
2019 Intended Use Plan

CLEAN WATER STATE REVOLVING FUND

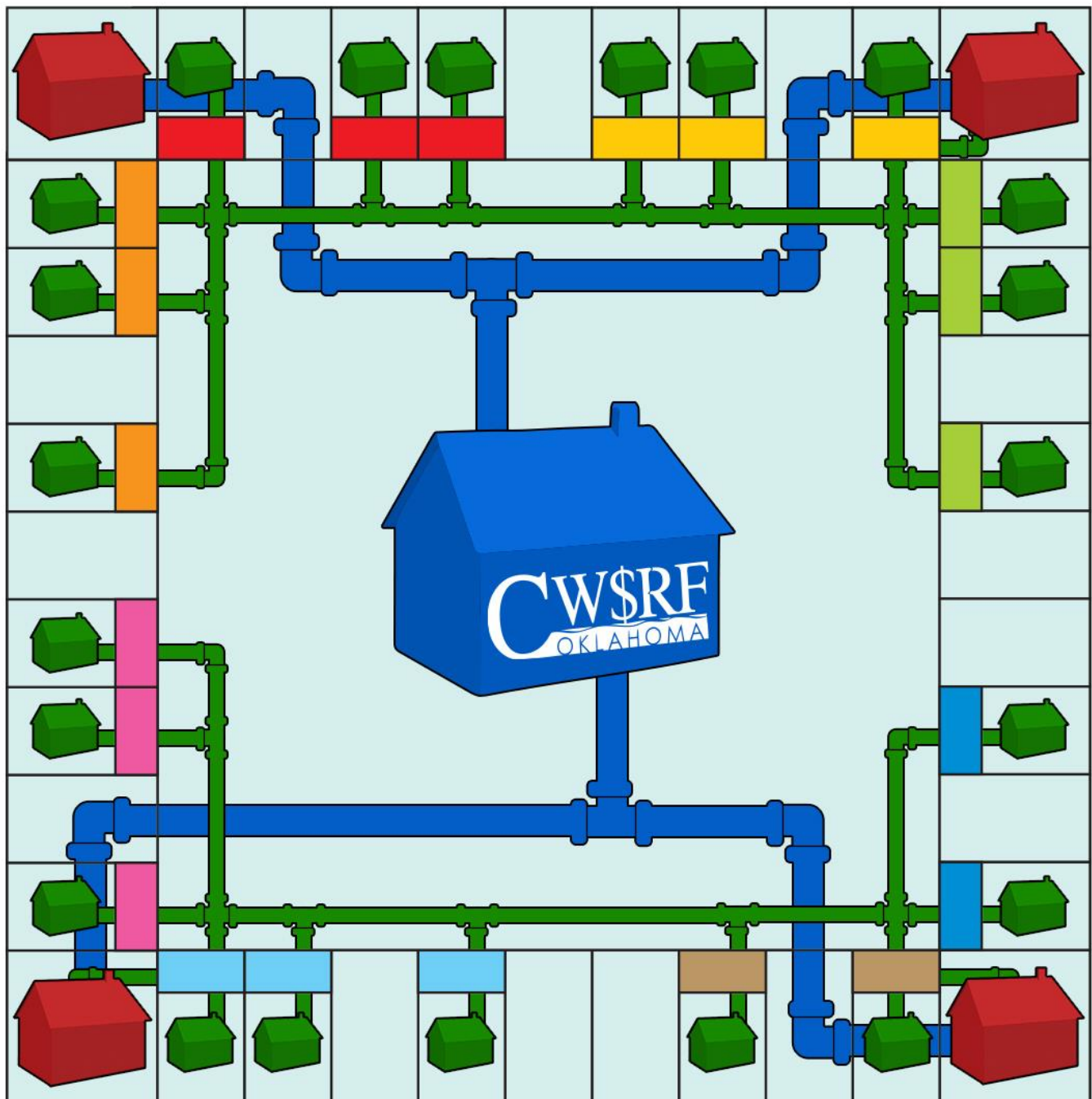


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FINANCIAL ASSISTANCE DIVISION

The OWRB Financial Assistance Division assists communities in their efforts to protect and conserve Oklahoma's water resources for current and future generations through cost-effective financial products, technical assistance, and high quality customer service.



JOE FREEMAN, CHIEF
LORI JOHNSON, ASSISTANT CHIEF



Back Row L to R Kate Burum, Claressa Bailey, Kar Tang, Hernan Fernandez, Vivek Rajaraman, Jerri Hargis, Andy Allen, Charles de Coune, Brenda Hansel, Paula Mills

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STATE OF OKLAHOMA WATER RESOURCES BOARD

www.owrb.ok.gov



For 61 years, the Oklahoma Water Resources Board (OWRB) has played an instrumental role in leading the state toward a stronger economy through improved water and wastewater infrastructure, water quality, and water management. The agency has consistently made efforts to embrace both time-proven strategies and innovative new technologies and ideas to ensure adequate quantities of quality water for our state to grow and prosper.

Because of recent devastating drought and the historic rainfall events that followed, communities have been recognizing the importance of preparing for climate extremes through proactive water planning. Information provided by the Oklahoma Comprehensive Water Plan (OCWP) is being utilized to develop and implement local and regional plans in collaboration with water users, providers, and other partners. The OCWP has also provided accurate water-related data, including intensive studies of water supply and demand, to assist in planning for and encouraging future growth and economic development.

Planning for growth often involves undertaking projects that require funding for water quality improvements and water and wastewater system improvements, expansion, and rehabilitation. The OWRB's financial assistance programs provide Oklahoma communities with the means to create maximum results at minimal cost. Our programs have provided low interest loans and grants for Oklahoma's water and wastewater infrastructure projects in Oklahoma since 1983. The Clean Water State Revolving Fund (CWSRF) has also provided unparalleled financial assistance for communities to complete construction of pollution control projects as well as projects focused on conservation, recycling, and efficiency—the goals of Oklahoma's Water for 2060 Act, which challenges Oklahoma to use no more fresh water in 2060 than was used in 2010.

As we begin implementing the Water for 2060 Advisory Group recommendations, we will continue to work closely with other state, federal, and local partners to address water needs around the state. Some of the current topics in Oklahoma are aquifer storage and recovery (ASR), regionalization, produced water recycling, and potable reuse.

During the Triennial revision of Oklahoma's water quality standards (WQS) in 2016, a new category was created for Sensitive Water Supply with Reuse (SWS-R). This category will allow a municipal wastewater system to discharge into a water supply reservoir, the first step in being able to address potable reuse in Oklahoma. In 2017, the WQS were further modified to outline the necessary requirements for waters to be listed as an SWS-R waterbody and allow Indirect Potable Reuse (IPR) projects to occur. In addition, language was incorporated into the standards dealing with implementation of the Anti-degradation policy, which will be the next step for ASR projects to move forward in Oklahoma. Staff will continue to work on the additional steps needed to fully implement ASR and IPR projects.

In 2019, the OWRB will continue its tradition of providing sound financing for water and wastewater system improvement projects while protecting the environment. The scientifically defensible data provided through OWRB studies and monitoring will allow Oklahoma communities to make informed decisions as they refine their water planning efforts and evaluate their water and wastewater infrastructure and improvement needs. We are confident that we can help Oklahoma build a secure water future!

Sincerely,

Julie Cunningham
Executive Director



STATE OF OKLAHOMA WATER RESOURCES BOARD

www.owrb.ok.gov



The Financial Assistance Division of the Oklahoma Water Resources Board (ORWB) is dedicated to assisting communities and rural districts in maintaining adequate water and wastewater facilities. Since 1983, we have provided approximately 65% of all the financing for Oklahoma's water and wastewater infrastructure needs. To date, we have funded over \$4 billion in projects with our loan and grant programs which in turn led to savings of over \$1.3 billion for Oklahoma communities and rural districts.

