

Strategic Use Of



Funding



SFY2021 Annual Report |



OKLAHOMA
Water Resources Board

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FINANCIAL ASSISTANCE DIVISION

**Customer Focused
And Service Aware**



Top Row (left to right) - Rowynn Ricks, Hernan Fernandez, Jerri Hargis, Alpha Thapa, Charles de Coune, Andy Allen, Laura Oak, Sara Senyondo, Lindy Clay

Middle Row (left to right) – Hinda Al Fatlawi, Donna Bitsche, Tonya White

Bottom Row (left to right) – Kate Burum, Claire Milligan, Paula Mills, Joe Freeman (Division Chief), Lori Johnson (Assistant Division Chief), Claressa Bailey, Sarah Houck, Kelly Jasper



OKLAHOMA

Water Resources Board



As the State's Water Agency since 1957, the OWRB is committed to the goal of ensuring that all Oklahomans have access to clean and plentiful water supplies for drinking, recreation, fish and wildlife protection, and the huge variety of industries that support our state's economy. Throughout the years, this commitment has meant finding solutions for the big issues and challenges, such as drought, flooding, and the increasingly extreme weather events that are creating a "new normal" for management and protection of water supplies.

With the latest update of the Oklahoma Comprehensive Water Plan, we are focused on meeting the challenges of our state's identified \$82 billion water and wastewater infrastructure need through expert analysis of the toughest water issues, including supply limitations, water quality challenges, and replacing the enormous number of aging and deteriorated pipelines and facilities that serve both urban and rural communities across the state. At the same time, we will continue our efforts to meet our Water for 2060 Act goals of using no more fresh water in 2060 than in 2010 by stretching existing water supplies through developing untapped marginal quality waters, utilizing aquifer storage and recovery, and identifying practical conservation, efficiency, and reuse practices in every sector.

The need to modernize our water and wastewater infrastructure has never been more critical, both in terms of traditional projects that focus on delivery and treatment, as well as projects that will protect and preserve supplies for future use, such as stormwater management and water reuse systems. The Clean Water State Revolving Fund (CWSRF) program provides unparalleled financial assistance to communities to ensure the beneficial uses of the state's waters are protected and maintained. Last year, the CWSRF program funded several innovative projects including Oklahoma's first indirect potable reuse project, automatic metering infrastructure for water and gas meters as approved by the state's Nonpoint Source Management Plan, and our first sponsorship program project which included a proposed wetland project to act as a sedimentation basin to prevent sediment loading into a nearby reservoir.

Since 1983, the OWRB's financial assistance programs have continuously provided Oklahoma communities with the means to implement water resources projects at a reduced cost. We look forward to working together with our partners to discover innovative financing solutions to promote the value of water, leverage funding opportunities, and utilize the latest technology for our communities to ensure they have the water they need to grow and prosper.

Sincerely,

Julie Cunningham
Executive Director



OKLAHOMA

Water Resources Board



The Financial Assistance Division of the Oklahoma Water Resources Board (OWRB) is dedicated to assisting communities and rural districts in maintaining water and wastewater facilities. Since 1983, we have provided approximately 65% of all the financing for Oklahoma's water and wastewater infrastructure needs. To date, we have funded over \$5.3 billion in projects with our loan and grant programs which in turn led to savings of over \$1.7 billion for Oklahoma communities and rural districts.

In SFY 2021, the OWRB's Financial Assistance Division (FAD) was a part of two unique loans. The first was a loan for Bartlesville Municipal Authority for indirect potable reuse. The Authority looked at the need for relocating the wastewater discharge for the water treatment plant to use especially during low flow times of the summer. This project will be one of the first undertakings to receive a permit for indirect potable reuse in the State of Oklahoma. The Bureau of Reclamation, City of Bartlesville and OWRB were partners on this project.

The other was a sponsorship project with Shawnee Municipal Authority, Pottawatomie County Development Authority, Natural Resources Conservation Service, Oklahoma Conservation Commission and OWRB. Under this new program, eligible entities can receive an interest rate discount in an amount sufficient to cover a sponsored nonpoint source project. This nonpoint source pollution mitigation project will address the sediment that was collecting in Shawnee's drinking water reservoir, Wes Watkins. By building a wetland with a sedimentation basin, it will trap sediment before entering the lake which reduces lake capacity and increase treatment costs.

We strive to accomplish both sound financing and unparalleled environmental protection in all our loan and grant programs. The Financial Assistance Division is proud of our AAA ratings on all 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 the State Fiscal Year (SFY) 2021, July 1, 2020 through June 30, 2021.

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 2021 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.

EXECUTIVE SUMMARY

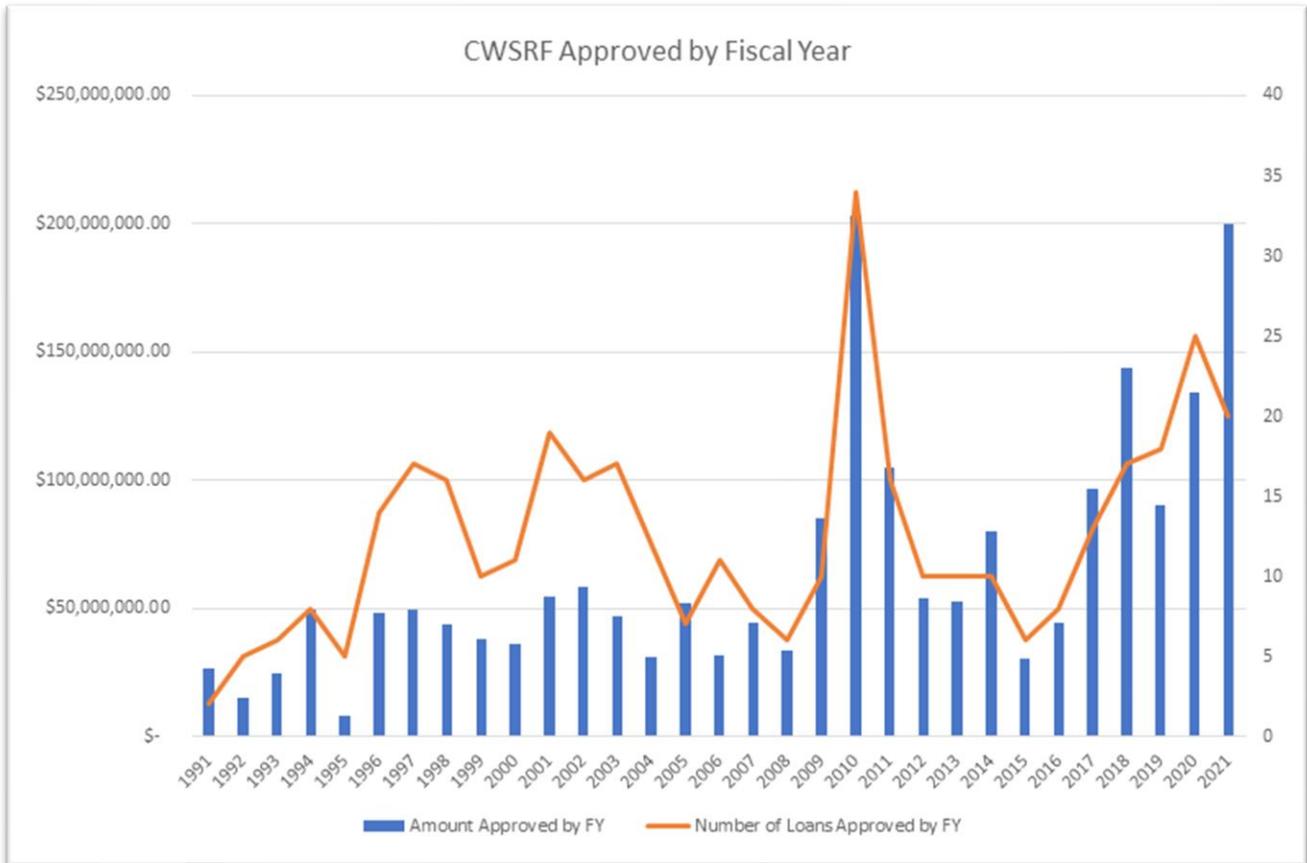
Since 1990, the OWRB's CWSRF Program has approved over \$5.3 billion in wastewater and water quality infrastructure projects throughout the state, historically providing over 65% of Oklahoma's wastewater financing needs. Although enormous progress has been made in addressing Oklahoma's wastewater infrastructure 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.



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

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 \$545.5 million in principal and interest.

In SFY 2021, Oklahoma’s CWSRF committed approximately \$199.9 million in loans for projects listed on the SFY 2021 Project Priority List (PPL).



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 2021, the OWRB conducted thirteen (13) environmental reviews and appropriate determinations were executed and distributed using the EPA-approved State Environmental Review Process (SERP) prior to providing assistance.

The SFY 2021 projects allowed borrowers to cost-effectively:

- Develop an engineering plan and design for infrastructure improvements;
- Rehabilitate aging treatment plants and collection lines;
- Address wastewater reuse;
- Address water loss;
- 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; and
- Aim to improve the quality of priority rivers and lakes identified as threatened or impaired by reducing pollutant loading.

Eighteen (18) Oklahoma entities received binding commitments (Table 1) totaling approximately \$199.8 million for the following activities during SFY 2021:

- Construction of new treatment and collection systems;
- Planning and design;
- Wastewater reuse;
- Nonpoint Source;
- Rehabilitation of existing wastewater facilities and collection systems; and
- Water & energy efficiency projects.

In SFY 2021, Guthrie PWA, Bartlesville MA, East Central Oklahoma WA, Meeker PWA, Broken Arrow MA, Bristow MA, and Guymon UA, Hinton PWA, Oklahoma City WUT, Shawnee MA addressed the EPA’s Green Project Reserve (GPR) initiative via the incorporation of water efficient devices, energy efficiency components, and green infrastructure.

East Central Oklahoma WA, Meeker PWA, Copan PWA, Porter PWA, Westville UA, Eufaula PWA, and Dewar PWA received additional subsidy in the form of “Loan Forgiveness” totaling \$1.28 million. In total, systems approved by the OWRB for funding are expected to save more than an estimated \$23.7 million in principal and interest for the life of the loans.

The following pages highlight the loans which were funded by the CWSRF Program in SFY 2021. 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, 2021 are provided.

Table 1: Projects Identified for Receiving CWSRF Assistance within SFY 2021

PART 1: SECTION 212 PUBLICLY OWNED TREATMENT WORKS

BORROWER	PROJECT NUMBER	ASSISTANCE PROVIDED REPORTABLE TO NIMS 2021	BINDING COMMIT. REPORTABLE TO ANNUAL REPORT 2021	BINDING COMMIT. DATE	TYPE	LOAN CLOSING DATE	% INTEREST RATE ON LOAN***	ESTIMATED SAVINGS	LOAN MATURE DATE
Guthrie Public Works Authority*	ORF-17-0007-CW	\$7,948,000.00	\$8,000,000.00	12/15/20	L	12/16/20	2.50	\$522,000.00	09/15/49
Guthrie Public Works Authority*	ORF-17-0007-CWA	\$8,000,000.00	\$8,000,000.00	12/15/20	L	1/04/21	1.44	\$513,000.00	9/15/38
Copan Public Works Authority**	ORF-19-0005-CW	\$127,654.74	\$127,654.74	2/16/21	L	3/19/21	0.00	\$173,000.00	9/15/42
Porter Public Works Authority**	ORF-20-0010-CW	\$206,750.00	\$206,750.00	12/15/20	L	12/15/20	0.00	\$260,000.00	3/15/41
Shawnee Municipal Authority*	ORF-20-0018-CWA	\$12,000,000.00	\$13,500,000.00	12/15/20	L	6/24/21	1.65	\$5,361,600.00	3/15/2053
Westville Utilities Authority**	ORF-21-0005-CW	\$109,395.26	\$109,395.26	8/18/20	L	9/30/20	0.00	\$118,395.26	3/15/41
Eufaula Public Works Authority**	ORF-21-0014-CW	\$240,000.00	\$240,000.00	8/18/20	L	8/19/20	0.00	\$253,000.00	3/15/41
East Central Oklahoma Water Authority**	ORF-21-0016-CW	\$193,380.00	\$439,500.00	5/18/21	L	5/20/21	1.41	\$276,600.00	3/15/37
Dewar Public Works Authority**	ORF-21-0022-CW	\$1,637,000.00	\$1,637,000.00	6/15/21	L	6/24/21	1.68	\$546,700.00	9/15/52
Edmond Public Works Authority*	ORF-21-0026-CW	\$12,730,000.00	\$13,500,000.00	11/10/20	L	2/22/21	1.60	\$1,344,000.00	3/15/52
Grove Municipal Services Authority*	ORF-21-0027-CW	\$5,350,000.00	\$5,350,000.00	9/15/20	L	12/22/20	1.65	\$1,067,000.00	9/15/52
Broken Arrow Municipal Authority*	ORF-21-0028-CW	\$17,665,000.00	\$19,695,000.00	8/18/20	L	10/22/20	1.82	\$331,000.00	9/15/50
Hinton Public Works Authority*	ORF-21-0029-CW	\$2,646,000.00	\$3,139,000.00	11/10/20	L	12/03/20	1.63	\$774,000.00	9/15/51
Bristow Municipal Authority*	ORF-21-0030-CW	\$8,084,750.00	\$9,100,000.00	10/20/20	L	10/29/20	1.71	\$1,263,000.00	3/15/42
Guymon Utilities Authority*	ORF-21-0035-CW	\$2,500,000.00	\$5,000,000.00	6/15/21	L	6/30/21	1.52	\$641,500.00	3/15/41
Lawton Water Authority*	ORF-22-0008-CW	\$47,000,000.00	\$47,000,000.00	5/18/21	L	6/29/21	1.74	\$8,140,200.00	3/15/53
Lexington Public Works Authority****	ORF-15-0005-CW	-\$26,992.82	N/A	10/20/15	L	11/24/15	2.64	N/A	3/15/46
Haileyville Public Works Authority****	ORF-20-0005-CW	-\$7,075.00	N/A	09/17/19	L	9/30/19	1.76	N/A	3/15/35
PART 1 TOTAL		\$126,403,862.18	\$135,044,300.00					\$21,584,955.26	

