.00
2014	\$11,328,000.00	\$2,265,600.00	\$0.00	\$0.00	(18)	\$453,120.00	\$13,140,480.00
2015	\$11,269,000.00	\$2,253,800.00	\$0.00	\$114,245,235.87	(19)	\$450,760.00	\$13,072,040.00
2016	\$10,795,000.00	\$2,159,000.00	\$124,800.00	\$0.00	(19)	\$431,800.00	\$12,522,200.00
2017	\$10,712,000.00	\$2,142,400.00	\$0.00	\$0.00	(20)	\$428,480.00	\$12,425,920.00
2018	\$12,967,000.00	\$2,593,400.00	\$0.00	\$0.00	(21)	\$518,680.00	\$15,041,720.00
TOTALS	\$363,718,700.00	\$66,411,320.00	\$411,970.17	\$461,279,405.07		\$14,548,748.00	\$862,230,927.24

NOTES

- 1 FY 1988 state match appropriated by the legislature from the Statewide Water Development Revolving Fund. - 7/30/88, H.B. 1571
- 2 FY 1989 state match appropriated by the legislature from the Statewide Water Development Revolving Fund. - 4/26/89, S.B. 51
- 3 FYs 1990 and 1991 state matches appropriated by the legislature from the Special Cash Fund. - 3/20/91, S.B. 144
- 4 \$2,892,047 of FY 1992 state match appropriated by the legislature from the Constitutional Reserve Fund. - 5/28/93, S.B. 390; \$200,000 in state match provided by Ute settlement - State of New Mexico and \$47,501 in state match provided from OWRB grant account.
- 5 FY 1993 state match appropriated by the legislature from the Constitutional Reserve Fund. - 5/18/94, H.B. 2761
- 6 OWRB issued its \$1,950,000 SRF Program Notes, Series 1994 on October 25, 1994. The Series 1994 Notes were paid from monies in the Debt Service Reserve Fund for the Board's 1985 State Loan Program Bonds.
- 7 OWRB issued its \$4,050,000 CWSRF Revenue Notes, Series 1996 on May 22, 1996. The Series 1996 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans. \$1,990,237 went toward meeting the FY 1995 state match and \$2,018,545 toward the FY 1996 state match.

- 8** OWRB issued its \$2,275,000 CWSRF Revenue Notes, Series 1997 on June 26, 1997. The Series 1997 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans. \$1,241,524 went toward meeting the FY 1996 state match and \$1,018,670 toward the FY 1997 state match.
- 9** OWRB issued its \$2,200,000 CWSRF Revenue Notes, Series 1998 on June 25, 1998. The Series 1998 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans.
- 10** OWRB issued its \$2,300,000 CWSRF Revenue Notes, Series 1999 on February 15, 1999. The Series 1999 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans.
- 11** OWRB issued its \$2,300,000 CWSRF Revenue Notes, Series 2000 on June 22, 2000. The Series 2000 Notes were paid from investment and interest earnings on CWSRF accounts and repayments on the Guymon and Ketchum State Loan Program Bond loans.
- 12** OWRB issued its \$4,345,000 CWSRF Revenue Notes, Series 2001 on April 11, 2001. The Series 2001 Notes were paid from investment and interest earnings on CWSRF accounts. \$2,149,349.40 went toward meeting the FY 2001 state match and \$2,154,141.00 went toward meeting the FY 2002 state match.
- 13** OWRB issued a \$28,890,000 CWSRF Interim Construction Loan Revenue Bonds, Series 2001, on August 15, 2001. The Series 2001 Bonds are to be paid from principal and interest payments made on CWSRF loans made from bond proceeds.
- 14** OWRB issued a \$204,480,000 CWSRF/DWSRF Interim Construction Loan Revenue Bonds, Series 2004, on October 26, 2004. The Series 2004 Bonds are to be paid from principal and interest payments made on CWSRF loans made from bond proceeds. Match for 2003, 2004, 2005, and 2006 with \$67,760 left.
- 15** Reallocation of bond funds from the 2004 Bond Issue to state matching funds - \$3,908,100 for the 2007, 2008 and 2009 cap grants.
- 16** OWRB issued a \$85,000,000 Revenue Bond Issue, Series 2011 on April 13, 2011 with \$6,492,200 for the 2010 and 2011 cap grants and a portion of the 2012 cap grant. \$814,000 for the 2012 state match will be available from the 2011 bond issue the remainder will need to come from another source.
- 17** OWRB issued a \$86,505,000 Revenue Bond Issue, Series 2012B on November 7, 2012 with \$2,047,000 for the remainder of the 2012 cap grant. The state match for the 2013 cap grant was provided with a reallocation of the 2012B bond proceeds of \$1,500,000 and overmatch from 2006 of \$67,760 and overmatch from 2012B Bonds of \$577,200, and \$12,240 from an appropriation from the Water Infrastructure Development Fund.
- 18** Reallocation of bond funds from the 2012B Bond Issue to state matching funds.
- 19** OWRB issued a \$100,620,000 Revenue Bond Issue, Series 2015 on December 17, 2015 with \$4,537,600 for the 2015 and 2016 cap grants leaving a \$124,800 overmatch.
- 20** Will be provided by reallocation of bond funds from the 2015 CWSRF Bond Issue.
- 21** Proposed Reallocation of bond funds from the 2015 Bond Issue to state matching funds – was taken to September 2018 Board Meeting for approval.