Part of our outreach and technical assistance for SFY 2019 includes continuing our mapping project using GPS and GIS technologies. This will provide quality water and wastewater infrastructure data to small communities and rural districts who struggle with out of date infrastructure maps. The ORWB "OK Advantages Assessment & Scoring for Infrastructure Solutions" (OASIS) incorporates our Project Priority List (PPL) for SFY 2019 and beyond. With this implementation, it allows our current and future borrowers a way to file their request for placement on the PPL electronically and a way to help communities quantify the benefits of their wastewater investment.

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

To help achieve these state goals, the ORWB and Oklahoma Rural Water Association (ORWA) will combine efforts to provide assistance to community water and wastewater systems while complying with safe drinking water and clean water standards. Types of assistance given include various trainings, technical assistance contacts, water law education, and help in achieving system sustainability and economic development.

The Clean Water Needs Survey (CWNS) of 2012 documented a \$2.4 billion need in wastewater infrastructure for Oklahoma. Additionally, the 2012 Update of the Oklahoma Comprehensive Water Plan 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 strive to accomplish both sound financing and unparalleled environmental protection in all of our loan and grant programs. The Financial Assistance Division is proud of our AAA ratings on all of our bond issues as well as our use of innovative means to assist in meeting Oklahoma's water resources and infrastructure needs.

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

Sincerely,

Joe Freeman, Chief
Financial Assistance Division

TOP
WORK
PLACES
2013-17

THE OKLAHOMAN

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EXECUTIVE SUMMARY

The Clean Water State Revolving Fund (CWSRF) loan program was established under amendments to the 1987 Federal Water Pollution Control Act (FWPCA) a.k.a., the Clean Water Act (CWA) to provide a renewable financing source for statewide wastewater infrastructure and polluted runoff control needs while protecting the State's surface and groundwaters.

Launched by \$14.5 million in State appropriated seed monies and \$521.1 million in subsequent state match notes and revenue bonds, the program has capitalized over \$350.7 million in federal grant funds to commit over \$1.3 billion in low-interest construction and refinancing loans since 1990 (Table 1).

TABLE 1: APPROVED LOANS AND GRANTS BY TYPE

TABLE 1: APPROVED LOANS AND GRANTS BY TYPE		
TYPE OF FUNDING	NUMBER	AMOUNT
Financial Assistance Loan	387	\$1,079,880,000
Clean Water State Revolving Fund Loan	323	\$1,585,939,377
Drinking Water State Revolving Fund Loan	198	\$1,250,308,800
Emergency Grant	581	\$34,644,648
REAP Grant	685	\$61,160,746
Drought Grant	6	\$418,848
Water for 2060 Drought Grant	4	\$1,500,000
TOTAL AMOUNT APPROVED	2,184	\$4,013,852,419
TOTAL ESTIMATED SAVINGS		\$1,332,274,546

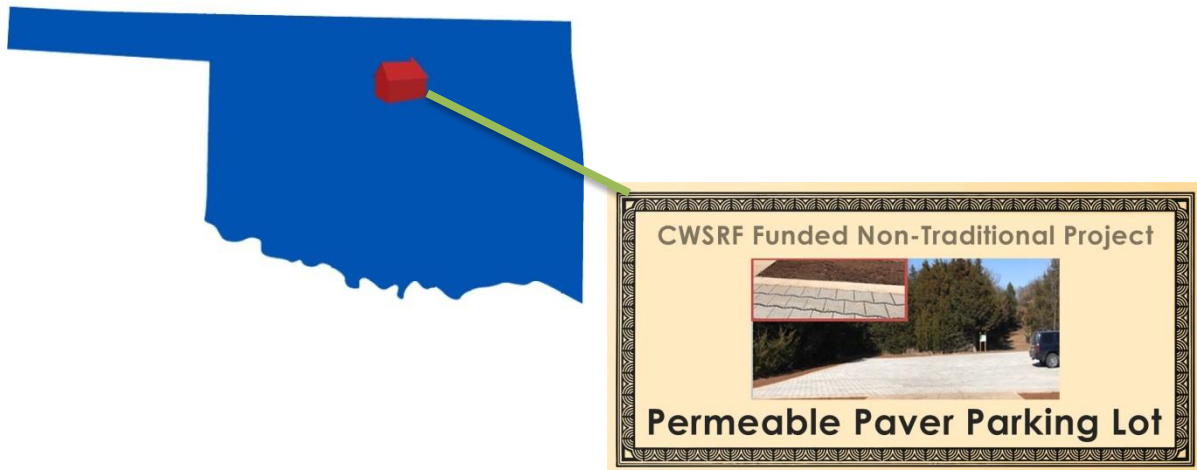
The CWSRF owes its success largely to its "revolving" aspect, as loan repayments and investment earnings are continually recycled to fund new projects; ongoing commitments of federal funds; financing strategy, which provides loans at 40% below market interest rate; and ease of today's loan application and approval process.

During SFY 2019, the OWRB will continue offering financing at approximately 40% below market rate. A 30-year maximum term loan is available to applicants whose projects have a useful life at least equal to the requested term.

In addition to providing substantial savings to communities across the state, the loans committed through the CWSRF contribute greatly to protecting human health, water quality, and economic viability of Oklahoma's communities.

To further maintain the health of the State's waters, the program may also fund structural and non-structural nonpoint source (NPS) projects that reduce polluted runoff from urban and agricultural land. Such projects may include the following:

- Urban stormwater control;
- Agricultural best management practices (BMPs) implementation;
- Conservation easements for source water protection;
- Stream bank erosion control;
- Wetlands in place to polish effluent;
- Water and wastewater efficiency;
- Green infrastructure;
- Innovative green projects;
- Total/integrated water resources management planning and resulting structural projects; and
- Abandoned industrial site assessment and clean-up.

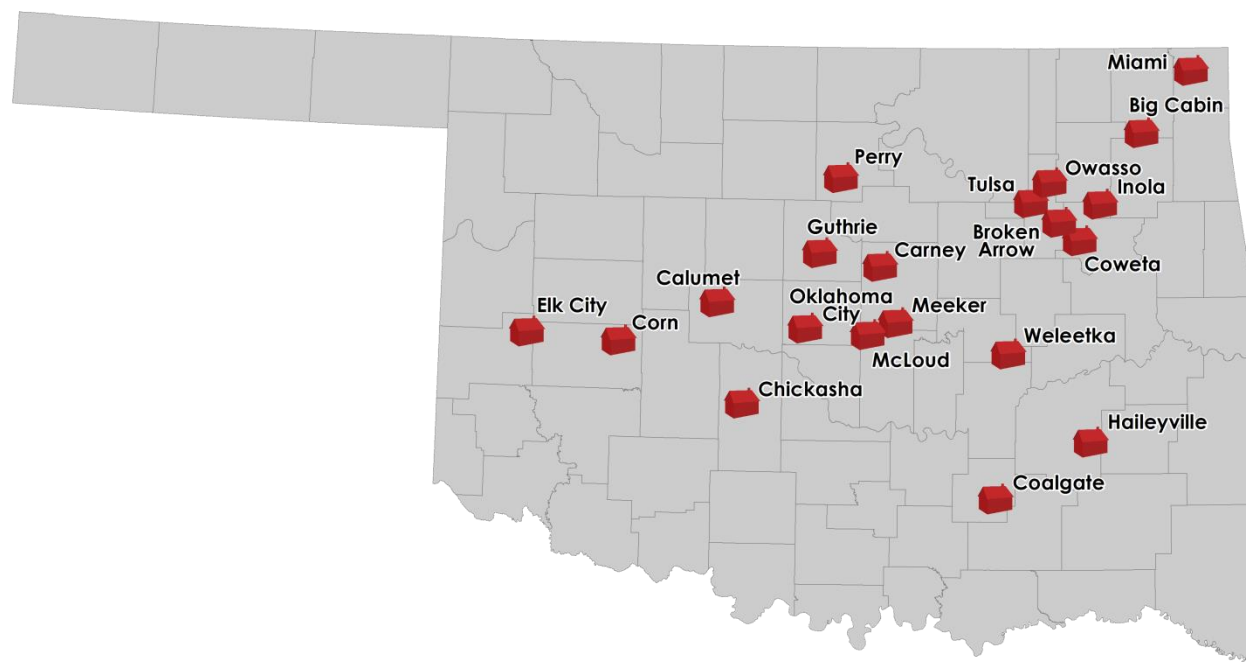


To date, for SFY 2019 the OWRB has received requests for 21 projects totaling \$116,957,641 (Table 2). Funding requests for the 5-year period (through year 2023) total \$298,789,757. See the Project Priority List (PPL) for project details at owrb.ok.gov/cwsrf.