PART 2: SECTION 319 NONPOINT SOURCE MANAGEMENT PROGRAMS

BORROWER	PROJECT	ASSISTANCE	B.C. AMOUNT	B.C. DATE	TYPE	CLOSING	% INTEREST***	EST. SAVINGS	LOAN MATURE
Shawnee Municipal Authority*	ORF-20-0018-CWA	\$1,500,000.00	SEE ABOVE	3/16/21	L	6/24/21	1.65	SEE ABOVE	3/15/2053
Guymon Utilities Authority*	ORF-21-0035-CW	\$2,500,000.00	SEE ABOVE	6/15/21	L	6/30/21	1.52	SEE ABOVE	3/15/41
PART 2 TOTAL		\$4,000,000.00	\$0.00					\$0.00	

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	TYPE	CLOSING	% INTEREST***	EST. SAVINGS	LOAN MATURE
Guthrie Public Works Authority*	ORF-17-0007-CW	\$52,000.00	SEE ABOVE	12/15/20	L	12/16/20	2.50	SEE ABOVE	09/15/49
Bartlesville Municipal Authority*	ORF-21-0002-CW	\$8,220,000.00	\$8,220,000.00	8/18/20	L	8/19/20	1.61	\$1,583,000.00	9/15/51
East Central Oklahoma Water Authority**	ORF-21-0016-CW	\$246,120.00	SEE ABOVE	5/18/21	L	5/20/21	1.41	SEE ABOVE	3/15/37
Meeker Public Works Authority**	ORF-21-0018-CW	\$1,635,000.00	\$1,635,000.00	5/18/21	L	6/24/21	1.65	\$581,700.00	3/15/52
Broken Arrow Municipal Authority*	ORF-21-0028-CW	\$2,030,000.00	SEE ABOVE	8/18/20	L	10/22/20	1.82	SEE ABOVE	9/15/50
Hinton Public Works Authority*	ORF-21-0029-CW	\$493,000.00	SEE ABOVE	11/10/20	L	12/03/20	1.63	SEE ABOVE	9/15/51
Bristow Municipal Authority*	ORF-21-0030-CW	\$1,015,250.00	SEE ABOVE	10/20/20	L	10/29/20	1.71	SEE ABOVE	3/15/42
Oklahoma City Water Utilities Trust*	ORF-21-0034-CW	\$55,000,000.00	\$55,000,000.00	6/15/21	L	6/23/21	1.43	\$0.00	9/15/39
PART 3 TOTAL		\$68,691,370.00	\$64,855,000.00					\$2,164,700.00	

GRAND TOTAL (All Projects)		\$199,095,232.18	\$199,899,300.00					\$23,749,655.26	
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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 principal forgiveness plus interest saved on the Promissory Note amount

*** Interest Rate includes 0.5% administrative fee

**** Negative dollars are a De-Obligation

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**Bartlesville Municipal Authority
ORF-21-0002-CW**

Binding Commitment			
Application Amount:	\$8,220,000	Approved Date:	8/18/2020
Assistance Provided			
Loan Amount:	\$8,220,000	Funded Date:	8/19/2020
Percentage Complete as of 6/30/2021:	1.56%	Additional Subsidization:	N/A
GPR: Water Efficiency	\$8,220,000	Estimated Savings:	\$1,583,000

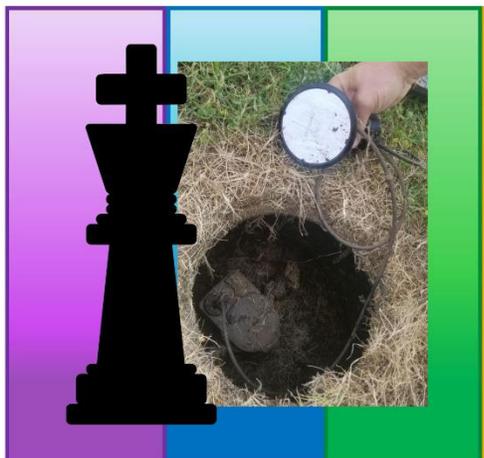
The Bartlesville Municipal Authority (Authority) located in Washington County serves 13,862 sewer customers and 15,402 water customers. According to the 2010 U.S Census the population was 35,750.

The Authority’s current treatment process is an activated sludge. The design average daily flow is 8.206 MGD, and the receiving waterbody is the Caney River which is listed on the 303(d) list for fishes bioassessments.

In 2001, Bartlesville experienced a significant drought that created an awareness for the need for an alternative water supply source. Their current sources for water supply include primarily Copan and Hulah reservoirs. Increased sedimentation of those waterbodies and drought conditions amplified the need to prepare for future potable water supplies for the public. With the passage of the Water for 2060 Act encouraging water reuse and providing a framework for establishing rules for potable reuse, the Authority began investigating potable reuse as an option. Based on the proximity of the water treatment plant to the wastewater treatment plant, studies found that indirect potable reuse as a consideration would provide a sustainable and feasible solution.

With this loan, the Authority will be implementing indirect potable reuse of their current wastewater discharge to utilize reclaimed effluent water from the wastewater treatment plant to augment the water supply. The disinfected effluent from the wastewater treatment plant will be pumped approximately seven miles upstream and discharged into the Caney River. The water will then be mixed with raw stream water and collected at the water treatment plant.

These enhancements will help meet Oklahoma’s Water for 2060 goals by focusing on water conservation and efficiency.



Bristow Municipal Authority ORF-21-0030-CW

Binding Commitment			
Application Amount:	\$9,100,000	Approved Date:	10/20/2020
Assistance Provided			
Loan Amount:	\$9,100,000	Funded Date:	10/29/2020
Percentage Complete as of 6/30/2021:	7.07%	Additional Subsidization:	N/A
GPR: Water Efficiency	\$1,015,250	Estimated Savings:	\$1,263,000

The Bristow Municipal Authority (Authority) located in Creek County serves 1,689 sewer customers and 1,724 water customers. According to the 2010 U.S Census the population was 4,222.

The Authority's current treatment process is extended aeration. The design average daily flow is 1.75 MGD, and the receiving waterbody is Little Deep Fork Creek which is listed on the 303(d) list for turbidity, enterococcus, escherichia coli. The Authority is under a consent order for permit violations of at their wastewater treatment plant (WWTP).

The Authority needs to make improvements to their wastewater treatment plant in order to address the violations for biological oxygen demand (BOD), total suspended solids (TSS), carbonaceous biological oxygen demand (CBOD), ammonia and E.coli. The Authority will utilize the funds to install new batch reactors, ultraviolet disinfection, headworks, and a lab and control building with a new control system.

Also, the Authority currently has positive displacement meters which are five to twenty-five years old. The meters have reached their useful life, and typically these meters lose their ability to accurately measure water usage on the low and high demand side of the water flow curve as they age. To address this issue the Authority will utilize the funds to install a solid-state meter system consisting of approximately 1,740 meters.

With the installation of the meter system and upgrades to the wastewater treatment plant, the amount of effluent being discharged into Little Deep Fork Creek will be reduced. Additionally, this project helps to meet Oklahoma's Water for 2060 goals by focusing on water conservation and efficiency and reducing unintended flows to the wastewater treatment plant.



Broken Arrow Municipal Authority ORF-21-0028-CW

Binding Commitment			
Application Amount:	\$19,695,000	Approved Date:	8/18/2020
Assistance Provided			
Loan Amount:	\$19,695,000	Funded Date:	10/22/2020
Percentage Complete as of 6/30/2021:	3.81%	Additional Subsidization:	N/A
GPR: Water and Energy Efficiency	2,030,000	Estimated Savings:	\$331,000

The Broken Arrow Municipal Authority (Authority) located in Tulsa County serves 36,621 sewer customers and 38,129 water customers. According to the 2010 U.S. Census the population was 98,850.

The Authority's current treatment process is activated sludge. The design average daily flow is 8 MGD, and the receiving waterbody is Arkansas River which is listed on the 303(d) list for enterococcus.

The Authority has a lift station that is not sufficient to convey current peak wet weather flows. Heavy rains result in wastewater inflow that overwhelms the current lift station causing a discharge of untreated sewage to the adjacent Adams creek. High wet weather flows and stormwater flows have also caused flooding of the lift station pump room and damage to the pumps, motors and equipment resulting in failures of the lift station. The Authority is currently under consent order for excessive inflow resulting in the discharge of untreated sewage to Adams creek. In an effort to address the issue, the Authority will utilize the funds to rehabilitate the existing lift station.

The Authority will also be making improvements to their existing sanitary sewer system. They will utilize the funds to install 2,100 linear feet of 8-inch sewer line and demolish the South Park South Lift Station.

Finally, the Authority has begun transitioning to drive-by AMRs for the system to replace old, inaccurate meters and help account for water loss. The system has the Neptune R900 Mobile AMR system which allows for expansion at the discretion of the Authority. In this phase the Authority will utilize the funds to install approximately 10,000 AMR meters.

These projects will help to meet Oklahoma's Water for 2060 goals by focusing on water conservation and efficiency, while reducing unintended flows to the wastewater treatment plants.



**Copan Public Works Authority
ORF-19-0005-CW**

Binding Commitment			
Application Amount:	\$127,654.74	Approved Date:	2/16/2021
Assistance Provided			
Loan Amount:	\$127,654.74	Funded Date:	3/19/2021
Percentage Complete as of 6/30/2021:	12.06%	Additional Subsidization:	\$127,654.74
GPR:	N/A	Estimated Savings:	\$173,000

The Copan Public Works Authority (Authority) located in Washington County serves 363 sewer customers and 365 water customers. According to the 2010 U.S Census the population was 733. The Authority received 100% loan forgiveness for planning and design of this project.

The Authority’s current treatment process is lagoon and aerated batch clarifier. The design average daily flow is 0.13 MGD, and the receiving waterbody is Copan Creek, a tributary to Copan Lake which is listed on the 303(d) list for chlorophyll-a, mercury, and turbidity.

The Authority is currently under a consent order for total suspended solids and biochemical oxygen demand limit violations at its wastewater treatment plant and collection system due to inflow and infiltration (I & I) issues. In order to address the consent order task requirements, the Authority will use the funds for planning and design of sewer system rehabilitation which will determine areas where I&I is an issue.

Once the project is completed, correction of I&I will help reduce unintended flows to the wastewater treatment plant and reduce sanitary sewer overflows.



**Dewar Public Utilities Authority
ORF-21-0022-CW**

Binding Commitment			
Application Amount:	\$1,637,000	Approved Date:	6/15/2021
Assistance Provided			
Loan Amount:	\$1,637,000	Funded Date:	6/24/2021
Percentage Complete as of 6/30/2021:	4.45%	Additional Subsidization:	\$200,000
GPR:	N/A	Estimated Savings:	\$549,700

The Dewar Public Works Authority (Authority) located in Okmulgee County serves 337 sewer customers and 354 water customers. According to the 2010 U.S Census the population was 888. The Authority’s current treatment process is a flow-through lagoon. The design average daily flow is 0.14 MGD, and the receiving waterbody is Coal Creek which is listed on the 303(d) list for fish bioassessments.