TABLE 10: SUMMARY OF ADMINISTRATIVE ACCOUNTS

CAP GRANT NO. CS40	CAP GRANT FUNDS	4% SET-ASIDE AMOUNT	STATE ADMIN YEAR	EXPENDED FROM 4% SET-ASIDE	BANKED 4% SET-ASIDE BALANCE CUMULATIVE	RECEIVED IN OUTSIDE ACCOUNT**	EXPENDED FROM OUTSIDE ACCOUNT	EXPENDED FROM OUTSIDE ACCOUNT/BUMP	OUTSIDE ACCT** BALANCE CUMULATIVE
0001-89-0	88	\$371,120.00	1990	\$267,260.20	\$103,859.80	\$0.00	\$0.00		\$0.00
0001-89-1	89	\$303,896.00	1991	\$317,222.55	\$90,533.25	\$6,645.85	\$0.00		\$6,645.85
0001-90-0	90	\$314,480.00	1992	\$304,224.90	\$100,788.35	\$61,038.10	\$4,845.78		\$62,838.17
0001-91-0	91	\$663,224.76	1993	\$338,973.80	\$425,039.31	\$135,268.39	\$19,201.38		\$178,905.18
0001-92-0	92	\$627,909.48	1994	\$412,302.79	\$640,646.00	\$172,677.21	\$91,539.01		\$260,043.38
0001-93-0	93	\$621,141.84	1995	\$36,317.36	\$1,225,470.48	\$198,427.36	\$374,450.40		\$84,020.34
0001-94-0	94	\$385,304.00	1996	\$370,594.21	\$1,240,180.27	\$204,594.86	\$217,803.20		\$70,812.00
0001-95-0	95	\$398,047.32	1997	\$376,309.00	\$1,261,918.59	\$110,168.75	\$81,189.13		\$99,791.62
0001-96-0	96	\$652,014.00	1998	\$283,979.00	\$1,629,953.59	\$338,310.69	\$311,939.84		\$126,162.47
0001-97-0	97	\$199,444.00	1999	\$0.00	\$1,829,397.59	\$377,880.55	\$378,995.72		\$125,047.30
0001-98-0	98	\$435,164.40	2000	\$0.00	\$2,264,561.99	\$491,889.36	\$449,188.42		\$167,748.24
0001-99-0	99	\$435,200.04	2001	\$220,545.42	\$2,479,216.61	\$601,236.58	\$507,070.09	\$1,857.93	\$260,056.80
0001-100-0	2000	\$439,868.08	2002	\$144,193.71	\$2,774,890.98	\$610,366.39	\$707,864.29	\$26,075.53	\$136,483.37
0001-101-0	2001	\$429,869.88	2003	\$128,364.98	\$3,076,395.88	\$721,147.29	\$615,566.98	\$43,131.32	\$198,932.36
40000202	2002	\$430,828.20	2004	N/A	\$3,507,224.08	\$793,865.98	\$678,699.06	\$3,935.22	\$310,164.06
40000204	2003	\$428,028.00	2005	N/A	\$3,935,252.08	\$843,271.10	\$745,075.59	\$0.00	\$408,359.57
40000205	2004	\$428,028.00	2006	N/A	\$4,363,280.08	\$874,416.19	\$778,732.54	\$0.00	\$504,043.22
40000206	2005	\$347,752.00	2007	\$61,048.30	\$4,649,983.78	\$977,081.00	\$696,811.00	\$0.00	\$784,313.22
40000207	2006	\$281,852.00	2008	\$31,751.26	\$4,900,084.52	\$959,796.00	\$875,374.00	\$0.00	\$868,735.22
40000208	2007/2008	\$563,496.00	2009	\$127,823.28	\$5,335,757.24	\$1,019,751.00	\$1,193,883.00	\$0.00	\$694,603.22
2W-96688501	ARRA	\$1,266,484.00	2010	\$742,626.65	\$5,859,614.59	\$1,179,759.31	\$1,178,736.04	\$0.00	\$695,626.49