As a condition of a federal agreement with the Environmental Protection Agency (EPA), the OWRB, as administrator of the CWSRF, must submit an annual plan for the use of federal funds awarded and a strategy for managing the program in accordance with the CWA Section 606(c). The following document is the State of Oklahoma's CWSRF Intended Use Plan (IUP) for funds to be made available during SFY 2019.

Loans provided by the CWSRF program are used for the construction of wastewater infrastructure improvements, green infrastructure projects, water efficiency projects, NPS projects, stormwater activities, subsurface remediation, planning and design, refinancing of eligible existing debt, and many other projects.

MAP OF PROPOSED SFY 2019 PROJECTS



OKLAHOMA'S CWSRF PROGRAM

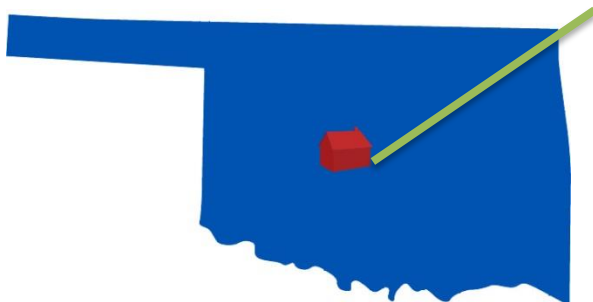
ENTERING THE CWSRF PROGRAM

To enter into the program:

- Borrower must be a qualifying entity under state rules and federal requirements;
- Project must fit within the guidelines of CWA eligibilities for CWSRF and be eligible for funding under State rules.

QUALIFYING BORROWERS

Legally qualified borrowers are identified through review by OWRB staff. The potential loan recipient must, according to 82 Oklahoma Statutes (OS) 1085.52, consist of a city, town, county or the State of Oklahoma, as well as any rural district, public trust, master conservancy, any other political subdivision or combination thereof. Furthermore, the potential loan recipient's Data Universal Numbering System (DUNS) number must be active in www.sam.gov, with no active exclusion and no delinquent federal debt.



ELIGIBLE PROJECTS FOR FUNDING §603(c)

The CWSRF may finance up to 100% of project costs for items eligible under program requirements, defined in OWRB rules (OAC 785:50-9-36), including, but not limited to, engineering, planning and design, financial advisors, loan closing, construction, land acquisition, pollution run-off controls through BMPs, and construction projects built in accordance with CWSRF requirements. The CWSRF may also refinance existing debt upon verification by the OWRB that the debt being refinanced pertained solely to the completion of a project that met the same OWRB requirements.

The CWA and OWRB rules now include the following additional and/or refined programmatic eligibilities:

- 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 NPS management program;
- Development and implementation of a conservation and management plan under CWA Section 320;
- Construction, repair or replacement of decentralized wastewater systems that treat municipal wastewater;
- Measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water;
- Measures to reduce the demand for POTW capacity through water conservation, efficiency or reuse;
- Development and implementation of watershed projects consistent with Section 122 of the CWA. Eligible projects include watershed management of wet weather discharges, stormwater BMPs, watershed partnerships, integrated water resource planning, municipality-wide stormwater management planning or increased resilience of treatment works;
- Measures to reduce the energy consumption needs for POTW;
- Reusing or recycling wastewater, stormwater, or subsurface drainage water; and
- Measures to increase the security of POTW.

SEVEN STEPS OF THE CWSRF PROGRAM

I. PROGRAMMATIC APPLICATION PROCESS

The purpose of the Programmatic Application is two-fold – determining if the borrower qualifies to receive funding under the CWSRF program and assessing the eligibility of the proposed project. For the SFY 2019 we integrated the Programmatic Application Packet (Packet) into Oklahoma Advantages Assessment & Scoring for Infrastructure Solutions (OASIS). This integration will allow for on-line submission of the Packet and better tracking of the needs of the communities. OASIS can be found online at owrb.ok.gov/oasis. Each year the OWRB sends an electronic call for projects to stakeholders, financial, legal, and engineering service providers in order to identify eligible CWSRF projects. The notice details priorities of the OWRB and EPA as well as the Programmatic Application Process. The SFY 2019 Programmatic Application notice went out on February 28, 2018.

Projects currently on the SFY 2018 PPL that will not be approved for funding within SFY 2018 are encouraged to request to remain on the SFY 2019 PPL. The applicant may simply notify the OWRB and update any new project information that may affect its rating.


The OWRB reviews the submitted Programmatic Application based on CWSRF eligibility requirements. If the proposal is determined eligible, it will be rated via the CWSRF Integrated Rating System and placed accordingly on the PPL.

INTEGRATED PRIORITY RATING SYSTEM

The OWRB utilizes Oklahoma’s approved CWSRF Integrated Rating System which combines several key areas of importance: project type, water quality restoration, water quality protection, points for current programmatic initiatives, and the most heavily weighted factor, a project’s readiness to proceed. This rating is completed on a form entitled “SFY 2019 Integrated Priority Rating System for Distribution of Funds” found below. The Rating System is set forth in OAC 785:50-9-23.

Proposed projects receive points in five key areas as follows:

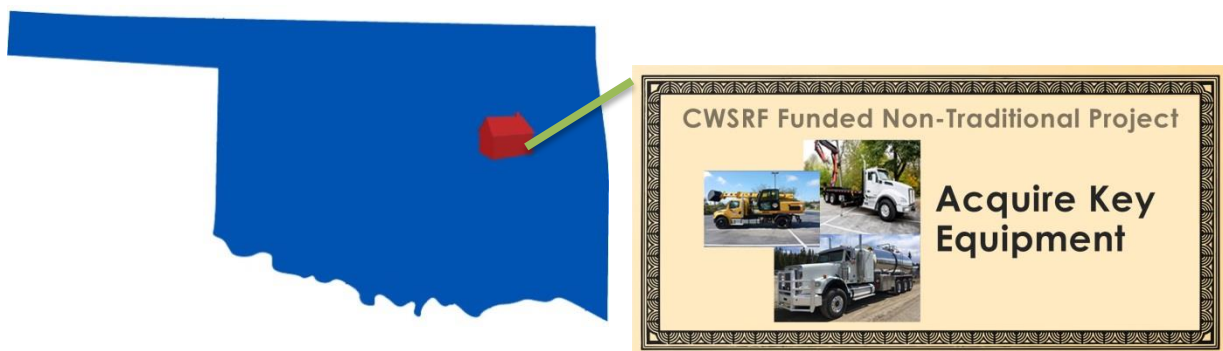
1. “Project Type Factor” (max. 70 points.): Projects that eliminate or reduce pollution, sustain compliance, increase capacity, reliability or efficiency, reuse wastewater, or other such improvements receive points that vary by project and/or waterbody.
2. “Water Quality Restoration Factor” (max. 20 points.): Projects located on waterbodies not meeting assigned beneficial uses. Points vary by waterbody impairment.
3. “Water Quality Protection Factor” (max. 10 points.): Projects for maintenance of beneficial uses located on specially protected waterbodies.




OASIS

A resource designed to quantify the environmental, social and economic benefits of your wastewater or non-point source project to your community. Recently enhanced to provide direct submission of your project to the CWSRF Project Priority List, eliminating the need for a paper application and questionnaire.