The Authority is under consent order for permit violations including BOD5, and TSS, discharge permit exceedances, DO concentration below required limits, construction violations, and operation and maintenance violations. In order to correct these violations, the Authority will utilize the proceeds to retrofit the existing facility and construction of a flow-through lagoon system with a cascade aerator.

The total project cost is \$2,568,409 in which the Authority received \$931,409 grant from HIS and \$200,000 of the loan was forgiven as part of Phase II of the loan forgiveness program. The project will provide specific water quality benefits for community residents and businesses in and near the project area.



East Central Oklahoma Water Authority ORF-21-0016-CW

Binding Commitment			
Application Amount:	\$439,500	Approved Date:	5/18/2021
Assistance Provided			
Loan Amount:	\$439,500	Funded Date:	5/20/2021
Percentage Complete as of 6/30/2021:	5.68%	Additional Subsidization:	\$200,000
GPR: Water Efficiency	\$246,120	Estimated Savings:	\$276,600

The East Central Oklahoma Water Authority (Authority) located in Muskogee County serves 154 sewer customers and 530 water customers. According to the 2010 U.S Census the population was 611. The Authority received loan forgiveness toward the construction of this project as Phase II of the loan forgiveness program.

The Authority's current treatment process is a lagoon. The design average daily flow is 0.045 MGD, and the receiving waterbody is unnamed tributary to Dirty Creek which is listed on the 303(d) list for enterococcus, and dissolved oxygen.

The wastewater collection system scheduled to be replaced is old and failing. The flood of 2019 changed underground conditions causing the manholes and sewer line to begin sinking. In order to address this issue, the Authority will utilize the funds to replace approximately 570 feet of sewer line and repair the existing lift station.

Also, the authority has 605 old and failing water meters. The Authority will utilize the funds to replace the meters by installing Automatic Meter Reading (AMR) water meters encouraging water conservation and helps the state meet the Water for 2060 goals.



Edmond Public Works Authority ORF-21-0026-CW

Binding Commitment			
Application Amount:	\$13,500,000	Approved Date:	11/10/2020
Assistance Provided			
Loan Amount:	\$12,730,000	Funded Date:	2/22/2021
Percentage Complete as of 6/30/2021:	0%	Additional Subsidization:	N/A
GPR:	N/A	Estimated Savings:	\$1,344,000

The Edmond Public Works Authority (Authority) located in Oklahoma County serves 32,648 sewer customers and 31,179 water customers. According to the 2010 U.S Census the population was 81,405.

The Authority's current treatment process is extended aeration. The design average daily flow is 16 MGD, and the receiving waterbody is Coffee Creek which is not on the 303(d) list.

The Authority developed a 2013 Master Plan to address their water and sanitary sewer systems. The existing sanitary sewer collection system consists of 15 sewer basins with a network of gravity collection pipes, pumps and force mains that collect and transport wastewater to the Coffee Creek Wastewater Treatment Plan. The Master Plan recommends a number of collection system improvements to provide the hydraulic capacity needed for the future. The Authority is also under consent order for unpermitted discharges.

To address these issues the Authority will use the funds to construct approximately 3,000' of 54-inch and 12,850' of 42-inch sanitary sewer lines to replace an existing 24-inch interceptor along Coffee Creek in northeast Edmond.

These improvements will enable the Authority to more effectively reach its growing number of residents and provide reliable transportation of wastewater to the Coffee Creek Wastewater Treatment Facility (WWTF).



**Eufaula Public Works Authority
ORF-21-0014-CW**

Binding Commitment			
Application Amount:	\$240,000	Approved Date:	8/18/2020
Assistance Provided			
Loan Amount:	\$240,000	Funded Date:	8/19/2020
Percentage Complete as of 6/30/2021:	66.40%	Additional Subsidization:	\$240,000
GPR:	N/A	Estimated Savings:	\$253,000

The Eufaula Public Works Authority (Authority) located in McIntosh County serves 1,113 sewer customers and 1,773 water customers. According to the 2010 U.S Census the population was 2,813. The Authority received 100% principal forgiveness for planning and design.

The Authority’s current treatment process is an activated sludge/extended aeration treatment system. The design average daily flow is 1.0 MGD, and the receiving waterbody is Eufaula Lake which is listed on the 303(d) list for turbidity, lead and enterococcus.

The Authority’s wastewater collection system consists of 120,000 linear feet of gravity sewer lines, three (3) lift stations, and 350 manholes. A large portion of the existing wastewater collections lines consist of clay sewer pipe near or past their design life. Many of the manholes are of brick construction which is no longer allowed by the DEQ Standard Regulations.

To correct this issue the Authority is using the Phase I planning and design funds to conduct a sewer analysis, mapping, modeling, evaluation recommendation, and a capital improvement report.



**Grove Municipal Services Authority
ORF-21-0027-CW**

Binding Commitment			
Application Amount:	\$5,350,000	Approved Date:	9/15/2020
Assistance Provided			
Loan Amount:	\$5,350,000	Funded Date:	12/22/2020
Percentage Complete as of 6/30/2021:	3.91%	Additional Subsidization:	N/A
GPR:	N/A	Estimated Savings:	\$1,067,000

The Grove Municipal Services Authority (Authority) located in Delaware County serves 2,434 sewer customers and 6,023 water customers. According to the 2010 U.S Census the population was 6,623.

The Authority’s current treatment process is activated sludge. The design average daily flow is 0.97 MGD, and the receiving waterbody is Grand Lake O' The Cherokees which is listed on the 303(d) list for dissolved oxygen, turbidity, and lead.

The Authority has an existing sewer system that was originally constructed between 1957 and 1958. The system consists of approximately 37,130 linear feet (lf) of line that is either clay tile or undefined and range from 8-inch to 12-inch diameter. There are 119 brick and undefined 4-inch diameter manholes.

To correct the issue the Authority will use the funds to replace the old, dated system by installing approximately 37,130 lf of PVC piping and replacing all brick and undefined manholes with precast concrete manholes.

This project will reduce the amount of unintended flows to the wastewater treatment plant.



Guthrie Public Works Authority ORF-17-0007-CW

Binding Commitment			
Application Amount:	\$8,000,000	Approved Date:	12/15/2020
Assistance Provided			
Loan Amount:	\$8,000,000	Funded Date:	12/16/2020
Percentage Complete as of 6/30/2021:	13.71%	Additional Subsidization:	N/A
GPR: Water Efficiency	\$52,000	Estimated Savings:	\$522,000

Guthrie Public Works Authority ORF-17-0007-CWA

Binding Commitment			
Application Amount:	\$8,000,000	Approved Date:	12/15/2020
Assistance Provided			
Loan Amount:	\$8,000,000	Funded Date:	1/4/2021
Percentage Complete as of 6/30/2021:	2.18%	Additional Subsidization:	N/A
GPR:	N/A	Estimated Savings:	\$513,000

The Guthrie Public Works Authority (Authority) located in Logan County serves 3,280 sewer customers and 3,991 water customers. According to the 2010 U.S Census the population was 10,191.

The Authority's current treatment process is trickling filter. The design average daily flow is 1.5 MGD, and the receiving waterbody is the Cimarron River which is listed on the 303(d) list for escherichia coli, chloride, selenium, sulfate, total dissolved solids, and enterococcus.

The Authority's wastewater treatment system is in dire need of extensive improvements to enhance its quality and effectiveness. Peak flows were originally calculated based on rainfall data from the period of 2006 - 2016. Additional rainfall data was analyzed for the period of 2016 - 2019 and based on that data the peak-storm flow rate was increased from 6 MGD to 10 MGD, and the pump schedule design was revised to include five pumps. Peak flows consistently cause the wastewater treatment plant (WWTP) to be over or near discharge permit limits.

In order to address the issue, the Authority will construct a new energy efficient sequential batch reactor (SBR) WWTP, lift station, sludge management facilities, UV disinfection system, and lab building.

These improvements will enable to Authority to treat the wastewater more effectively prior to discharging it into the Cimarron River.



Guymon Utilities Authority			
ORF-21-0035-CW			
Binding Commitment			
Application Amount:	\$5,000,000	Approved Date:	6/15/2021
Assistance Provided			
Loan Amount:	\$5,000,000	Funded Date:	6/30/2021
Percentage Complete as of 6/30/2021:	0%	Additional Subsidization:	N/A
GPR: Water Efficiency	\$2,500,000	Estimated Savings:	\$641,500

The Guymon Utilities Authority (Authority) located in Texas County serves 4,098 sewer customers and 4,174 water customers. According to the 2010 U.S. Census the population was 11,442.

The Authority’s current treatment process is sequential batch reactor/land application. The design average daily flow is 1.7 MGD, and the receiving waterbody is Beaver River which is listed on the 303(d) list for enterococcus.

The Authority has a water and gas metering system that is aging and failing. The age, condition and limitations of the existing system do not justify the expense of repairs. Furthermore, if repaired rather than replaced the system would not be capable of reading the gas meters. In order to address the issue, the Authority will replace the water meters with an AMR/AMI drive by or fixed base meter system and retrofit the gas meters with AMR meters and registers.

This gas meter portion of the project qualifies as a non-point source project under the Clean Water State Revolving Fund, and the project helps meet Oklahoma’s Water for 2060 goals by focusing on water conservation through a reduction of unintended flows to the wastewater treatment plant and is recognized under Oklahoma’s Nonpoint Source Management Plan for an improved efficiency of natural gas use correlation with enhanced processes in natural gas production areas.



Hinton Public Works Authority			
ORF-21-0029-CW			
Binding Commitment			
Application Amount:	\$3,139,000	Approved Date:	11/10/2020
Assistance Provided			
Loan Amount:	\$3,139,000	Funded Date:	12/3/2020
Percentage Complete as of 6/30/2021:	0%	Additional Subsidization:	N/A
GPR: Water Efficiency	\$439,000	Estimated Savings:	\$774,000

The Hinton Public Works Authority (Authority) located in Caddo County serves 785 sewer customers and 8 water customers. According to the 2010 U.S Census the population was 3,196.

The Authority’s current treatment process is secondary treatment. The design average daily flow is 0.75 MGD, and the receiving waterbody is Fisher Canyon Creek which is listed on the 303(d) list for fish bioassessments.

The Authority operates three total retention lagoon sites: the Love's Travel Stop lagoon, the town lagoons, and the Great Plains Correctional Facility lagoons. The Love's lagoons receive flow from the sewershed containing the Sugar Creek Casino, the Love's Travel Stop, and other businesses as well. The town lagoons handle the majority of the residential flow and several other local commercial facilities. The prison lagoons are dedicated solely to the correctional facility. The Authority has experienced issues with hydraulic overloading at the Love's lagoons and correctional facility lagoons during wet weather conditions, resulting in two consent orders being issued for operating with bypasses. In order to address the consent orders the Authority will use the funds to add additional irrigation capacity at the correctional facility lagoon, pumping the Love's sewershed flow into the town sewershed, and upgrading existing land application equipment.

These improvements will update the Authority’s sanitary sewer system and allow for effluent to be treated and discharged more effectively.



**Lawton Water Authority
ORF-22-0008-CW**

Binding Commitment			
Application Amount:	\$47,000,000	Approved Date:	5/18/2020
Assistance Provided			
Loan Amount:	\$47,000,000	Funded Date:	6/29/2020
Percentage Complete as of 6/30/2021:	0%	Additional Subsidization:	N/A
GPR:	N/A	Estimated Savings:	\$8,140,200

The Lawton Water Authority (Authority) located in Comanche County serves 27,393 sewer customers and 28,090 water customers. According to the 2010 U.S. Census the population was 96,867.

The Authority's current treatment process is tertiary. The design average daily flow is 18 MGD and the receiving waterbody is Nine Mile to Cache Creek East which is listed on the 303(d) list for enterococcus, escherichia coli, and turbidity.

The Authority's existing plant operates a number of facilities which had their initial elements commissioned in the early 1970's. Since that time the plant has experienced several rounds of rehabilitation and upgrades and has been mostly compliant over the facility's history. A significant percentage of the operating facilities are nearing the end of their useful life and are struggling to meet treatment goals. The Wastewater Treatment Plant (WWTP) has failing equipment causing it to be out of compliance with OPDES permit requirements, and is under consent order for permit violations for fecal coliform, ammonia, total suspended solids, total residue chlorine, biological oxygen demand, and E.coli. In order to meet the requirements the Authority will use the funds to rehabilitate or replace failing components of the WWTP with new primary and secondary clarifiers, as well as selector zones in the aeration basin that can be used to improve settling characteristics if required. This process resolves the existing hydraulic and flooding issues and allows for future expansion of the primary and secondary clarifiers, additional aeration basin volume, as well as selector zone volume to the aeration basin for future biological nutrient removal.