40000210	2009/2010	\$876,564.00	2011	\$255,064.13	\$6,481,114.46	\$1,002,432.46	\$1,206,749.42	\$0.00	\$491,309.53
40000211	2011	\$477,200.00	2012	\$80,572.58	\$6,877,741.88	\$1,757,659.00	\$1,053,387.11	\$0.00	\$1,195,581.42
40000212	2012	\$456,760.00	2013	N/A	\$7,334,501.88	\$2,049,551.00	\$1,376,583.00	\$0.00	\$1,868,549.42
40000213	2013	\$431,440.00	2014	N/A	\$7,765,941.88	\$2,276,819.00	\$1,955,991.00	\$0.00	\$2,189,377.42
4000214	2014	\$453,120.00	2015	N/A	\$8,219,061.88	\$2,252,743.00	\$2,051,801.00	\$0.00	\$2,390,319.42
4000215	2015	\$450,760.00	2016	N/A	\$8,669,821.88	\$2,332,320.30	\$2,052,563.81	\$0.00	\$2,670,075.91
4000215	2016	\$431,800.00	2017	N/A	\$9,101,621.88	\$2,466,908.00	\$1,717,624.00	\$0.00	\$3,419,359.91
400216	2017	\$428,480.00	2018		\$9,530,101.88	\$2,497,638.55	\$1,737,419.81	\$0.00	\$4,179,578.65
TOTAL	N/A	\$14,029,276.00	N/A	\$4,499,174.12	\$9,530,101.88	\$27,313,663.27	\$23,059,084.62	\$75,000.00	\$4,179,578.65
AVAILABLE ADMINISTRATIVE FUNDS					\$9,530,101.88				\$4,179,578.65
TOTAL OF ALL AVAILABLE ADMINISTRATIVE FUNDS									\$13,709,680.53

**The outside account revenue is generated from a 0.5% annual administrative fee on all outstanding loans.

TABLE 11: ACTUAL FEDERAL DISBURSEMENTS FOR SFY 2018

	QTR 1	QTR 2	QTR 3	QTR 4	TOTALS (QTR 1-4)
Scheduled	\$10,712	\$0.00	\$0.00	\$0.00	\$10,712
Actual Federal SRF Program Totals (in Millions)	\$5,309	\$107	\$84	\$459	\$5,959

PROGRAM INITIATIVES AND RULE CHANGES

DOCUMENT MANAGEMENT SYSTEM

The OWRB continued its efforts to streamline operations by implementing a document management system for the Financial Assistance Division's documents. Program staff utilized the document management system daily to view and process documents. The repository contributes to better records management by improving staff efficiency and providing greater records integrity. The system allows faster access to files by multiple people simultaneously and increases staff productivity by decreasing time required for retrieving files and finding misplaced files. Other advantages to document imaging include reducing risk by providing backup to critical and essential paper documents and reducing physical storage space. ShareBase has helped with the storage issue. It is an online cloud base sharing system to allow better file sharing between us and our clients.