4. "Programmatic Priority Factor" (max. 100 points.): Projects that address specific priorities set forth by EPA or OWRB and detailed in the annual IUP. For SFY 2019, the OWRB will award additional points to projects aligned with Oklahoma's Water for 2060 goals, projects that implement Green Infrastructure, projects in communities that score a 25 or higher on Affordability Criteria, construction phase for projects that received loan forgiveness in SFY 2018 for planning and design, other projects in communities with a population of 3,300 or less, and projects that are associated with an entity located in an OCWP-identified "Hot Spot" basin.
5. "Readiness to Proceed Factor" (max. 400 points.): Considers the number of steps completed in the CWSRF process to begin a loan commitment with the OWRB. Project "readiness" includes: request for funding, preliminary planning documents, loan application, and approved plans and specifications. Points increase respectively.



Most of the information that compiles the priority rating system is spatially referenced and available via Geographic Information System (GIS) technology. The various water quality and environmental data layers used are available from the OWRB, Oklahoma Department of Environmental Quality (ODEQ), and other state and federal agencies.



PROGRAM STEPS

- I. Programmatic Application Process
- II. Financial Application Process
- III. Engineering Review
- IV. Environmental Review
- V. Board Approval and Closing
- VI. Construction and Construction Monitoring
- VII. Loan Monitoring

Steps to Project Completion 7

Per OAC 785:50-9-23(f), a tie breaking procedure shall be utilized when two or more projects have equal points under the Integrated Rating System and are in competition for funds. The project(s) with the larger existing population will receive a higher rating.

SFY 2019 INTEGRATED PRIORITY RATING SYSTEM FOR DISTRIBUTION OF FUNDS

Applicant:
CWSRF Loan No.:
Amount Requested:
Project Description:


Initial Request Received:
Reranked:
Population:
County:
Congressional District:

Criteria	Points Available	Total Points
1. Project Type Factor:		Max: 70
Treatment works or water quality projects designed to effectively eliminate or reduce a <u>documented</u> source of human health threat and/or discharge permit limit violation <u>within a watershed of a waterbody being utilized as a water supply.</u>	70	
Treatment works or water quality projects designed to effectively eliminate or reduce a <u>documented</u> source of human health threat and/or discharge permit limit violation.	60	
Treatment works or water quality projects designed to sustain compliance with or provide a degree of treatment beyond permit limits; increase capacity, reliability, or efficiency; reclaim/reuse wastewater; reduce a <u>documented</u> water quality threat or otherwise maintain beneficial uses. Examples: correct subsurface discharge (I/I); regionalize treatment and collection; eliminate untreated/uncontrolled runoff; restore critical habitat or resources; groundwater recharge; etc.	30	
All other eligible treatment works or pollution control projects. Examples: projects to eliminate or prevent undocumented runoff, provide demonstration/pilot/or education projects, etc.	20	
Categories: I-Secondary Treatment; II-Advanced Treatment; IIIA-Infiltration/Inflow Correction; IIIB-Replacement or Major Rehab. of Sewers; IVA-Sewage Collection System; IVB-Interceptor Sewer & Appurtenances; V-Correction of Combined Sewer Overflows; VI-A- Stormwater: Grey Infrastructure; VI-B- Stormwater: Green Infrastructure; X- Water Reuse; VII-A- Ag. Croplands; VII-B- Ag. Animals; VII-C- Silviculture; VII-E- Groundwater (unknown source); VII-F- Marinas; VII-G- Resource Extraction; VII-H- Brownfields; VII-I- Storage Tanks; VII-J- Sanitary Landfills; VII-K- Hydromodification/Habitat Restoration; VII-L- Individual/Decentralized Systems & Other.		
2. Water Quality Restoration Factor – Restorative measures on waterbodies not meeting "beneficial uses"		Max: 20
Project is located in a watershed listed as a NPS Priority Watershed in Oklahoma's Nonpoint Source Management Program Plan	10	
Project is listed on Oklahoma's 303(d) list of threatened or impaired stream segments	5	
Project implements the recommendations of a conservation plan, site-specific water quality remediation plan, TMDL, storm water management program, water audit or modified 208 water quality management plan, which has been approved by an agency of competent jurisdiction, in a sub-watershed where discharge or runoff from nonpoint sources are identified as causing, or significantly contributing to water quality degradation.	5	
3. Water Quality Protection Factor – Preventative measures against water quality degradation of waterbodies meeting beneficial uses and "high quality" water bodies		Max: 10
Surface and Ground Water Protection Factor (Water Quality Standards Beneficial Use Maintenance/ Antidegradation Policy):		
Project is located within a watershed of a stream segment or in a groundwater basin underlying a stream segment (known as "special source" groundwater): 1) listed in OWQS Appendix A. as an Outstanding Resources Water, High Quality Water, Sensitive Water Supply, Scenic River, Culturally Significant Water or Nutrient Limited Watershed; 2) listed in OWQS Appendix B.--"Areas with Waters of Recreational and/or Ecological Significance;" or 3) is located in a delineated "source water protection area."	10	
OR:		
Project is located in an area overlying a groundwater classified in OWQS with a "vulnerability" level of: Very High, High, Moderate or Nutrient vulnerable (OAC 785-45-7-3-(b)(2)(c) and (d)).		
4. Programmatic Priority Factor (Points are additive)		Max: 100
Construction phase for the planning and design projects funded with Loan Forgiveness in SFY 2018 and planning and design projects for SFY 2019 in communities with a population of 3,300 or less.	50	
All other projects in communities with a population of 3,300 or less in size for SFY 2019.	20	
Applicant's Affordability Criteria Score was 25 points or more.	20	
1.) Recycling and water reuse projects that replace potable sources with non-potable sources, including gray water, condensate and wastewater effluent reuse systems (where local codes allow the practice), and extra treatment costs and distribution pipes associated with water reuse. 2.) Projects that implementing Green Infrastructure. Construction project aligned with Water For 2060 goals other than those activities identified in number 1.) and for Engineering and Design for non-potable use within the wastewater system; Engineering, planning, studies for direct and indirect potable water reuse systems (pending promulgation of ODEQ Water Reuse Rules).	20	
Project implemented is associated with an entity located in an OCWP identified "Hot Spot" basin.	10	
5. Readiness to Proceed Criteria		Max: 400
A completed loan application has been <u>submitted</u> and Oklahoma Department of Environmental Quality or Oklahoma Conservation Commission has approved the project, including the appropriate technical plans and specifications necessary to implement the project.	400	
A completed loan application has been <u>submitted</u> and preliminary planning documents have been <u>submitted</u> to ODEQ or OCC and OWRB.	300	
Preliminary planning documents have been submitted to ODEQ or OCC and OWRB.	200	
A request to be considered for funding within the 5-year planning period has been <u>submitted</u> to the OWRB.	100	
Total Points		0

SFY 2019-2023 CWSRF PROJECT PRIORITY LIST

The PPL includes the following items:

- List Rank
- Name of the Potential Borrower
- Project Description
- Project Treatment/Use Categories
- Type of Assistance
- National Pollutant Discharge Elimination System (NPDES) Permit Number (as applicable)
- Project Loan Number
- Projected Assistance Amount
- Target Funding Date
- GPR Type (as applicable)
- GPR Amount (as applicable)
- Initial Programmatic Application Date
- Anticipated environmental review such as Categorical Exclusion (CatEx) or Environmental Assessment (EA)



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. •And many more!

Total Eligible Projects 200+

The PPL is split into two sections, the fundable portion and the planning portion. The fundable portion includes projects based on available capacity that are scheduled for financial assistance during the current fiscal year of the PPL (Table 2). The planning portion of the PPL contains projects which are anticipated to receive financial assistance in future fiscal years. The planning portion may also include contingency projects which are scheduled for assistance during the current year of the planning period, but for which adequate funds are not available. Contingency projects may receive assistance due to bypass provisions or due to additional funds becoming available. For SFY 2019 a contingency list was necessary for projects that requested only loan forgiveness funds that were not available.