These improvements will address the unpermitted discharges and improve the quality of water to the creek and the community.



**Meeker Public Works Authority
ORF-21-0018-CW**

Binding Commitment			
Application Amount:	\$1,635,000	Approved Date:	5/18/2021
Assistance Provided			
Loan Amount:	\$1,635,000	Funded Date:	6/24/2021
Percentage Complete as of 6/30/2021:	5.53%	Additional Subsidization:	\$200,000
GPR: Energy Efficiency	\$1,635,000	Estimated Savings:	\$581,700

The Meeker Public Works Authority (Authority) located in Lincoln County serves 362 sewer customers and 484 water customers. According to the 2010 U.S. Census the population was 1,144. This project received loan forgiveness as Phase II of the planning and design loan forgiveness program.

The Authority’s current treatment process is extended aeration. The design average daily flow is 0.2 MGD, and the receiving waterbody is Quapaw Creek, South which is listed on the 303(d) list for macroinvertebrate bio, and fish bioassessments.

The Authority’s wastewater collection system is comprised of roughly 34,500 linear feet of gravity sewer, 101 manholes and a lift station. Inspection revealed that a large part of the existing collection lines consists of vitrified clay pipe, which is likely creating a medium for inflow and infiltration (I/I) into the system, have exceeded their life expectancy, and are in need of replacement. Of the 101 manholes, 35 were found to be constructed of brick while 20 were uninvestigated as they could not be located. The clay pipe, brick construction manholes, and broken cleanouts are all sources for I/I.

In order to address these issues, the Authority will utilize the funds to replace wastewater lines using pipe bursting, replacing manholes on the replaced line(s), and sealing manholes not on the replaced line(s) with cementitious liner.

These improvements will address inflow and infiltration into the sewer collection system thereby reducing unintended flows to the wastewater treatment facility and preventing unpermitted discharges from wet weather.



Oklahoma City Water Utilities Trust ORF-21-0034-CW

Binding Commitment			
Application Amount:	\$55,000,000	Approved Date:	6/15/2021
Assistance Provided			
Loan Amount:	\$55,000,000	Funded Date:	6/23/2021
Percentage Complete as of 6/30/2021:	0%	Additional Subsidization:	N/A
GPR: Water Efficiency	\$55,000,000	Estimated Savings:	\$0*

*Market interest rates being low and OCWUT's rating being at AAA, savings are potentially relatively low. However, the SRF programs remained the best option in part because interest is only accrued on draws and because SRF loans do not require the applicant to go through a process similar to that of a revenue bond.

The Oklahoma City Water Utilities Trust (Trust) located in Oklahoma County serves 213,985 sewer customers and 223,777 water customers. According to the 2010 U.S Census the population was 579,999.

The Trust's current treatment process at three different plants is advanced treatment, bio-disc, and activated sludge. The design average daily flow at each of the plants respectively is 80, 15, and 11.5 MGD, and the receiving waterbodies are North Canadian River, Deer Creek, Chisholm Creek which are listed on the 303(d) list for dieldrin, dissolved oxygen, enterococcus, escherichia coli, nitrates and turbidity.

The Trust has a city-wide plan to update all of the aging meters in their system. They are taking the approach of replacing the meters with automatic meter readers in phases until the entire system is updated. As part of this plan to update the system, they will utilize the funds to replace approximately 240,278 meters.

This project helps to meet Oklahoma's Water for 2060 goals by focusing on water conservation and efficiency and reducing unintended flows to the wastewater treatment plant.



Porter Public Works Authority ORF-20-0010-CW			
Binding Commitment			
Application Amount:	\$206,750	Approved Date:	12/15/2020
Assistance Provided			
Loan Amount:	\$206,750	Funded Date:	12/15/2020
Percentage Complete as of 6/30/2021:	100%	Additional Subsidization:	\$206,750
GPR:	N/A	Estimated Savings:	\$260,000

The Porter Public Works Authority (Authority) located in Wagoner County serves 249 sewer customers and 717 water customers. According to the 2010 U.S Census the population was 566.

The Authority’s current treatment process is oxidation ditch. The design average daily flow is 0.08 MGD, and the receiving waterbody is unnamed tributary to the Verdigris River which is listed on the 303(d) list for enterococcus.

The Authority’s sanitary sewer and wastewater collection system is antiquated and in need of upgrades. The town has received a notice of violation for failure to meet discharge limits. Additionally, there have been multiple years that the facility has reported partially treated bypasses of wastewater greater than 2 million gallons having to be discharged due to heavy rainfall events. The system is also missing critical components for efficient operation and redundancy. The facility has reported several events when power was cut off due to weather conditions. The sum of these deficiencies has resulted in multiple periods of the plant being inoperable and having to discharge partially treated wastewater while waiting on equipment to be repaired.

The Authority will utilize the funds to complete the planning and design phase of the WWTP improvements project. The project received 100% loan forgiveness for planning and design as Phase I loan forgiveness program.

These enhancements once designed and completed, will increase the wastewater treatment capacity, and improve the effluent being discharged into a small tributary of the Verdigris River.



Shawnee Municipal Authority ORF-20-0018-CWA

Binding Commitment			
Application Amount:	\$12,000,000	Approved Date:	12/15/2020
Sponsorship Application Amount:	\$1,500,000	Approved Date:	3/16/2021
Assistance Provided			
Loan Amount:	\$13,500,000	Funded Date:	6/24/2021
Percentage Complete as of 6/30/2021:	1.54%	Additional Subsidization:	N/A
GPR: Green Infrastructure	\$1,500,000	Estimated Savings:	\$5,361,600

The Shawnee Municipal Authority (Authority) located in Pottawatomie County serves 11,120 sewer customers and 12,130 water customers. According to the 2010 U.S Census the population was 29,857.

The Authority's current treatment process in the North WWTP is extended aeration, and at the South WWTP is a trickling filter. The design average daily flow at the North WWTP is 33.8 MGD and at the South WWTP is 33.8 MGD, and the receiving waterbody for both is North Canadian River, which is listed on the 303(d) list for enterococcus, turbidity, and fish bioassessments.

Due to age and condition of existing processes at the South WWTP, the Authority has been in violation of discharge permit limits. To correct the issues, the Authority was approved for a loan on September 19, 2019 for \$37,920,000 for upgrades and modifications to the existing headworks, secondary treatment processes, and sludge handling of the North WWTP and to decommission and reroute flow from the South WWTP to the North WWTP.

After the loan closed the Authority decided to change the scope of the project and hire a new engineer. The new estimate required an additional \$12,000,000 in loan funds. Therefore, they requested a second loan for the project. In combination with the original loan, the funds will be used to construct a Southside lift station and a new SBR treatment plant at the Northside facility. As a result of this project, the south side discharge location will be removed, and treatment of the effluent will be discharged into the North Canadian River from the north location.

This loan was approved on December 15, 2020 and the Authority then sought additional funding to sponsor a non-point source wetlands project which will act as a sedimentation basin to prevent sediment loading to Wes Watkins Reservoir. This project was OWRB's first project approved in the pilot sponsorship program and received an interest rate discount in an amount sufficient to cover the sponsored project.

This will enable the Authority to more effectively treat the wastewater. Furthermore, the wetland sedimentation basin project will prevent a nominal amount of sediment to the Wes Watkins Reservoir, which serves as a drinking water source for the community.



Westville Utility Authority ORF-21-0005-CW

Binding Commitment			
Application Amount:	\$109,395.26	Approved Date:	8/18/2020
Assistance Provided			
Loan Amount:	\$109,395.26	Funded Date:	9/30/2020
Percentage Complete as of 6/30/2021:	99.4%	Additional Subsidization:	\$109,395.26
GPR:	N/A	Estimated Savings:	\$118,395.26

The Westville Utility Authority (Authority) located in Adair County serves 575 sewer customers and 753 water customers. According to the 2010 U.S Census the population was 1,639. This project utilized multiple funding sources to complete the project: The Authority received principal forgiveness equal to fifty percent of the construction cost under Phase II of the principal forgiveness program, a Cherokee Nation grant, an OWRB REAP Grant, and local funds for a total cost of \$236,984.76.

The Authority's current treatment process is an aerated lagoon. The design average daily flow is 0.28 MGD, and the receiving water is Shell Branch Barren Fork which is not listed on the 303(d) list.

The Authority's wastewater collection system is over 90% Vitrified Clay Pipe (VCP). Also, areas of the Town have failing septic tank systems, which necessitate the lines be replaced and extended to connect and safely transport wastewater to the wastewater treatment facility. The Authority will utilize the funds to replace the VCP pipe with PVC pipe, and to extend the lines to connect to the wastewater treatment facility.

These projects will help to protect ground water quality for community residents and businesses in and near the Authority.

PROGRAMMATIC HEADLINES

OVERARCHING APPROPRIATION AND PROGRAMMATIC REQUIREMENTS

Oklahoma's Capitalization Grant was awarded on September 23, 2020, and included Federal Fiscal Year (FFY) 2020 Appropriations conditions. With the acceptance of the award, OWRB agreed to comply with all requirements pertaining to the Consolidated Appropriations Act, 2020 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 approved between July 1, 2020 and June 30, 2021.

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 was executed March 26, 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
Guthrie PWA	ORF-17-0007-CW	Construction of New Wastewater Treatment Facility	\$8,000,000	1,3
Guthrie PWA	ORF-17-0007-CWA	Construction of New Wastewater Treatment Facility	\$8,000,000	1,3
Copan PWA	ORF-19-0005-CW	Planning and Design for Sewer System Improvements	\$127,654.74	2,3
Porter PWA	ORF-20-0010-CW	Planning and Design for WWTP Improvements	\$206,750	2,3
Shawnee MA	ORF-20-0018-CW	WWTP Improvements to the North and South Plants	\$6,750,000	1,2
Bartlesville MA	ORF-21-0002-CW	Wastewater Reuse Project	\$8,220,000	1,3
Westville UA	ORF-21-0005-CW	Sanitary Sewer Improvements	\$109,395.26	1,2
Eufaula PWA	ORF-21-0014-CW	Planning and Design for WWTP Improvements	\$240,000	2,3
East Central Oklahoma WA	ORF-21-0016-CW	Automatic Meter Readers and Sewer Improvements	\$439,500	1,2,3
Meeker PWA	ORF-21-0018-CW	Sanitary System Improvements	\$1,635,000	1,2
Dewar PWA	ORF-21-0022-CW	WWTP Improvements	\$1,637,000	1,2
Edmond PWA	ORF-21-0026-CW	Sanitary System Improvements at Coffee Creek	\$13,500,000	1,2
Grove MSA	ORF-21-0027-CW	Sanitary Sewer Improvements	\$5,530,000	1,2
Broken Arrow MA	ORF-21-0028-CW	Refinance, Automatic Meter Readers, and Various Wastewater Improvement Projects	\$19,695,000	1,2,3
Hinton PWA	ORF-21-0029-CW	Wastewater Lagoon System Improvements	\$3,139,000	1,2
Bristow MA	ORF-21-0030-CW	Automatic Meter Readers and WWTP Improvements	\$9,100,000	1,2
Oklahoma City WUT	ORF-21-0034-CW	Automatic Meter Readers	\$55,000,000	1,2
Guymon UA	ORF-21-0035-CW	Automatic Meter Readers and Infrastructure	\$5,000,000	1,2
Lawton WA	ORF-22-0008-CW	WWTP Improvements	\$47,000,000	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, byproduct repurposing rather than waste generation, developing stormwater management systems, and supporting the sustainable design of communities. This sustainable design employs robust, comprehensive planning processes to deliver projects that are cost effective, resource efficient, and consistent with community sustainability goals throughout the life of the project.

Oklahoma's CWSRF Program encourages system sustainability in its procedures and requirements. This begins with giving preference points in the ranking and reviewing process to projects that include green infrastructure. Once the project is slated for possible funding, OWRB engineers work closely with design engineers to ensure that all possible energy and water use efficiency options and technology are 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.

Sustainability policy and goals were also addressed in the Wastewater Planning Guide (Guide) and the 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.

To better serve our communities, OWRB entered into a contract with ORWA that will provide long range planning and sustainability training and assistance to communities all around the State of Oklahoma. To date, this contract has allowed ORWA to assist more than 33 communities during different stages of developing a holistic sustainability plan which includes all FSP requirements. The items addressed include, but are not limited to:

- Coordinating with ODEQ on water system audits and leak detection;
- Assist with writing policies and/or procedures;
- Sanitary sewer evaluation surveys and smoke testing; and
- Mapping water and sewer infrastructure.

RESILIENCY

Resiliency of water and wastewater systems in Oklahoma is strongly encouraged by the OWRB. This can best be attained through cooperation and connection between systems, providing redundancy and increased capacity to their communities. A more resilient system can also improve its performance under increasing weather variability resulting from climate change.