Our systems are integrated with the division's loan servicing software, Infrastructure Financing Software (IFS), to provide staff convenient access to loan documents. IFS has the added benefit of loan data and tracking as well as creating custom reports and standard for instantaneous data retrieval. Development of automated reports necessary for many CWSRF reporting requirements continued in SFY 2018 expediting CBR/NIMS reporting as well as this Annual Report.

GOALS FOR FUTURE INTENDED USE PLANS

To provide for better management and greater flexibility of the CWSRF, as well as the DWSRF, the OWRB again requested EPA approval to reserve the right to transfer funds, of up to 33% of the DWSRF capitalization grant, between the two programs. However, no transfer was necessary for SFY 2018.

No changes in the loan interest rate subsidy are anticipated, however, the OWRB is currently utilizing an independent financial advisor to review all OWRB lending programs and identify the strategy's long term impact on the health of the fund, along with the financial aspects of the loan application and loan monitoring processes.

RULE CHANGES

The following rule changes related to the CWSRF Program were approved by the OWRB on February 27, 2018 and ratified by the Legislature and Governor. They became effective on September 11, 2018.

The OWRB made great changes in deleting redundancy in the environmental and engineering sections while making the rules easier for potential borrowers and service providers. Rules were also updated to reflect current processes and procedures. Some language in sections 785:50-1, 5, 9, and 11 are proposed to update and correct language to reflect current procedure. The intended effect is to make the rules more cohesive and grammatically correct. And in certain sections of 785:50-5, 9, 10 and 11 are proposed to update, remove and correct language. The intended effect is to clarify and make the language easily understood for applicants while complying with Federal and State Law.

A complete list of OWRB Financial Assistance Administrative Rules can be found on the Secretary of State's website at www.oar.state.ok.us. An unofficial version can be found on the OWRB website at www.owrb.ok.gov/rules. Oklahoma state statutes can be found at www.oscn.net.

The Financial Assistance Division complies with all applicable state statutes, federal laws, and administrative codes.

ENVIRONMENTAL BENEFIT AND PERFORMANCE

The CWSRF Program continues to provide affordable financing to communities, achieving its ultimate purpose of protecting public health and the environment while helping the State work towards meeting the “fishable/swimmable” goals of the CWA. Oklahoma’s integrated priority rating system prioritizes projects based upon multiple environmental benefit metrics to ensure that CWSRF funds are most effectively used, to provide a standardized intra-agency method for benefit comparison and reporting. Further, these metrics provide reference data that can be used to fulfill the OWRB’s reporting requirements in accordance with Environmental Results Assistance Agreement Order No. 5700.7.

Table 12 summarizes the environmental benefits addressed by each project. Nine (9) of the seventeen (17) projects approved for funding during SFY 2018 were proposed as a result of a documented public health threat and/or NPDES discharge permit violation and assist borrowers to come into permit compliance. Eleven (11) of the seventeen (17) projects reduced pollutants from affected stream segments identified as threatened or impaired in Oklahoma’s Integrated Water Quality Assessment Report (303(d) listing). Additionally, twelve (12) projects lie within hydrologic basins where groundwater is considered highly vulnerable, within or affecting a source water protection area, watershed designated as nutrient-limited, or upstream of waters with recreational or of ecological significance.

TABLE 12: PROJECTED ENVIRONMENTAL BENEFITS FOR PROJECTS FUNDED WITHIN SFY 2018

PROJECT	Inola PWA	Calumet PWA	Bixby PWA	Altus MA	Weleetka PWA
Project Number	ORF-18-0013-CW	ORF-18-0006-CW	ORF-14-0003-CW	ORF-14-0007-CW	ORF-18-0012-CW
Binding Commitment Year	2018	2018	2017	2018	2018
Population	1,824	600	22,480	19,716	975
Total Assistance Provided	\$161,250	\$102,500	\$24,000,000	\$11,000,000	\$82,500
Waterbody name	Pea Creek	Six Mile Creek	Arkansas River	Un Trib to Stinking Creek	Alabama Creek
Affected Waterbody I.D.	OK121500020100_00	OK520530000110_00	OK120420010010_00	OK311500010055_00	OK520500010200_00