The PPL is continually reviewed. Changes such as loan award dates, estimated construction assistance amounts, project descriptions, and addition of new projects, may occur as necessary during the fiscal year. The PPL is available online at owrb.ok.gov/cwsrf.



Table 2: SFY 2019 Fundable Projects

Name	OWRB Project Number	Target Binding Commitment Date	Priority List Amount	Project Description
Carney PWA	ORF-18-0011-CW	08/21/18	\$98,850	SSES assessment and I & I study to improve infrastructure and to conform to regulations. (Cat. Planning and Assessment)
Haileyville PWA	ORF-18-0008-CW	08/21/18	\$54,600	Planning and design for the rehabilitation of sewer lines and manholes to reduce I & I. (Cat. Planning and Assessment)
Inola PWA	ORF-19-0012-CW	08/21/18	\$300,000	Plans and Specs from the some tests performed in SFY 2018. (Cat. Planning and Assessment)
Meeker PWA	ORF-19-0003-CW	08/21/18	\$60,000	SSES assessment with recommendations of improvements and cost estimates. (Cat. Planning and Assessment)
Guthrie PWA	ORF-17-0007-CW	09/18/18	\$11,500,000	Construction of a new SBR WWTP with energy efficient pumps and motors including headworks with grit removal system, lift station, FEB retrofit, sludge management facilities, UV disinfection system, lab building and site work. (Cat. I)
Calumet PWA	ORF-19-0007-CW	07/18/18	\$671,104	Rehabilitation and replacement of sanitary sewer manholes and line replacement. (Cat. IIIB)
Coalgate PWA	ORF-19-0009-CW	02/12/19	\$400,000	Improvements to the Ringles Lift Station and replacement of approx. 1,000 linear feet of sewer mains. (Cat. IIIB)
Miami SUA	ORF-14-0011-CW	08/21/18	\$4,000,000	Replacement of 6 miles of sanitary sewer line to correct for I & I and replacement of Phase II storm-water pipe. (Cat. IIIA, IIIB, & VI)
Corn PWAT	ORF-18-0003-CW	10/16/18	\$1,000,000	Replacement of the existing wastewater treatment facility including a land application system for land application of treated effluent. (Cat. I & IIIB)
Big Cabin PWA	ORF-18-0017-CW	08/21/18	\$163,669	Installation of a center pivot for land application and upgrades to irrigation pumps and existing lift station. (Cat. I)
Weleetka PWA	ORF-19-0008-CW	12/11/18	\$400,000	Replacement of a lift station and replacing approx. 3,000 linear feet of sewer mains. (Cat. IIIB)
Coweta PWA	ORF-19-0002-CW	09/18/18	\$11,308,168	WWTP and lagoon system improvements (Cat. IIIB)
Tulsa MUA	ORF-19-0001-CW	10/16/18	\$39,778,000	Sanitary sewer and WWTP rehab and improvements and new interceptor. (Cat. I, II, IIIA, IIIB, IVA, & IVB)
Owasso PWA	ORF-14-0001-CW	11/20/18	\$13,000,000	WWTP improvements to meet 2015 Wastewater Master Plan including the addition of aeration basin, final clarifier, replacement of main plant lift station, and other appurtenances. (Cat. II)
McCloud PWA	ORF-18-0005-CW	09/18/18	\$3,200,000	Construction of a new sanitary sewer line. (Cat. IVA)
Elk City PWA	ORF-18-0004-CW	09/18/18	\$183,250	Green streets including the construction of permeable pavement, trees and tree boxes. (Cat. VI-B)
Chickasha MA	ORF-17-0012-CW	09/18/18	\$6,690,000	Update entities Stormwater Master Plan and construct recommended infrastructure improvements. (Cat. VI-A & VI-B)
Broken Arrow MA	ORF-17-0005-CW	11/20/18	\$25,000,000	Construction of approximately 5.5 miles of trunk sewer line including acquisition of easements for placement. (Cat. IVB)
Oklahoma City WUT	ORF-17-0002-CW	07/17/18	\$3,000,000	Sanitary sewer collection system replacement to decrease inflow and infiltration and increase collection system integrity. (Cat. III A& IV A)
Oklahoma City WUT	ORF-18-0002-CW	06/18/19	\$1,700,000	Sanitary sewer collection system replacement to decrease inflow and infiltration and increase collection system integrity. Lift station conversion to a wetwell/drywell. (Cat. III A& IV A)
Perry MA	ORF-17-0010-CW	11/20/18	\$450,000	Construction of a new sanitary sewer line. (Cat. IVA)



II. FINANCIAL APPLICATION PROCESS

The Financial Application includes the submittal of all required financial information to determine the financial capability of a prospective borrower. Our loan analysts review audits, financial statements, entity history, and trends to see if the borrower is financially able to qualify for a loan.

OWRB financial staff performs an analysis of each entity's loan application to ensure adequate credit risk, financial and accounting data, legal documents, contracts, proposals, and other applicable records and documents have been submitted to facilitate the required financial credit analysis.



A borrower must meet minimum debt coverage ratio (DCR) requirement of 1.25 times. If an entity does not meet this requirement, its representatives are notified and requested to increase revenues (such as adjusting fees and rates), pledge additional collateral, and/or decrease expenses. In order to ensure the perpetuity of the CWSRF, a loan will not be recommended for approval until the entity meets the OWRB's DCR requirement.



If an entity is unable to meet the OWRB's CWSRF requirements through the traditional avenues, OWRB staff works with its representatives to determine the foundation of the problem and the most appropriate way to assist them in meeting their infrastructure financing needs. The entity may also be invited to a Funding Agency Coordinating Team (FACT) meeting attended by multiple potential governmental infrastructure funding groups in Oklahoma. Information regarding FACT can be found at owrb.ok.gov/fact.

LOAN APPLICATION FEE

A loan application fee is collected from the potential borrower at the time of application submittal. The fee ranges from \$100 to \$500 depending upon the size of the loan and is used for the administration of the program (Table 3).

TABLE 3: LOAN APPLICATION FEES

Loan Request for \$249,999 or less	\$100 Fee
Loan Request for \$250,000 - \$999,000	\$250 Fee
Loan Request for \$1,000,000 or more	\$500 Fee

III. ENGINEERING REVIEW §603(B)

Projects that are considered for CWSRF funding undergo technical review in order to assess constructability and biddability. Planning and design documents such as technical memos, engineering reports, plans and specifications are revised to ensure they are in compliance with state and federal regulations.

The initial engineering documents (Technical Memo and Engineering Report) contain useful information about the existing system, the need for the project, advantages and disadvantages of proposed alternatives, sustainable and green components considered, and initial project cost estimates. The selected project design is reviewed in accordance with design and construction standards to ensure that it will meet future population growth and will provide sufficient capacity throughout the loan payoff period. The review process aims at answering questions like: Is the selected alternative appropriate to address the problem? Is it sustainable and considers any potential for water and energy efficiencies and green components? Can the cost of the proposed project be reduced through value engineering or is the project the most cost effective alternative? Are the plans and specifications clear and concise?


The plans and specifications review include detailed technical review of all the components of the project. Furthermore, the bid packet, that will be provided for prospective bidders, is reviewed to verify that all provisions and state and federal requirements are met.

FUNDING AGENCY COORDINATING TEAM (FACT)

FACT is a group of federal and state organizations, including the OWRB's financing programs, that offer financing to eligible Oklahoma public entities for water and wastewater projects. The purpose of the team is to facilitate the funding process through communication and streamlined processes.

FACT is hosted by the Oklahoma Rural Water Association (ORWA). The group meets quarterly to discuss the status of Oklahoma community water and wastewater infrastructure needs identified on the ODEQ's enforcement list. Invitations are extended to entities from across the state that are contending with the most urgent problems and have the greatest financial need, with the purpose of providing assistance to them as quickly and effectively as possible.