The OCWP further addresses climate change by providing new 2030 and 2060 water demand projections for both the Municipal and Industrial sector and the Crop Irrigation sector based on "Hot and Dry" and "Warm and Wet" scenarios (both of which have shown a significant increase in demand). The OCWP Executive Report concludes 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.

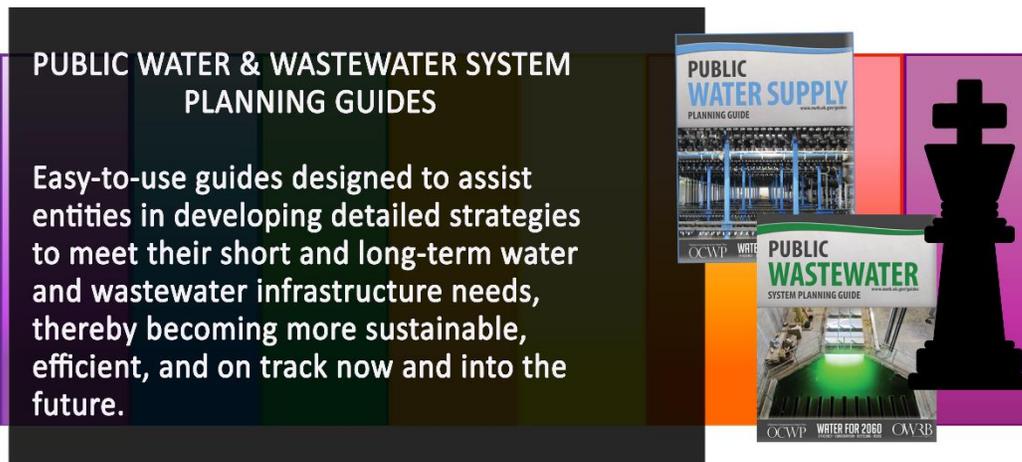
PUBLIC WASTEWATER PLANNING GUIDE

Wastewater system planning decisions are local and can vary greatly by system. Since 2015, the OWRB has been presenting the Public Wastewater Planning Guide as a way to assist entities in developing plans to meet their long-term needs. The Guide is an easy-to-use 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.

The Guide may be most useful for smaller entities who have not prepared Capital Improvement Plans (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 determining goals and objectives of the entity, gathering data, identifying 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 can be found online at www.owrb.ok.gov/guides includes color sections and tables for use with FSPs.



FISCAL SUSTAINABILITY PLAN (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.

The FSP includes, at a minimum:

- Inventory of critical assets (Section 4 of the Planning Guide, Asset Management: Inventory Development, System Operation and Maintenance);
- An evaluation of the condition and performance of those assets (Sections 4 and 5 of the Planning Guide, Wastewater System Administration);
- 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 components over time and a plan to fund these activities (Section 8 of the Planning Guide)

With proper 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 is intended to 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 entities to develop a system-wide FSP, or at least do so in stages as subsequent projects come online. Costs associated with developing an FSP are eligible under the CWSRF program.

It is not the intention that all projects heretofore require an FSP. As explained in EPA's WRRDA Interpretative Guidance Memorandum of January 6, 2015 (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, they must certify as part of their loan agreement that they either:

- Have a plan that fulfills the requirements of the FSP.
- Will develop an FSP as part of the CWSRF project.

Online Project Priority List (PPL) Request

In SFY 2021, the OWRB initiated a new online Project Priority List (PPL) request process. Using Survey 123, Power BI and Power Automate, the new process allowed entities to apply directly to the OWRB. The process is connected to a workflow that was managed by OWRB staff. The new system alerts staff when a request for placement has been received, staff then reviewed the request and ranked it using our rating system. Once the ranking was complete, an email notification was sent to the requesting entity with a link to view their placement on the PPL list in real time. The new PPL is constantly being updated as new loans are added, closed, or withdrawn and when loan amounts change. This list can be found at www.owrb.ok.gov/financing/loan/cwsrfloans.php.

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.

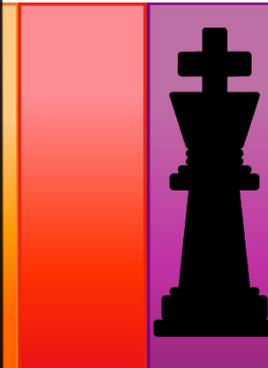
Oklahoma's CWSRF Program eligibilities include the following types of projects:

- 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 of 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.

Non-Traditional Project Eligibilities

- Measures to manage, reduce, treat or recapture stormwater or subsurface drainage water
- Watershed management of wet weather discharges
- Integrated water resource planning, municipality stormwater management planning or increased resilience of treatment works
- Measures to reduce the demand for POTW capacity through conservation, efficiency, or reuse
- Dam rehabilitation
- And many more



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.

In March 2021, OWRB issued an amendment to the 2021 IUP to further reduce the interest rate in certain scenarios. The language is included below:

In Fiscal Year 2021, OWRB intends to pilot a sponsorship model whereas an applicant with a traditional CWSRF loan will sponsor a nonpoint source project. In doing so, OWRB will agree to reduce the interest rate so that the final payback amount will be the same as if they were only taking out the loan for the traditional project. Sponsored projects must address a water quality issue or initiative and be approved under the state’s Nonpoint Source Management Plan (NPSMP). The amount available per project is up to 90% of estimated interest on the original project not inclusive of the administrative fee. OWRB will make \$5,000,000 available for sponsored projects.

OWRB closed one loan for the reduced interest rate during FY 2021 to Shawnee Municipal Authority. See project description for more details.

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 the project components can be found online at <https://www.owrb.ok.gov/financing/faforms.php>.

AFFORDABILITY

Previously, the OWRB provided extended 30-year financing to disadvantaged communities only. These communities were defined as communities with income less than 85% of the U.S. median household income. Because extended term financing is now available to all communities, not to exceed the design life of the project, the OWRB no longer considers whether a community is disadvantaged in order to approve an extended term. OWRB financial analysts 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 their statistics and the state's statistics. OWRB uses the population and affordability criteria to determine programmatic priority factor points in the ranking process.

GREEN PROJECT RESERVE

The FFY 2020 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% if its capitalization grant...” As a result, Oklahoma was required to allocate a minimum of \$1,283,800 to projects which met the GPR requirements. Guthrie PWA, Bartlesville MA, East Central Oklahoma WA, Meeker PWA, Broken Arrow MA, Bristow MA, Hinton PWA, Oklahoma City WUT, Shawnee MA, and Guymon UA were the projects that met the water efficiency, energy efficiency, and green infrastructure GPR requirements for automatic meter infrastructure, Inflow and Infiltration reduction and potable and non-potable water reuse projects totaling \$70,191,370.

All projects listed on the SFY 2021 PPL were evaluated by OWRB engineers to determine if the project met GPR eligibility. As of June 30, 2021, ten (10) loans had approved green components totaling \$70,191,370 (Table 3). Information on these projects 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 (ER). The guidelines have been developed to assist consulting engineers in preparing ERs. 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 costs. During construction inspections, green components are identified, evaluated, and included in the inspection reports. They are reviewed again during the payment approval process. Final GRP amounts are reported in CBR at project close-out.

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 \$3,851,400 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 2020 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 December 20, 2019.” The required amount for SFY 2021 was \$1,283,800.

For SFY 2021, 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 in communities with a population less than 3,300 that focused on construction or planning and design for water quality infrastructure. The program had seven (7) entities that received Loan Forgiveness: East Central Oklahoma WA, Meeker PWA, Copan PWA, Porter PWA, Westville UA, Eufaula PWA and Dewar PWA totaling \$1,283,800 (Table 3).

Table 3: Green Project Reserve and Subsidization for SFY 2021

RECIPIENT	SMALL COMMUNITY < 3,300	APPROPRIATION YEAR	ASSISTANCE AMOUNT	GREEN AMOUNT	LOAN FORGIVENESS	PROJECT DESCRIPTION	GREEN CATEGORY
Guthrie Public Utilities Authority	N	2020	\$8,000,000.00	\$52,000.00	\$0.00	Construction of New Wastewater Treatment Facility with Non-potable Reuse	WE
Shawnee Municipal Authority	N	2020	\$13,500,000.00	\$1,500,000.00	\$0.00	North and South WWTP Improvements and Wetland Project	GI
Bartlesville Municipal Authority	N	2020	\$8,220,000.00	\$8,220,000.00	\$0.00	Indirect Potable Reuse	WE
East Central Oklahoma Water Authority	Y	2020	\$439,500.00	\$246,120.00	\$200,000.00	Automatic Meter Reading and Sewer System Improvements	WE
Meeker Public Works Authority	Y	2020	\$1,635,000.00	\$1,635,000.00	\$200,000.00	Sanitary System Improvements for Inflow and Infiltration Correction	EE
Broken Arrow Municipal Authority	N	2020	\$19,695,000.00	\$2,030,000.00	\$0.00	Automatic Meter Readers, Fly Ash Concrete, LED Lights, and Various Wastewater Improvement Projects	WE, EE
Hinton Public Works Authority	Y	2020	\$3,139,000.00	\$493,000.00	\$0.00	Lagoon System Improvements	WE
Bristow Municipal Authority	N	2020	\$9,100,000.00	\$1,015,250.00	\$0.00	Automatic Meter Reading and WWTP Improvements	WE
Oklahoma City Water Utilities Trust	N	202	\$55,000,000.00	\$55,000,000.00	\$0.00	Automatic Meter Reading	WE
Guymon Utilities Authority	N	2020	\$5,000,000.00	\$2,500,00.00	\$0.00	Automatic Meter Reading and Automatic Meter Infrastructure	WE
Copan Public Works Authority	Y	2020	\$127,654.74	\$0.00	\$127,654.74	Planning and Design for Sewer Improvements	N/A
Porter Public Works Authority	Y	2020	\$206,750.00	\$0.00	\$206,750.00	Planning and Design for WWTP Improvements	N/A
Westville Utilities Authority	Y	2020	\$109,395.26	\$0.00	\$109,395.26	Sewer System Improvements	N/A
Eufaula Public Works Authority	Y	2020	\$240,000.00	\$0.00	\$240,000.00	Planning and Design for WWTP Improvements	N/A
Dewar Public Works Authority	Y	2020	\$1,637,000.00	\$0.00	\$200,000.00	WWTP Improvements	N/A
TOTAL			\$126,049,300.00	\$70,191,370.00	\$1,283,800.00		

WE = Water Efficiency

EE = Energy Efficiency

GI = Green Infrastructure

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 2021 totaled \$8,568,006.49.

SYSTEM MAPPING

Using GPS and GIS technologies, the OWRB is mapping existing water, wastewater, stormwater, and water reuse infrastructure utilized by small cities and rural water systems across Oklahoma. The data is available to participating communities via a secure map viewer, which also allows authorized users to edit and update their system maps as infrastructure improvements are made.



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 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 borrower’s financial and operational situation. Issues were discussed with the borrowers 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 (SOF) would be issued. Thirteen (13) environmental determinations were made during SFY 2021 and are listed in Table 5 for each project. There was several non-treatment works projects completed in SFY 2021 where no determinations were issued. Specifically, East Central Oklahoma WA, Broken Arrow MA, Bristow MA, Oklahoma City WUT, and Guymon UA were for automatic meter infrastructure; Copan PWA, Porter PWA, and Eufaula PWA were all planning and design projects; and Shawnee MA and Guymon UA were non-point source projects.

As part of the environmental review, the Oklahoma CWSRF Program required all projects in SFY 2021 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 is 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 determination based on information received from the project owners. Documentation for this determination was included in the CATEX determination. No projects were received that required a ROD determination.

BENEFITS REPORTING CBR/NIMS

The OWRB complied with reporting requirements regarding the utilization of funds under the SFY 2021 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.

SFY 2021 loans were reported in CBR based on the loan closing amount and closing dates. These were entered as CBR data field "Initial Agreement." CBR data for SFY 2021 loans will be digitally uploaded into NIMS. Loans amounts reported in the SFY 2021 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 \$199,129,300.00 of "assistance" (amount for OWRB "closed loans") minus this year's de-obligations of \$34,067.82 gave an amount that will be reported to NIMS for the SFY 2021 of \$199,095,232.18.