PROJECT TYPE FACTOR

Consent Order or Enforceable NPDES Permit Schedule	X		X	X	
Eliminate or reduce documented health threat or NPDES violation within watershed that is a water supply			X	X	
Eliminate or reduce documented health threat or NPDES violation	X				
All other projects sustaining or reducing current degree of treatment, increasing capacity, reliability, or efficiency, reclaim/reuse water, or reduce documented water quality threat		X		X	X

WATER QUALITY RESTORATION FACTOR

Affects 303d listed stream	X		X		X
NPS Priority Watershed		X			
Project implements water quality plan	X		X	X	

WATER QUALITY PROTECTION FACTOR

APPENDIX A WATER	Outstanding Resource Water				
	High Quality Water				
	Sensitive Water Supply				
	Scenic River				
	Nutrient-limited watershed				
	Cultural Significance				
APPENDIX B WATER	Waters with recreational and/or ecological significance				
	Source water protection area				
GROUNDWATER VULNERABILITY	Low	X		X	
	Moderate				
	High				
	Very High		X	X	X

Coalgate PWA	Porum PWA	Choctaw PWA	Wilburton PWA	Oklahoma City WUT	Oklahoma City WUT	Oklahoma City WUT
ORF-18-0014-CW	ORF-18-0016-CW	ORF-15-0007-CWA	ORF-18-0010-CW	ORF-17-0017-CW	ORF-17-0017-CWA	ORF-17-0017-CWB
2018	2018	2018	2018	2018	2018	2018
1,849	660	11,619	2,765	639,163	639,163	639,163
\$213,050	\$496,117	\$1,425,000	\$204,760	\$37,700,000	\$15,550,000	\$15,550,000
Un Trib to Brier Creek	East Porum Creek	Choctaw Creek	Un Trib to Brandy Creek	N. Canadian River	N. Canadian River	N. Canadian River
OK410400050585_00	OK120400020060_00	OK520520000030_00	OK220100040090_00	OK520520000010_10	OK520520000010_10	OK520520000010_10

X		X	X			
		X	X			
	X	X		X	X	X

		X		X	X	X
			X			
X	X					

X	X		X			
	X	X		X	X	X

TABLE 12: CONTINUED

PROJECT	Canton PWA	Sapulpa MA	Lawton WA	Tulsa MUA	Broken Arrow MA
Project Number	ORF-18-0019CW	ORF-18-0020-CW	ORF-18-0021-CW	ORF-18-0001-CW	ORF-18-0018-CW
Binding Commitment Year	2018	2018	2018	2018	2018
Population	604	20,546	94,563	395,599	101,917
Total Assistance Provided	\$370,000	\$7,850,000	\$12,705,000	\$14,350,000	\$2,100,000
Waterbody name	Minnehaha Creek	Polecat Creek	Ninemile Creek	Arkansas River/Bird Creek	Arkansas River
Affected Waterbody I.D.	OK520530000190_00	OK120420020050_00	OK311300020030_00	OK120420010010_00 OK121300010010_00	OK120410010080_00

PROJECT TYPE FACTOR

Consent Order or Enforceable NPDES Permit Schedule			X	X	X
Eliminate or reduce documented health threat or NPDES violation within watershed that is a water supply				X	
Eliminate or reduce documented health threat or NPDES violation			X		
All other projects sustaining or reducing current degree of treatment, increasing capacity, reliability, or efficiency, reclaim/reuse water, or reduce documented water quality threat	X	X		X	X

WATER QUALITY RESTORATION FACTOR

Affects 303d listed stream	X	X		X	X
NPS Priority Watershed					
Project implements water quality plan			X	X	

WATER QUALITY PROTECTION FACTOR

APPENDIX A WATER	Outstanding Resource Water				
	High Quality Water				
	Sensitive Water Supply				
	Scenic River				
	Nutrient-limited watershed				
	Cultural Significance				
APPENDIX B WATER	Waters with recreational and/or ecological significance				
	Source water protection area				
GROUNDWATER VULNERABILITY	Low		X	X	X
	Moderate			X	
	High				
	Very High	X			X