With every public financing agency present at FACT, communication barriers are reduced and application processes are streamlined, resulting in rapid assistance. FACT provides a single uniform method for requesting funding and regulatory approvals, and it offers guides, checklists, and forms that are



accepted by all FACT-participating agencies.

The assistance provided by FACT has been universally praised by invited entities, which provide feedback by voluntarily completing a brief survey immediately following the FACT meeting and a follow-up survey a few months later. Survey responses are used to fine-tune the assistance provided by FACT and help plan the direction of subsequent FACT meetings.

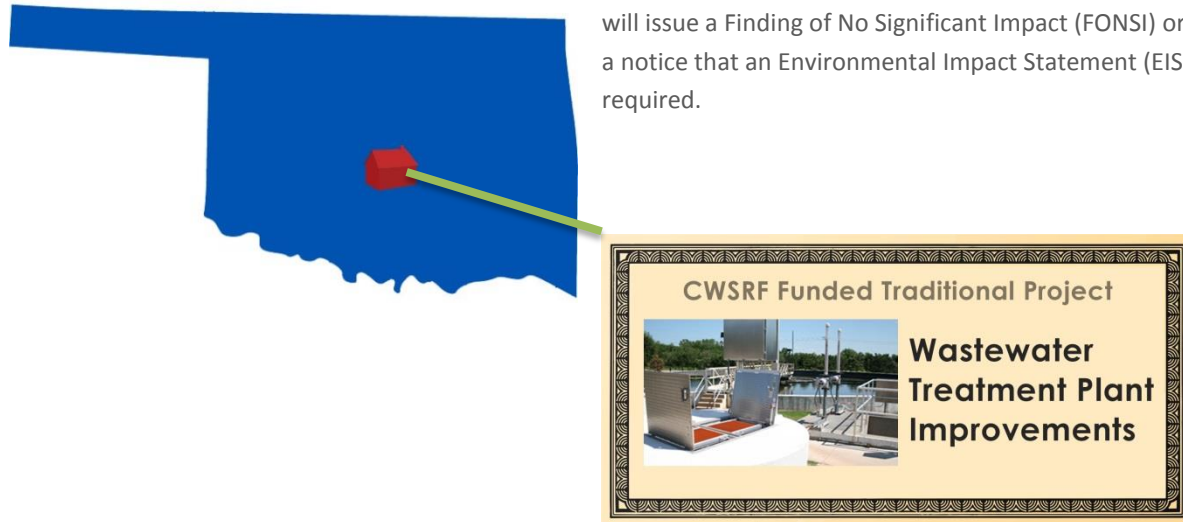
COST AND EFFECTIVENESS ANALYSIS §603(B)(13)

As part of the technical review of a project, the cost and effectiveness are evaluated. A present worth analysis for all the alternatives considered is conducted, accounting for the investment cost, operations and maintenance cost, and any potential salvage value of the project components at the end of its useful life. Non-economic factors are considered in the analysis, such as increased water and energy efficiencies, potential water reuse, introduction of green infrastructure components, and sustainable design, among others. For more information on cost and effectiveness analysis, please see the FACT Guidelines available at owrb.ok.gov/fact.

IV. ENVIRONMENTAL REVIEW §602(B)(6)

An environmental review by the OWRB is also required according to the National Environmental Policy Act (NEPA), Federal Law, and the State Environmental Review Process (OAC 785:50-9-60 through 62) for all CWSRF treatment works projects. For qualifying projects, staff will issue either a Categorical Exclusion (CatEx) or review the entity's submitted Environmental Information Document(s) to develop an Environmental Assessment (EA). Staff then sends out a letter of notice along with the EA or CatEx to various "cross-cutter" agencies such as the State Historic Preservation Office, Oklahoma Archeological Society, ODEQ, U.S. Fish and Wildlife Service, and U.S. Army Corps of Engineers. The letter solicits cross-cutter comments or concerns specific to their area of expertise. Subsequent to

findings of the OWRB or cross-cutter comments, the OWRB will issue a Finding of No Significant Impact (FONSI) or issue a notice that an Environmental Impact Statement (EIS) is required.



V. OWRB APPROVAL AND CLOSING

Once the project has been deemed eligible, the environmental and engineering review (as applicable) has been approved, and the potential borrower has been authorized financially and legally, then the project is sent to the Board for final approval.

If the project is approved by the Board, the loan analysts work with the loan applicant to set a time and date for closing. Close to the closing date, the loan analyst will typically meet with the borrowers' employees to go over loan documentation requirements like, payment requisition, debt coverage, loan payment and more. Loan documents are distributed by the applicant's Bond Counsel to the OWRB for legal and financial review. An interest rate is set and all required documentation is gathered for signatures.

If the applicant has not borrowed from the OWRB in the past, a formal closing typically takes place. During a formal closing, the applicant's representative, its bond counsel, its local counsel, and OWRB representatives meet to review and sign all closing documents.

If the applicant has already borrowed from the OWRB, the closing will typically be informal. Informal meetings do not require all parties involved to be present. Instead, each party signs their portion of the documents individually.

INTEREST RATES AND TERMS §603(D)(1)(A)&(B)

The interest rate is calculated approximately ten days prior to loan closing. It consists of approximately 60% of Municipal Market Daily (mmd) AAA scale spot rates through maturity plus 40-76 basis points. An additional 0.5%

administrative fee is charged on the unpaid principal balances. The interest rate calculation is reviewed annually by the OWRB and is subject to change on future loans.

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



VI. CONSTRUCTION AND CONSTRUCTION MONITORING

After bids are opened and construction contract(s) awarded, OWRB staff attend a preconstruction conference to discuss the responsibilities of all parties during construction. The OWRB provides project management and construction oversight for all projects. This includes, but is not limited to monthly inspections, processing pay requests, reviewing and approving change orders and budget revisions.

A minimum of 10 monthly inspections are conducted for each project per year. Depending on the duration of the project and/or other factors, more or fewer inspection visits may be required. Projects are inspected to ensure that they are being built according to the approved plans and specifications, on time and within the budget. Green Project Reserve (GPR) components, American Iron and Steel (AIS) components and compliance with the requirements of Davis Bacon (DB) including wage rates, weekly payrolls, payroll certifications and DB interviews are also tracked and verified during site visits. Inspection reports are prepared after each site visit.

During construction, pay requests are reviewed and processed as they are submitted, usually on a monthly basis. All quantities and invoices are checked against inspection notes and verified accordingly. The turnaround time for processing pay requests is generally 72 hours depending on the completeness of the submittal. If the information requested to process the pay request is not received within thirty days, the entity is requested to resubmit.

Any changes and deviations to the original design, in the form of change orders, are reviewed and approved before they are implemented. Once approved, the project budgets are revised to reflect the change order. At completion of the project, a final inspection is conducted by the OWRB and all the other parties involved. If the project is deemed complete and acceptable by all parties, and accepted by the owner, a final pay request is processed and the project is closed.

VII. LOAN MONITORING

After a loan has been funded, the OWRB collects and reviews a variety of monthly and annual documents from the entity to ensure that they are in compliance with all loan covenants.

Financial audits must be provided annually. The OWRB reviews these audits to ensure that the borrower's minimum DCR requirement is met and that the audit opinion and findings do not raise concerns. As needed, Single Audits are reviewed to ensure accuracy of the information provided.

Property, general liability, workers compensation, and fidelity bond insurance verifications are received and reviewed annually to ensure an entity is being properly insured. The entity's operators' water and/or sewer operator certificates are also reviewed by the OWRB to ensure that the system is being operated by individuals who have been adequately trained.

The OWRB stays in regular contact with all borrowers and offers assistance where possible to ensure that entities are able to meet all loan covenants. If an entity continues not to meet all loan covenants after informal conversations with the OWRB, a letter is sent notifying them of the deficiency and requiring them to make the necessary changes to meet the requirement.



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.