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 the DBE Guidance (ORF- 267) found at www.owrb.ok.gov/forms. The OWRB submits a "Minority Business Enterprise (MBE)/Women Business Enterprise (WBE) Utilization under Federal Grants, Cooperative Agreements" report (EPA Form 5700-52A) annually to the EPA. The OWRB reported \$1,897,510 procured to MBEs and \$391,800 to WBEs for the FFY 2020 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 loan. Consistent with EPA's prior implementation of this provision, application of the Davis-Bacon Act requirements extends 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 funding (e.g., prior years' appropriations, state match, bond proceeds, interest earnings, principal repayments, etc.). Any project that is considered a

Davis Bacon Reporting & Verification
To assist SRF borrowers in maintaining compliance with Davis Bacon Act requirements, the OWRB implemented the use of an electronic wage reporting and verification tool that can be used to create or upload certified payrolls and verify them electronically. The software is available at NO COST to SRF borrowers who wish to use it.

"treatment works" 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 are included in the required information to bidders as part of the Supplemental Conditions (ORF-185), which can be found in the Combined Bid Packet for CWSRF, 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 workers. Additionally, OWRB staff received certifications from borrowers or their authorized representatives that payroll reports were reviewed on a weekly basis and complied with the approved DB wages.

To help reduce the certification burden to the entities, OWRB has provided its borrowers with access to software to automatically compare wages with the prevailing wage on a given SRF project. The software is offered free of charge, and only requires an internet connection.

AMERICAN IRON AND STEEL §608

Beginning with the FFY 2014 Appropriation, WRRDA further codified the requirement that funds made available from a CWSRF loan 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” refers to a list of products made primarily of iron or steel that are permanently incorporated in the project. These products include 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, and construction materials.

The AIS requirements were included in the required information to bidders as part of the Supplemental Conditions (ORF-185), which can be found in the Combined Bid Packet for CWSRF, 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 the SFY 2021. All materials that fall under the AIS requirements are inspected and checked to ensure that they are made in the USA and have the required manufacturer’s certifications. Materials that qualify for the de minimis waiver are tracked to ensure that they do not exceed five percent of the total material cost, as approved by the National De-Minimis Waiver. 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 4: 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
Guthrie Public Works Authority*	ORF-17-0007-CW	10/5/2020	12/15/2020	12/16/2020	Y	Y	Y	Y	N	Y
Guthrie Public Works Authority*	ORF-17-0007-CWA	10/5/2020	12/15/2020	1/4/2021	Y	Y	Y	N	N	Y
Copan Public Works Authority*	ORF-19-0005-CW	1/7/2021	2/16/2021	3/19/2021	NR	NR	NR	N	Y	NR
Porter Public Works Authority*	ORF-20-0010-CW	11/6/2020	12/15/2020	12/15/2020	NR	NR	NR	N	Y	NR
Shawnee Municipal Authority*	ORF-20-0018-CWA	2/25/2021	12/15/2020	6/24/2021	Y	Y	Y	Y	N	Y
Bartlesville Municipal Authority*	ORF-21-0002-CW	7/9/2020	8/18/2020	8/19/2020	Y	Y	Y	Y	N	Y
Westville Utilities Authority*	ORF-21-0005-CW	5/20/2020	8/18/2020	9/30/2020	Y	Y	Y	N	Y	Y
Eufaula Public Works Authority*	ORF-21-0014-CW	6/15/2020	8/18/2020	8/19/2020	NR	NR	NR	N	Y	NR
East Central Oklahoma Water Authority*	ORF-21-0016-CW	4/19/2021	5/18/2021	5/20/2021	Y	Y	Y	Y	Y	Y
Meeker Public Works Authority*	ORF-21-0018-CW	3/23/2021	5/18/2021	6/24/2021	Y	Y	Y	Y	Y	Y
Dewar Public Works Authority*	ORF-21-0022-CW	4/17/2020	6/15/2021	6/24/2021	Y	Y	Y	N	Y	Y
Edmond Public Works Authority*	ORF-21-0026-CW	10/6/2020	11/10/2020	2/22/2021	Y	Y	Y	N	N	Y
Grove Municipal Services Authority*	ORF-21-0027-CW	7/2/2020	9/15/2020	12/22/2020	Y	Y	Y	N	N	Y
Broken Arrow Municipal Authority*	ORF-21-0028-CW	7/27/2020	8/18/2020	10/22/2020	Y	Y	Y	Y	N	Y
Hinton Public Works Authority*	ORF-21-0029-CW	8/21/2020	11/10/2020	12/3/2020	Y	Y	Y	Y	N	Y
Bristow Municipal Authority*	ORF-21-0030-CW	9/29/2020	10/20/2020	10/29/2020	Y	Y	Y	Y	N	Y
Oklahoma City Water Utilities Trust*	ORF-21-0034-CW	3/15/2021	6/15/2021	6/23/2021	NR	NR	NR	Y	N	NR
Guymon Utilities Authority*	ORF-21-0035-CW	4/13/2021	6/15/2021	6/30/2021	N	Y	NR	Y	N	N
Lawton Water Authority*	ORF-22-0008-CW	4/1/2021	5/18/2021	6/29/2021	Y	Y	Y	N	N	Y

*Requirements were from the FFY 2020 Grant Conditions

NR=Not Required for Non-Treatment Works (examples AMRs, Non-Point Source, Engineering Study, Etc.)

Table 5: Environmental Determinations Issued within SFY 2021

RECIPIENT	LOAN NUMBER	ENFORCEMENT SCHEDULE ORDER	DECISION TYPE	DATE
Guthrie PWA	ORF-17-0007-CW	No	FONSI/EA	12/14/2020
Guthrie PWA	ORF-17-0007-CWA	No	FONSI/EA	12/14/2020
Shawnee MA	ORF-20-0018-CWA	No	FONSI/EA	6/17/2021
Bartlesville MA	ORF-21-0002-CW	No	SOF	7/15/2020
Westville UA	ORF-21-0005-CW	No	CE	8/18/2020
East Central Oklahoma WA	ORF-21-0016-CW	No	CE	5/25/2021
Meeker PWA	ORF-21-0018-CW	No	CE	5/11/2021
Dewar PWA	ORF-21-0022-CW	No	SOF	6/8/2021
Edmond PWA	ORF-21-0026-CW	No	FONSI/EA	11/9/2020
Grove MSA	ORF-21-0027-CW	Yes	CE	9/12/2020
Broken Arrow MA	ORF-21-0028-CW	Yes	CE	2/24/2021
Hinton PWA	ORF-21-0029-CW	No	CE	11/10/2020
Lawton WA	ORF-22-0008-CW	No	CE	5/17/2021

CE = Categorical Exclusion FONSI/EA = Finding of No Significant Impact/Environmental Assessment SOF = Statement of Finding

*There were five projects that are Non-Treatment Works projects and will not have an environmental decision, Copan PWA, Bristow MA Porter PWA, Eufaula PWA, Oklahoma City WUT, and Guymon UA.

2021 IUP ACCOMPLISHMENTS

PPL Revisions Report FY 2021

After the SFY 2021 IUP was published, the PPL was revised continually in real time for the additions of new projects, adjustments to the loan, awarded dates, revisions to construction assistance amounts, updates to GPR amounts as well as subsidy amounts.

Report	Date	Type	Changes (in chronological order):
Initial PPL Released	7/31/2020		
Revision I	Sept. 2020	Adjustment	Loan Request for Guthrie PWA from \$11,500,000 to \$16,000,000
		Adjustment	Loan Request for Bristow MA from \$8,575,000 to \$9,1000,000
Revision II	Oct. 2020	Addition	Tuttle PWA, \$5,613,053, WWTP Improvements
		Addition	Pawhuska PWA, \$190,050, Dam Repair
Revision III	Nov. 2020	Removed	Cameron PWA – Withdrawn by entity
		Adjustment	Loan Request for Porter PWA from \$134,404.74 to \$204,790.00
Revision IV	Dec. 2020	Adjustment	Loan Request for Copan PWA \$79,000 to \$127,654.74
Revision V	Feb. 2021	Adjustment	Loan Request for Hartshorne PWA from \$173,607 to \$184,600
		Removed	McLoud PWA – Withdrawn by entity
		Removed	McAlester PWA – Withdrawn by entity
Revision VI	March 2021	Adjustment	Loan Request for Dewar PWA from \$1,396,634.20 to \$1,196,634.20
		Addition	Oklahoma City WUT, \$31,630,000, Automatic Meter Readers
		Adjustment	Loan Request for East Central Oklahoma WA from \$265,400 to \$239,500
		Adjustment	Loan Request for Meeker PWA from \$1,518,788 to \$1,435,000
Revision VII	April 2021	Adjustment	Loan Request for Lawton WA from \$40,000,000 to \$47,000,000
		Addition	Bridge Creek Public Schools, \$150,000, Sewer System Improvements
		Addition	Arkoma MA, \$325,000, Automatic Meter Readers/Automatic Meter Infrastructure
		Addition	Salina PWA, \$142,140, Planning and Design
		Addition	Guymon UA, \$4,110,000, Automatic Meter Readers/Automatic Meter Infrastructure
		Addition	Wewoka PWA, \$85,000, Planning and Design
		Addition	Atoka MA, \$197,681, Planning and Design
		Addition	Jennings PWA, \$116,174, Planning and Design
		Addition	Tishomingo MA, \$190,000, Planning and Design
		Addition	Caddo PWA, \$117,560, Planning and Design
		Addition	Copan PWA, \$750,000, Sewer System Improvements
		Addition	Delaware PWA, \$300,000, Sewer System Improvements
		Addition	Healdton MA, \$107,235, Planning and Design
		Addition	Hinton PWA, \$289,284, Planning and Design
		Addition	Lenapah PWA, \$50,000, Lift Station and Lagoon Improvements
		Addition	Wetumka PWA, \$36,130, Automatic Meter Readers
		Addition	Adair MA, \$500,000, Sewer System Improvements
Addition	Eufaula PWA, \$2,500,000, Sewer System Improvements		
Addition	Fairmont PWA, \$206,500, Planning and Design		
Addition	Locust Grove PWA, \$275,000, Planning and Design		
Addition	Perkins PWA, \$400,000, Planning and Design		
Addition	Porter PWA, \$1,650,000, WWTP Improvements		
Addition	South Coffeyville PWA, \$560,000, Sewer System Improvements		
Addition	Taneha UA, \$120,000 Planning and Design		

Report	Date	Type	Changes (in chronological order):
Revision VII (cont.)	April 2021	Addition	Grand River Dam Authority, \$100,000, Septic Repair and Replacement
		Addition	Talala PWA, \$3,282.50, Sewer System Study
		Adjustment	Loan request for Oklahoma City WUT from \$31,630,000 to \$48,000,000
		Adjustment	Loan request for Oklahoma City WUT from \$29,150,000 to \$27,700,000
		Adjustment	Loan request for Oklahoma City WUT from \$9,000,000 to \$3,400,000
		Adjustment	Loan request for Jones PWA from \$52,700 to \$63,500
		Addition	Davis MA, \$13,780,000, Planning and Design
Revision VIII	May 2021	Adjustment	Loan request for Dewar PWA from \$1,196,634.20 to \$1,641,000.00
		Adjustment	Loan request for Oklahoma City WUT from \$48,000,000 to \$55,000,000
		Adjustment	Loan request for Guymon UA from \$4,110,000 to \$5,000,000
Revision IX		Adjustment	Loan request for Dewar PWA from \$1,641,000 to \$1,437,000

OTHER CHANGES

Several entities with projects listed on the SFY 2021 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.

The following De-obligations were made during FY2021

Borrower	De-Obligated Amount
Lexington Public Works Authority	\$26,992.82
Haileyville Public Works Authority	\$7,075.00
TOTAL SFY 2021 De-obligations	\$34,067.82

In 2018, OWRB was selected by the Environmental Protection Agency (EPA) as the nation's pilot state to partner in the development of a CWSRF Marketing Plan. Pandemic influences delayed the initial kick off but have allowed for beneficial time used to deepen topic themes and develop strategies toward Plan success in SFY2022.

GOALS AND ACCOMPLISHMENTS

Goals set in the IUP provide a road map for activities conducted throughout the year. The SFY 2021 IUP included eleven (11) short-term and twelve (12) 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 STATES'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 four (4) communities to address consent order or enforceable schedule. Eight (8) 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). Ten (10) projects are located within hydrologic basin 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.

Eight (8) of the nineteen (19) loans funded during SFY 2021 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 SYSTEM OVERALL.

In SFY 2021, COVID-related protocols prevented us from visiting our borrowers as we normally do. We look forward to resuming those visits in SFY 2022. However, our contract with ORWA provided long-range sustainability planning efforts to our borrows and we engaged our customers through video and tele-conferencing.

IMPLEMENT A PROGRAMMATIC FINANCING PROCESS TO ASSIST BORROWERS WITH FUNDING CAPITAL IMPROVEMENT PLANS TO STREAMLINE THEIR FINANCES AND DISBURSEMENTS.