THE FUTURE OF OKLAHOMA'S WASTEWATER INFRASTRUCTURE

As a result of the widespread need for water pollution control infrastructure financing, and efforts by the OWRB to implement a “lower than market rate” loan program, the OWRB has received a positive response from communities across the state requesting their projects be added to the five-year CWSRF PPL. For SFY 2019 twenty nine (29) communities have made requests for thirty (30) wastewater construction, water conservation, and planning and design projects totaling over \$124.2 million. The demand through 2023 totals over \$305.5 million. This number is likely low, as historically the number of projects identified on the CWSRF PPL target for future years underestimates the actual project demand due to the uncertainty of future construction schedules, the issuance of new enforcement or administrative orders, etc. The OCWP documents over \$12.5 billion in wastewater construction needs through the year 2020.

The OWRB’s Financial Assistance Division has funded Oklahoma water and wastewater infrastructure projects for over 30 years. We look forward to working with our partners to develop solutions in order to help communities address their infrastructure needs for this generation and generations to come!

Figure 3: OWRB’s 5 YEAR CWSRF PPL (SFY 2019-2023)

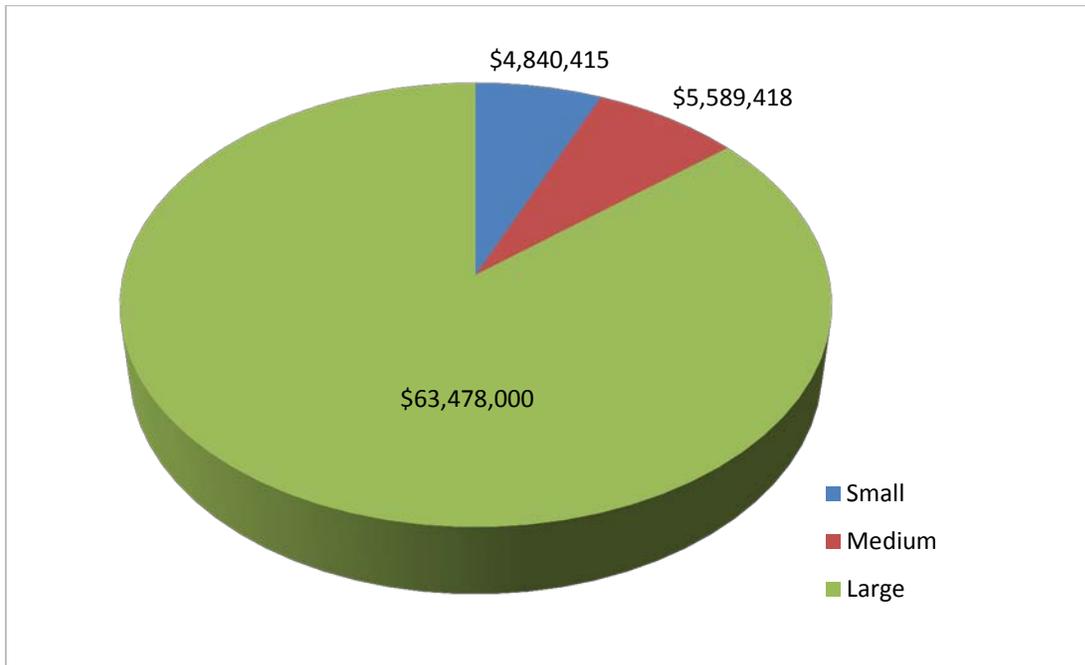
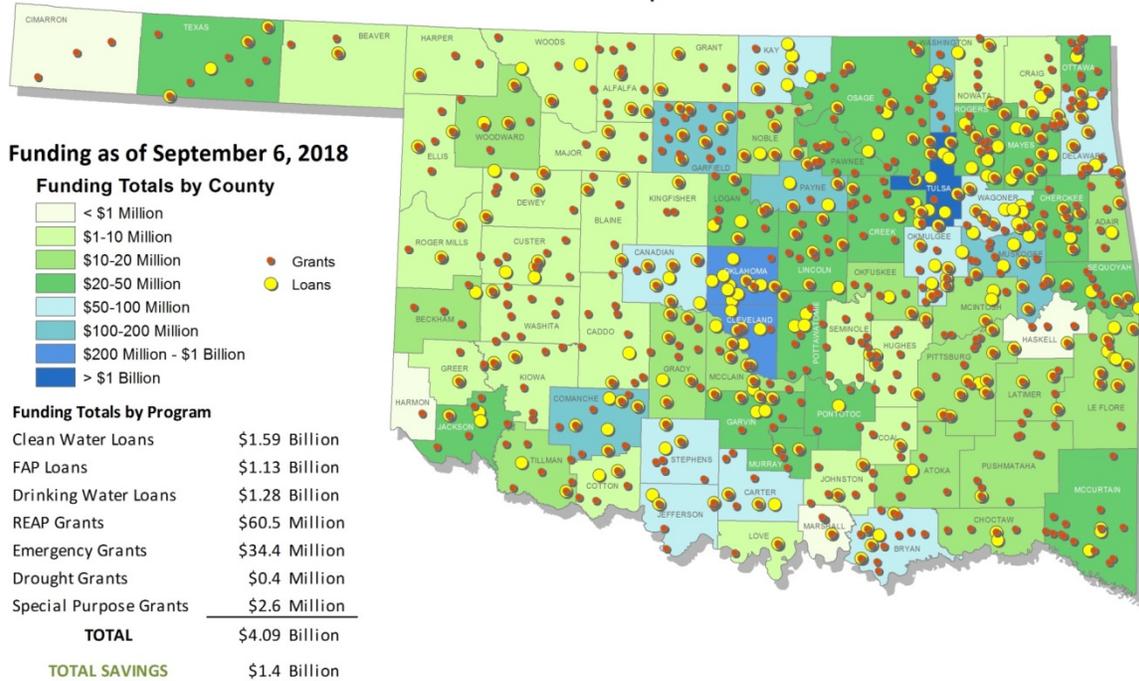