Systems Mapped to Date 12



OWRB AND ORWA

A partnership that provides assistance to water and wastewater systems through:

- ▶ Board Member Training Sessions
- ▶ Water & Wastewater Operator License Renewal Education Sessions
- ▶ Water & Wastewater Operator Certification Workshops
- ▶ Water & Wastewater Laboratory Certification Workshops
- ▶ Technical Assistance Contacts
- ▶ Long-Term Planning Assistance

Types of Training Offered 6

ONGOING BORROWER ASSISTANCE

Outreach is a large focus for the Financial Assistance Division. Both online and in print, the OWRB continues to make resources available to help communities plan for their future by visiting their place of business or holding meetings for multiple entities. Ways assistance is provided by the OWRB is highlighted throughout this document.

LONG-TERM PROGRAM GOALS

The CWSRF continues to maintain long-term goals to ensure they assist the State in meeting the following CWA and State water quality goals:

- Assist borrowers in complying with the requirements of the CWA to reach the goal of eliminating discharge of pollutants into the State's waters;
- Assist in the maintenance, restoration, and protection of beneficial uses identified in Oklahoma's Water Quality Standards for all waters of the State;
- Assist the State in meeting water quality goals identified in the Continuing Planning Process and NPS Management Program and Stormwater Management Program to reduce or eliminate water quality threats in Oklahoma's watersheds;
- 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;
- Assist communities in implementing sustainable cost and effective planning elements into their projects;
- Assist communities in integrating innovative water conservation practices including reuse, reclamation, conservation incentives, water efficiency, energy efficiency, stormwater runoff mitigation, green infrastructure or other measures that will assist Oklahoma in reaching the goals outlined in the Water for 2060 initiative into their projects;
- Complete revenue bond issues as necessary to provide matching funds for federal capitalization grants and to provide funding in order to meet the needs of borrowers within SFY 2019;
- Maintain a maximum of two capitalization grants open at any given time in order to ensure a low level of unliquidated obligation of federal funds;
- Obtain maximum capitalization of the fund for the State while generating sufficient investment and loan interest earnings to retire revenue bonds; and
- Maximize benefit of state funding opportunities by working with other funding agencies to find financing products that most appropriately fit entity needs.



SHORT-TERM PROGRAM GOALS

The State will pursue short-term goals in an effort to continually improve the CWSRF program. Oklahoma's CWSRF Program short-term goals include the following:

- Provide financing to assist borrowers in eliminating water pollution problems through the best available technologies to improve water quality in the State's waters;
- Provide financing to borrowers listed in this plan that are under NPDES enforcement orders to meet deadlines for municipal compliance in accordance with the CWA;
- 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 best to plan for sustainability in their projects and their system overall;
- Market the CWSRF loan program through:
 - Booth presence at relevant conferences;
 - Presentations to targeted audiences regarding OWRB funding;
 - Phone calls to introduce our programs to entities issued an enforcement order;
 - Workshops and one-on-one trainings;
 - Developing and updating appropriate handouts for program initiatives;
 - Email blasts explaining the PPL process;
 - Sending out borrower surveys;
 - Invitation to potential borrowers to join one of Oklahoma's quarterly Funding Agency Coordinating Team (FACT) meetings;
 - Social Media; and
 - Attend city council meetings
- Create strategies and finance implementation of the Water for 2060 initiative by encouraging NPS, stormwater, green infrastructure, water/energy conservation and water reuse projects;
- Provide 25% of all CWSRF loans, as system interest is received, to communities with a population of less than 10,000;
- Apply for the capitalization grant within the first year appropriated;
- 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;
- Provide the necessary training and equip personnel with the skillset and tools needed to perform to meet the overall goals of the CWSRF program;
- Increase productivity and efficiency of the CWSRF program by revising forms and procedures, and exploring new ways of managing the CWSRF;
- Assist entities in working through the rules and regulations, continuing to make rule compliance as easy for the applicants as possible,
- Make use of proceeds from revenue bonds to provide matching funds for additional federal grants in order to help assist Oklahoma communities and water users to implement EPA GPR projects to fulfill Water for 2060 goals, and
- Implement recommendations made by participants of Focus Groups and Surveys to improve the CWSRF Program.

PROGRAMMATIC REQUIREMENTS

GREEN PROJECT RESERVE

As part of FFY 2018 Appropriations, the OWRB is required to provide a minimum of 10 percent of the Capitalization Grant for projects to address green infrastructure, water or energy efficiency improvements and other environmentally-innovative activities.

Oklahoma is committed to the implementation of the GPR and the green infrastructure policy. For SFY 2019, projects that implement green infrastructure and/or our state goal for water efficiency and conservation through the Water for 2060 Act will receive bonus points as listed in the “SFY 2019 Integrated Priority Rating System for Distribution of Funds”. The OWRB actively solicits interest groups and program stakeholders about potential GPR projects through conference/seminar presentations and announcements on relevant websites.

The Programmatic Application Process requests information for the purpose of assisting in determining a project’s preliminary GPR components. The Programmatic Application Process documentation is available at

owrb.ok.gov/cwsrf.



Staff engineers will consult with each entity’s project engineer during the planning process to refine the proposed expenditures toward GPR elements. OWRB has developed an ER checklist which guides the entity’s project engineer to address the GPR components during the planning stages of the project. A description of categorically eligible projects will be available for public viewing at owrb.ok.gov/greenreserve within the quarter in which the loan is made. The projects determined to be GPR eligible at the time of the final IUP are shown on the SFY 2019-2023 CWSRF PPL.

GPR components are verified and reviewed in the engineering report and the plans and specifications. They are also tracked, verified, and inspected during construction. In SFY 2018, the OWRB also began tracking actual GPR costs verified by pay request.

GPR results for the SFY will be included in the SFY 2019 CWSRF Annual Report and entered into the CWSRF Benefits Reporting Database (CBR) and National Information Management System (NIMS).

ADDITIONAL SUBSIDIZATION

FWPCA section 603(i) 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. There is no minimum amount of additional subsidization required; however, the maximum allowable is 30 percent depending on the total appropriations received.

If the total appropriations are:

- Less than \$1 billion then no additional subsidy is authorized;
- Greater than or equal to \$1.3 billion then up to 30 percent is authorized; or
- Greater than \$1 billion but less than \$1.3 billion then the maximum is equal to the percentage above \$1 billion.

Additional Subsidy can be provided to an eligible recipient that:

- Meets the affordability criteria of the State;
- Does not meet the affordability of the State but seeks additional subsidization to benefit individual rate payers in the residential user rate class; and/or
- Implements a process, material, technique or technology to address water or energy efficiency goals, mitigates stormwater runoff or encourages sustainable project planning, design and construction.

However, as part of the FFY 2018 Appropriations Act, 10 percent of the capitalization grant shall be used by each state to provide additional subsidy to eligible recipients in the form of forgiveness of loan, negative interest loans, or grants (or a combination of these), and shall be so used by the State 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 on or after the date of enactment of this Act.

These two separate requirements for additional subsidization can be additive. Therefore, each state must provide 10 percent and can provide up to 40 percent of the capitalization grant as subsidy. If providing more than the 10 percent required in the Appropriation Bill, the state must also comply with the requirements set forth in the CWA.

For SFY 2019, the Oklahoma CWSRF will provide loan forgiveness in an amount equal to 10% if its capitalization grant to eligible recipients for eligible projects that meet the State's Affordability Criteria as defined in the Affordability Criteria Section of this IUP and are in communities with a population of 3,300 or less. There can be a maximum of one (1) loan forgiveness per entity per SFY.

Project considered for loan forgiveness include the following:

- Phase I projects (Planning and Design) with cost schedules that show the full project balance is expected to be drawn within a nine (9) to twelve (12) month cycle from loan closing. These projects may be eligible for up to the full amount of project cost in compliance with the [Engineering Services Schedule](#).
- Phase II projects (Ready to Proceed) with cost schedules that show the full project balance is expected to be drawn within a nine (9) to twelve (12) month cycle from loan closing. These projects may be eligible for up to \$200,000 or 50% of eligible costs, whichever is lower. A 50% borrower's contribution is to originate from local funds, grants, OWRB funding, or a combination thereof.