Over the past few years, we've made adjustments to our internal processes to support funding multiple projects under one loan to streamline borrowing from the CWSRF. These changes did not require statutory changes but just internal adjustments. These adjustments included only requiring engineer reports and environmental to be completed on 1 project prior to closing the loan and all other required reviews and documentation to be completed prior to disbursement. This has allowed our borrowers more flexibility in their debt issuance process.

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 2021, ten (10) projects were approved for nonpoint source, water and energy efficiency that met these initiatives.

MAINTAIN A LOAN FORGIVENESS STRUCTURE TARGETING COMMUNITIES WITH A POPULATION OF 3,300 OR LESS IN AN AMOUNT EQUAL TO 10% OF THE RECEIVED CWSRF CAPITALIZATION GRANT.

For the past 4 fiscal years, OWRB has targeted loan forgiveness to communities with a population of less than 3,300. This has been accomplished in a phased approach to ensure small communities receive assistance with the planning process to implement construction projects. Providing consistency year to year also allows for communities to plan better to receive loan forgiveness.

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

In SFY 2021, approximately fifty two percent (52%) of binding commitments (ten out of nineteen) for long-term, low-interest loans were made to Oklahoma's communities with populations under 10,000, for a total amount of approximately \$21.9 million. This total is above 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.

The FFY 2020 Capitalization grant application was submitted on April 4, 2020. The award was made September 23, 2020.

PROVIDE AT LEAST THE AMOUNT OF TRAINING AS WAS PROVIDED THE PREVIOUS YEAR IN ORDER TO 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 2021 by attending approximately 10 virtual conferences, providing 18 staff trainings and webinars for CEUs over wastewater and job related topics.

IMPLEMENT AND MAINTAIN AN OWRB FINANCIAL ASSISTANCE DIVISION MARKETING PLAN TO PROVIDE OUTREACH AND GUIDANCE TO DISTRICTS AND AUTHORITIES ACROSS THE STATE.

In SFY 2021, a formal marketing strategy was to be implemented by OWRB's Financial Assistance Division to provide an organized method of outreach to Oklahoma Districts and Authorities. This approach was designed to equally focus on person to person, direct outreach, an expanded social media presence, and updated or new target print marketing pieces.

Covid-19 protocols altered or restricted several of the intended approaches to be used and the Financial Assistance Division marketing plan kick-off was postponed until SFY 2022.

During SFY 2021, a more timely and event driven need was recognized and acted upon due to the pandemic's effect on Districts and Authorities across our state. OWRB began a monthly social media campaign to share resources, time sensitive information, and training opportunities provided by OWRB and other state agencies and organizations.

DEVELOP ONLINE APPLICATIONS AND FORMS TO STREAMLINE PROCESSES FOR BORROWERS.

In SFY 2021, the OWRB initiated a new online Project Priority List (PPL) request process. Using Survey 123, Power BI and Power Automate, the new process allowed entities to apply directly to the OWRB. The PPL list has been modified to update in real time as new loans are added, closed, or withdrawn and when loan amounts change. The new online process allows the borrow to submit the application and all required attachments electronically. This

reduces time, money spent, and paper waste by eliminating the need to mail a paper application and supporting documentation.

OWRB's Sponsorship Program offers a funding opportunity to address a water quality issue or initiative approved under the state's Nonpoint Source Management Program (NPSMP).

An eligible public entity must apply for both a traditional treatment works and NPS loan through OWRB. The Sponsorship Program incentivizes the borrowing entity through a reduction in interest cost.

Loan Type	Traditional Treatment Works Project Principal	Sponsorship Project Principal	Loan Costs (Interest & Fees)
\$1 million CWSRF loan	~\$900,000	~\$0	~\$500,000
\$1 million loan with sponsored project	~\$800,000	~\$100,000	~\$100,000

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 2021, four (4) 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 on the SFY 2021 IUP that were not ready to proceed to loan commitments during the year. Many of these projects not funded in SFY 2021 have been moved to the SFY 2022 IUP and are scheduled to be funded during SFY 2022.

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 2021 assist communities by funding the following improvements:

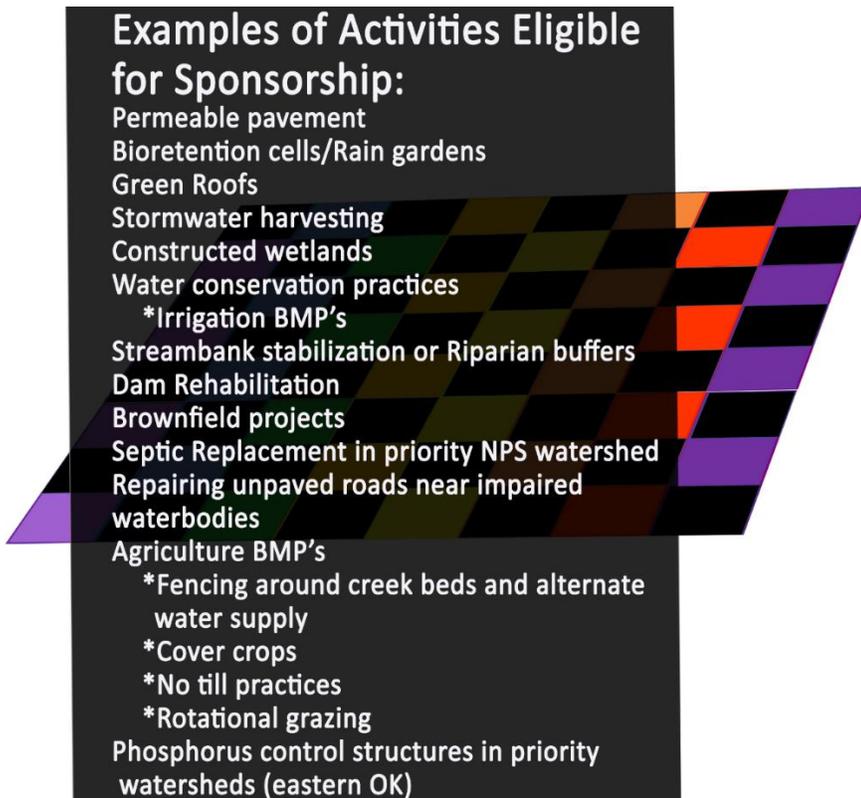
- Elimination of sewage system bypasses that degrade the integrity of surface water by repairing damaged or inoperable components and reducing system infiltration and inflow;
- An increase in system capacity;
- Additional levels of treatment to reduce pollutant loads to effluent-receiving streams; and/or
- 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 nineteen (19) projects approved in SFY 2021:

- Ten (10) projects implement aspects of approved water quality plans;
- Two (2) projects implemented a Nonpoint Source Management Plan;
- Eight (8) projects affect 303(d)-listed stream segments; and
- One (1) project was implemented in a scenic river watershed.



Examples of Activities Eligible for Sponsorship:

- Permeable pavement
- Bioretention cells/Rain gardens
- Green Roofs
- Stormwater harvesting
- Constructed wetlands
- Water conservation practices
 - *Irrigation BMP's
- Streambank stabilization or Riparian buffers
- Dam Rehabilitation
- Brownfield projects
- Septic Replacement in priority NPS watershed
- Repairing unpaved roads near impaired waterbodies
- Agriculture BMP's
 - *Fencing around creek beds and alternate water supply
 - *Cover crops
 - *No till practices
 - *Rotational grazing
- Phosphorus control structures in priority watersheds (eastern OK)

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 Drinking Water (DW) SRF bond payment default or reserve fund deficiency, or vice versa. The OWRB also maintains a 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.

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. Additionally, OWRB procures a contract with ORWA to assist borrowers with long range planning utilizing these guides.

ASSIST COMMUNITIES INTEGRATING INNOVATIVE WATER CONSERVATION PRACTICES INCLUDING REUSE, RECLAMATION, CONSERVATION INCENTIVES, WATER 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 2021 were for automated meter readers, wastewater reuse, watershed protection projects, and engineering studies.

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.

During FY 2021, a maximum of 2 grants were open at any given time. During the SFY, FFY 2019 and 2020 were open. FFY 2020 grant was awarded on September 23, 2020 and FFY 2019 grant was closed on June 21, 2021.

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

During SFY 2021, \$5,067,600 was provided from the Series 2020 Bond Issue to meet the state match requirement for the 2020 and the projected state match requirement for the 2021 Capitalization Grants.

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, 2030.

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

OWRB 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 2021, this team invited 6 communities to this meeting to discuss ways to fund their needs.

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

OWRB received approval from EPA of the transfer authority with the approval of the CWSRF 2021 IUP on July 2, 2020.

MAXIMIZE EFFICIENCIES AND VALUE TO THE STATE THROUGH COLLABORATION AND COOPERATION WITH OTHER STATE AGENCIES.

OWRB actively maintains open communication with other state agencies to address existing joint endeavors while continually striving to address public water and wastewater funding needs with innovative solutions through the unified effort of sister agencies and organizations. On August 22, 2019, Oklahoma's first Strategic Alliance Agreement was formally signed between ODEQ, ORWA, and OWRB and was ratified by the Governor of Oklahoma. On March 4, 2021, OML joined this agreement to unify efforts in recognizing that no ONE organization or agency has all the resources to address water and wastewater system sustainability planning vital to the success of meeting and exceeding the state's water needs into the next century. By working together as a team all the members of this strategic alliance have the resources required to complete the task.

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

This is accomplished on an ongoing basis. OWRB's FAD staff go above and beyond in assisting borrowers comply with rules and regulations. Rules are reviewed on an annual basis to identify areas to streamline and reduce burden.

Table 6: Statement of Sources and Uses of Funds and Aging Summary

SOURCES	CUMULATIVE TOTAL THROUGH JUNE 30, 2020	JULY 1, 2020 - JUNE 30, 2021	CUMULATIVE TOTAL THROUGH JUNE 30, 2021
Federal Capitalization Grants	\$344,893,600	\$12,838,000	\$357,731,600
ARRA Capitalization Grant	\$31,662,100	\$0	\$31,662,100
State Match - Appropriation/Agency Cash - Committed	\$19,015,020	\$0	\$19,015,020
State Match - Provided from State Match Bond Issues	\$50,320,129	\$4,175,000	\$54,495,129
CWSRF Bond Proceeds	\$451,777,745	\$121,828,220	\$573,605,965
Principal Repayments on Assistance Provided	\$666,877,191	\$41,480,269	\$708,357,460
Interest Repayments on Assistance Provided	\$129,634,329	\$10,990,184	\$140,624,513
Investment Earnings	\$86,928,192	\$1,501,027	\$88,429,219
TOTAL SOURCES	\$1,781,108,306	\$192,812,700	\$1,973,921,006

USES			
Loan Assistance Disbursed (Base Program)	\$1,239,478,665	\$81,866,100	\$1,321,344,765
ARRA Loan Assistance Disbursed	\$30,395,616	\$0	\$30,395,616
Leveraged Bond Debt Service - Principal	\$183,805,000	\$23,145,000	\$206,950,000
Leveraged Bond Debt Service - Interest	\$127,727,702	\$7,718,887	\$135,446,589
Bond Debt Service Reserve	\$15,806,112	-\$2,607,475	\$13,198,637
State Match Bond Debt Service - Principal	\$25,210,000	\$905,000	\$26,115,000
ARRA Administrative	\$1,266,484	\$0	\$1,266,484
Administrative Expenses (Non-ARRA)	\$2,496,721	\$0	\$2,496,721
Transfer to DWSRF Program	\$47,992,182	\$0	\$47,992,182
TOTAL USES	\$1,674,178,482	\$111,027,512	\$1,785,205,994

TOTAL SOURCES OF FUNDS FOR SFY 2021	\$192,812,700
LESS TOTAL SFY 2021 EXPENDITURES	-\$111,027,512
DIFFERENCE OF SOURCES AND FUNDS	\$81,785,188

AGING SCHEDULE FY 2021

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 nineteen (19) SFY 2021 projects, all of which were distributed to §212 sewer construction, §319 nonpoint source management, and water and energy efficiency projects. There were no §320 projects funded this fiscal year. The §212 and §319 activities, including adjustments, totaled \$199.8 million exceeding the 120% requirement. Assistance provided reportable to NIMS for SFY 2021 totaled \$199 million.

SOURCES, USES AND GUARANTEES OF FUNDS

As shown in Table 6, sources of funds totaled approximately \$192,812,700. 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 2021.

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 2021 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 Savings” 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 1.41% and 1.74% this Fiscal Year.

STATE MATCHING FUNDS

Through SFY 2021, Oklahoma received federal capitalization grant awards totaling over \$389 million matched in previous years by \$71.55 million in state funds. The 2020 capitalization grant was matched with funds from the CWSRF 2020A Series Bond Issue A which occurred in December 2020.