FIGURE 4: LOAN AND GRANT RECIPIENT STATUS MAP

**Financial Assistance Program
Loan and Grant Recipient Status**



LIST OF ACRONYMS

AIS	American Iron and Steel
CATEX	Categorical Exclusion
CBR	CWSRF Benefits Reporting
CIP	Capital Improvement Plan
CWA	Clean Water Act
CWSRF	Clean Water State Revolving Fund
DA	Development Authority
DB	Davis Bacon (Act)
DWSRF	Drinking Water State Revolving Fund
EA	Environmental Assessment
EID	Environmental Information Document
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
FAD	Financial Assistance Division
FACT	Funding Agency Coordinating Team
FFATA	Federal Funding Accountability and Transparency Act
FFY	Federal Fiscal Year
FONSI	Finding of No Significant Impact
FSP	Fiscal Sustainability Plan
GIS	Geographic Information Systems
GPR	Green Project Reserve
Guide	Public Wastewater System Planning Guide
IFS	Infrastructure Financing Software
IUP	Intended Use Plan
MA	Municipal Authority
MMD	Municipal Market Daily
MS4	Municipal Separate Storm Sewer System
NEPA	National Environmental Policy Act
NIMS	National Information Management System
NOI	Notice of Intent
NPDES	National Pollutant Discharge Elimination System
OA	Operating Agreement
OASIS	Oklahoma Advantages Assessment & Scoring for Infrastructure Solutions
OCWP	Oklahoma Comprehensive Water Plan
ODEQ	Oklahoma Department of Environmental Quality
PUA	Public Utilities Authority
PWA	Public Works Authority
PPL	Project Priority List
ROD	Record of Decision
SFY	State Fiscal Year
SOF	Statement of Finding
SOP	Standard Operating Procedures
SERP	State Environmental Review Process
WRRDA	Water Resources Reform and Development Act
WUT	Water Utilities Trust

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Acknowledgements

The Financial Assistance Division would like to thank our SFY 2018 assistance recipients, as well as past recipients, for helping to make Oklahoma's Clean Water State Revolving Fund Program a success.

We would also like to thank our staff for their hard work over the last year. The program would not be the success that it is without them!