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. 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, on Table 7, presents seven key measures that reflect the different financial objectives of the SRF and provides broad indicators of how the CWSRF is meeting them.

At the end of SFY 2021, EPA implemented a new SRF Data Reporting System. This system is used to compile and submit the annual National Information Management System (NIMS) report as required by EPA. Functionality of the new SRF Data Reporting System was postponed due to required updates by EPA; therefore, the data normally included in Table 7 is unavailable this reporting year. EPA plans to have this information available for the SFY 2022 reporting cycle. Table 7 will be updated in the SFY 2022 Annual Report.

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 the SFY 2022.

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 \$2,821,517 in SFY 2021. Application fee rates totaled \$7,566.67 for SFY 2021. As required by §602(b)(11), these fees are deposited into the CWSRF administrative account outside of the SRF 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” 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 has 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 twenty two (22) projects begin construction within SFY 2021. After subtracting the total of this year’s de-obligations from the total Assistance Amount of the 22 loans, a total annual assistance amount of \$154,497,232.00 was reported to NIMS for SFY 2021.

Twenty (20) projects completed construction and initiation operations within SFY 2021. After subtracting the total of this year’s de-obligations and any change in assistance from the total Assistance Amount of the 20 loans, a total annual amount of \$29,352,159.00 was reported to NIMS for SFY 2021



Table 7: Financial Indicators

FEDERAL RETURN ON INVESTMENT	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
306 *Annual	337%	384%	569%	644%	324%	570%	533%	1020%	296%	13736%
307 *Cumulative	253%	265%	278%	287%	289%	307%	302%	314%	313%	344%

EXECUTED LOANS AS A % OF FUNDS AVAILABLE

308 *Annual	55%	370%	31%	137%	73%	86%	381%	265%	225%	293%
309 *Cumulative	106%	111%	100%	102%	101%	101%	98%	105%	108%	114%

DISBURSEMENTS AS A % OF EXECUTED LOANS

310 *Annual	121%	174%	182%	62%	180%	183%	30%	42%	77%	84%
311 *Cumulative	75%	81%	85%	84%	86%	89%	84%	79%	79%	80%

ADDITIONAL LOANS MADE DUE TO LEVERAGING

312 *Annual	\$28,878,228	\$43,218,046	\$10,946,356	\$23,584,069	-\$6,683,421	-\$2,202,799	\$79,470,865	\$92,870,093	\$44,508,914	\$92,767,816
313 *Cumulative	\$249,168,426	\$292,386,472	\$303,332,828	\$326,916,897	\$320,233,476	\$318,030,677	\$397,161,369	\$490,031,462	\$534,540,376	\$627,308,192
314 *Cumulative Additional Loans as a % of Contributed Capital	74%	87%	87%	90%	85%	81%	99%	118%	124%	141%

SUSTAINABILITY (RETAINED EARNINGS) EXCLUDES SUBSIDY

318 *Annual	\$3,479,826	\$1,398,069	\$828,929	-\$132,198	\$2,406,234	\$361,550	-\$1,686,758	-\$188,049	\$2,890,048	\$2,998,708
319 *Cumulative	\$54,537,968	\$55,936,037	\$56,764,966	\$56,632,768	\$59,039,002	\$59,400,552	\$57,924,112	\$57,736,063	\$60,626,111	\$63,624,819
320 *Cumulative Retained Earnings as a % of Contributed Capital	18%	19%	18%	17%	17%	17%	16%	15%	16%	16%

TABLE 8: LOAN APPLICATION FEES

Loan Request for \$249,999 or less \$100 Fee

Loan Request for \$250,000 - \$999,999 \$250 Fee

Loan Request for \$1,000,000 or more \$500 Fee



Table 9: Historical Funding Sources as of June 30, 2021

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	\$21,914,200.00	\$4,382,840.00	\$0.00	\$93,534,169.20	(15,16)	\$876,568.00	\$118,954,641.20
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	\$100,000,000.00	(16,17)	\$456,760.00	\$113,246,040.00
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	\$127,317,275.87
2016	\$10,795,000.00	\$2,159,000.00	\$124,800.00	\$0.00	(19)	\$431,800.00	\$12,647,000.00
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	(20)	\$518,680.00	\$15,041,720.00
2019	\$12,837,000.00	\$2,567,400.00	\$0.00	\$0.00	(21)	\$513,480.00	\$14,890,920.00
2020	\$12,838,000.00	\$2,567,600.00	\$0.00	\$0.00	(22)	\$513,520.00	\$14,890,920.00
TOTALS	\$389,393,700.00	\$71,546,320.00	\$411,970.17	\$461,279,405.07		\$15,575,748.00	\$907,054,487.24

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, 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 Reallocation of bond funds from the 2015 CWSRF Bond Issue to state matching funds.
- 21 Transferred from CW Administration Fund - may be reimbursed with bond proceeds.
- 22 OWRB issued a \$100,000,000 Revenue Bond Issue, Series 2020A on December 17, 2020 with \$4,175,000 for the 2020 and 2021 cap grants.

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
40000214	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
40000215	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
40000216	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
40000217	2017	\$428,480.00	2018	N/A	\$9,530,101.88	\$2,497,638.55	\$1,737,419.81	\$0.00	\$4,179,578.65
40000218	2018	\$518,680.00	2019	N/A	\$10,048,781.88	\$2,544,874.32	\$1,879,657.68	\$0.00	\$4,844,795.29
40000219	2019	\$513,480.00	2020	N/A	\$10,562,261.88	\$2,672,788.00	\$4,608,133.00	\$0.00	\$2,909,450.29
40000220	2020	\$513,520.00	2021	N/A	\$11,075,781.88	\$2,875,075.00	\$1,989,284.00	\$0.00	\$3,795,241.29
TOTAL	N/A	\$15,574,956.00	N/A	\$4,499,174.12	\$147,360,782.32	\$35,406,400.59	\$31,536,159.30	\$75,000.00	
AVAILABLE BANKED ADMINISTRATIVE FUNDS					\$147,360,782.32				
TOTAL OF ALL AVAILABLE ADMINISTRATIVE FUNDS									\$151,156,023.61

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

Table 11: Actual Federal Disbursements for SFY 2021

	QTR 1	QTR 2	QTR 3	QTR 4	TOTALS (QTR 1 - 4)
Scheduled	\$12,838,000				\$12,838,000
Actual Federal SRF Program Totals	\$292,705	\$382,112	\$200,265	\$7,692,924	\$8,568,006

PROGRAM INITIATIVES AND RULE CHANGES

DOCUMENT MANAGEMENT SYSTEM

The OWRB continued its efforts to streamline operations by continuing use of 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 for 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. The document management system is scheduled to be upgraded to a cloud based system during SFY 2022.

OWRB is always looking to better our customer service. Since email storage size is limited, ShareBase has helped with this issue. ShareBase is an online, cloud based file sharing system that offers unlimited storage for our agency. We use this as a temporary repository for large file sizes that are not able to be shared by email. This has allowed our staff to better assist our borrowers with sharing documents in a timely manner.

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 2021 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. During SFY 2021, the CWSRF program did not transfer any funds to the DWSRF.

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

There were no rule changes in SFY 2021. 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 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. Eight (8) of the nineteen projects approved for funding during SFY 2021 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. Eight (8) of the nineteen projects reduced pollutants from affected stream segments identified as threatened or impaired in Oklahoma’s Integrated Water Quality Assessment Report (303(d) listing). Additionally, eleven (11) 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 ecological significance.

Table 12: Projected Environmental Benefits for Projects Funded within SFY 2021

PROJECT	Guthrie PWA	Guthrie PWA	Copan PWA	Porter PWA	Shawnee PWA
Project Number	ORF-17-0007-CW	ORF-17-0007-CWA	ORF-19-0005-CW	ORF-20-0010-CW	ORF-20-0018-CWA
Binding Commitment Year	2021	2021	2021	2021	2021
Population	10,749	10,749	731	566	31,235
Total Assistance Provided	\$8,000,000	\$8,000,000	\$127,655	\$206,750	\$12,000,000
Waterbody name	Cimarron River	Cimarron River	Copan Creek	Unnamed Trib of Verdigris River	North Canadian River
Affected Waterbody I.D.	OK620910010010_00	OK620910010010_00	OK121400050030_00	OK12150001075_00	OK520510000110_05

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	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					

WATER QUALITY RESTORATION FACTOR

Affects 303d listed stream	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	
	Moderate				
	High				
	Very High	X	X		X

Bartlesville MA	Westville UA	Eufaula PWA	East Central OWA	Meeker PWA	Dewar PWA	Edmond PWA
ORF-21-0002-CW	ORF-21-0005-CW	ORF-21-0014-CW	ORF-21-0016-CW	ORF-21-0018-CW	ORF-21-0022-CW	ORF-21-0026-CW
2021	2021	2021	2021	2021	2021	2021
36,412	1,661	2,875	545	1,349	872	92,009
\$8,220,000	\$109,395	\$240,000	\$439,500	\$1,635,000	\$1,637,000	\$13,500,000
Caney River	Shell Branch Trib to Barren Fork	Unnamed Trib to Eufaula Lake	Trib to Dirty Creek	Unnamed Trib of South Quapaw Creek	Coal Creek	Coffee Creek
OK121400020010_00	OK121700050180_00	OK520500010020_00	OK120400020010_00	OK520700040350_00	OK520700010140_00	OK520710010090_00

					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
	X					
		X	X			

Table 12: Continued

PROJECT	Grove MSA	Broken Arrow MA	Hinton PWA	Bristow MA	Oklahoma City WUT
Project Number	ORF-21-0027-CW	ORF-21-0028-CW	ORF-21-0029-CW	ORF-21-0030-CW	ORF-21-0034-CW
Binding Commitment Year	2021	2021	2021	2021	2021
Population	6,957	108,496	3,232	4,257	643,692
Total Assistance Provided	\$5,350,000	\$19,695,000	\$3,139,000	\$9,100,000	\$55,000,000
Waterbody name	Elm Creek	Arkansas River	Fisher Canyon Creek	Little Deep Fork	North Canadian River Overholser Lake Stanley Draper Lake
Affected Waterbody I.D.	OK121600030310_00	OK120420010010_00	OK520610020220_00	OK520700060130_05	OK520520000010_10 OK520520000260_00 OK520810000130_00

PROJECT TYPE FACTOR

Consent Order or Enforceable NPDES Permit Schedule			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

WATER QUALITY RESTORATION FACTOR

Affects 303d listed stream		X			X
NPS Priority Watershed					
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	X		X	
GROUNDWATER VULNERABILITY	Low		X	X	X
	Moderate			X	
	High	X			
	Very High		X		X

Guymon UA	Lawton WA					
ORF-21-0035-CW	ORF-22-0008-CW					
2021	2021					
11,488	94,017					
\$5,000,000	\$47,000,000					
Beaver River	Ninemile Creek					
OK720510000100_00	OK311300020030_00					

	X					
	X					
X						

X	X					

X	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 2022, eighteen (18) communities have made requests for nineteen (19) wastewater construction, water conservation, water quality and planning and design projects totaling over \$85 million. The demand through 2026 totals over \$93 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 documented over \$12.5 billion in wastewater construction needs from 2010 through the year 2020. During that same time period, the CWSRF program funded just a fraction of that amount at approximately \$927 million in water quality projects. With this mark passing, the need for the next 20 years is \$22.83 billion in wastewater infrastructure needs by 2040. The OWRB looks forward to the challenge of addressing this need through our CWSRF program by providing affordable financing for water quality projects.

As the OWRB approaches the renewal of the OCWP, we will be meeting with state agencies and stakeholders to discuss any areas that need updating. Traditionally, the OCWP looked at only drought times. This update will include the extremes, flooding and drought, for a more holistic view. The projected release of this update will be in 2025.

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!

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
DB	Davis Bacon (Act)
DBE	Disadvantaged Business Enterprise
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
GPR	Green Project Reserve
Guide	Public Wastewater System Planning Guide
IFS	Infrastructure Financing Software
IUP	Intended Use Plan
MA	Municipal Authority
MSA	Municipal Services Authority
MMD	Municipal Market Daily
NEPA	National Environmental Policy Act
NIMS	National Information Management System
NPDES	National Pollutant Discharge Elimination System
OA	Operating Agreement
OCWP	Oklahoma Comprehensive Water Plan
ODEQ	Oklahoma Department of Environmental Quality
ORWA	Oklahoma Rural Water Association
PWA	Public Works Authority
PPL	Project Priority List
ROD	Record of Decision
SFY	State Fiscal Year
SOF	Statement of Finding
SERP	State Environmental Review Process
UA	Utilities Authority
WA	Water Authority
WRRDA	Water Resources Reform and Development Act
WUT	Water Utilities Trust

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