TABLE 4: AFFORDABILITY CRITERIA

Percent Population Change ¹		Numerical Score
-5%	-4.01%	10
-4%	-3.01%	9
-3%	-2.01%	8
-2%	-1.01%	7
-1%	-0.01%	6
0%	0.99%	5
1%	1.99%	4
2%	2.99%	3
3%	3.99%	2
4%	4.99%	1
5%	and above	0

Per Capita Income in US Dollars ¹		Numerical Score
(3,000.00)	(2,501.00)	10
(2,500.00)	(2,001.00)	9
(2,000.00)	(1,501.00)	8
(1,500.00)	(1,001.00)	7
(1,000.00)	(0.01)	6
-	999.00	5
1,000.00	1,499.00	4
1,500.00	1,999.00	3
2,000.00	2,499.00	2
2,500.00	2,999.00	1
3,000.00	and above	0

Percent Unemployment ¹		Numerical Score
2.50%	and above	10
2.00%	2.49%	9
1.50%	1.99%	8
1.00%	1.49%	7
0.01%	0.99%	6
0.00%	-0.99%	5
-1.00%	-1.49%	4
-1.50%	-1.99%	3
-2.00%	-2.49%	2
-2.50%	-2.99%	1
-3.00%	and below	0

Population ²		Numerical Score
0-3,300	small	10
3,301-100,000	medium	5
>100,000	large	0

Total Score Available**40**

Priority consideration will be extended to Phase II projects whose entities received loan forgiveness for Phase I, as well as new Phase I projects. Secondary consideration will be extended to Phase II projects whose entities did not participate in Phase I loan forgiveness in SFY 2018.

The final list of projects that received additional subsidization will be available in the SFY 2019 CWSRF Annual Report.

AFFORDABILITY CRITERIA §603(i)

The CWA now requires that states develop affordability criteria that assist with the identification of applicants that would have difficulty financing projects. The affordability criteria must include information regarding employment, income, population trends and may include other information as dictated by the State.

The criteria utilize population, per capita income, the unemployment rate, and the population growth rate for each applicant or for the county in which the applicant is located. This information is identified using the American Community Survey Data (Survey) from the US Census Bureau at [census.gov/programs-surveys/acs/](https://www.census.gov/programs-surveys/acs/). That information is then compared to the Oklahoma state average from the Survey and given a numerical value based on the percentage above or below the state average. The lower the affordability criteria score the more ability the borrower has to afford the project. The greater the affordability criteria score the more assistance the borrower needs to be able to afford the project. Borrowers who score a 25 or more will receive additional points on the Priority Rating Form ORF-006. The OWRB's affordability criteria are described in Table 4.

¹Data obtained from American Community Survey Data at <https://www.census.gov/programs-surveys/acs/data.html>.

²Data obtained from Annual Audit Income Statement from Borrower.

DAVIS-BACON ACT §602(B)(6)

The amended CWA applies the DB provision of section 513 to any project for treatment works that is funded by the CWSRF. Compliance procedures are consistent with the EPA Guidance entitled “Wage Rate Requirements under the Consolidated and Further Continuing Appropriations Act, 2013.”

For every POTW construction project that is funded by a CWSRF loan, OWRB staff verifies that appropriate wage rates are obtained prior to bid opening. During construction, the OWRB receives certifications from borrowers or their designees that payroll reports are received and reviewed on a weekly basis and are accurate. The OWRB also ensures that the borrower or borrower’s designee conducts interviews with workers on site at the beginning, middle, and end of the project to document compliance with all DB requirements.

AMERICAN IRON AND STEEL §608

Section 608 of the CWA now requires that funds made available through the CWSRF must be used for projects that implement the construction, alteration, maintenance or repair of treatment works using iron and steel products that are produced in the US. The definition of iron and steel products include “lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforcement precast concrete, and construction materials.” The AIS provision became effective June 10, 2014 and does not apply to projects where the engineering plans and specifications were approved prior to the enactment date.

The AIS provision will be interpreted in the same manner as the implementation guidance by the EPA entitled “Implementation of Iron and Steel Provisions” of P.L. 113-76, Consolidated Appropriations Act of 2014. The guidance includes a mechanism for borrowers to request a waiver from the requirements of this section of the CWA.

The OWRB implements AIS requirements through pre-bid and preconstruction conferences, and checks for the AIS language in all the appropriate front-end documents such as the Information for Bidders, Advertisement, Bid Proposal, Agreement and Supplemental Conditions. The contractor is also required to certify that they will comply with AIS. During construction, AIS certifications are submitted together with submittals for all materials and every pay request. All materials that fall under the De Minimis waiver are tracked with pay requests to ensure that the cost does not exceed 5% of the total materials costs. All materials are checked and inspected during monthly site visits for compliance with AIS requirements and noted in the inspection report.

SYSTEM RESILIENCY

Resiliency of water and wastewater systems in Oklahoma is best attained through cooperation and connection between systems for redundancy and increased capacity. An interagency regionalization working group has developed a GIS-based Cooperative Planning Tool that allows water systems to search for surrounding systems with which they may be able to plan new infrastructure and share resources. The viewer shows PWS well locations



DAVIS-BACON REPORTING & VERIFICATION

To assist borrowers in maintaining compliance with Davis-Bacon Act requirements, the OWRB is implementing an electronic wage reporting and verification tool that can be used to create or upload certified payrolls and verify them electronically. The software will be made available at no cost to borrowers who wish to use it.

and distribution lines, and also indicates areas with inadequate nitrate and arsenic levels. The tool is available at deg.maps.arcgis.com.

Another interagency working group is currently developing a regulatory framework for Aquifer Storage and Recovery (ASR) in Oklahoma. ASR is the act of injecting water from a WWTP or a stream during times of high flows into a suitable aquifer to augment water supplies. The initial statutory language has been signed by Governor Fallin. With help from consultants, state and local officials are working to make ASR a practical alternative to the prohibitive cost of reservoir development, while still protecting the integrity of Oklahoma's aquifers. ASR permitting is expected to be in place as early as 2019.

The OCWP addresses resiliency to extreme events by providing 2030 and 2060 demand projections for the Municipal and Industrial sector and the Crop Irrigation sector under both drought and climate change scenarios. The scenarios, assuming both a "Hot/ Dry" weather pattern and a "Warm/ Wet" pattern, show a significant increase in demand. The OCWP Executive Report summarizes that "impacts on surface water gaps are expected to be most significant under the Hot/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."

In collaboration with the US Bureau of Reclamation, the OWRB developed the Oklahoma Drought Tool for entities and planners. The tool outlines drought management concepts and options with an exhaustive set of links to valuable resources, and is available online at drought.ok.gov.

SYSTEM SUSTAINABILITY

EPA's Clean Water Infrastructure Sustainability Policy emphasizes the need to build on existing efforts to promote sustainable wastewater infrastructure, working with states and wastewater systems to employ vigorous, comprehensive planning processes to deliver projects that are cost effective over their life cycle, resource efficient, and consistent with community sustainability goals. The policy encourages communities to develop sustainable systems that employ effective utility management practices to build and maintain the level of technical, financial, and managerial capacity necessary to ensure long-term sustainability.

Oklahoma encourages system sustainability employing multiple steps. It begins with the Programmatic Application utilized to rank and review projects. It gives preference to those projects that are aligned with Water for 2060 goals. Once the project is slated for possible funding, OWRB engineers work closely with the project engineers to ensure that they are looking at all possible green options and technology with regard to water and energy efficiencies, green infrastructure and innovative green projects, and that the community is keeping their water future in mind.

The OWRB and the Office of Secretary of Energy and Environment signed partnership agreements with the Department of Energy to work under the Wastewater Infrastructure Accelerator. The Accelerator is part of the Better Buildings initiative which provides water resource recovery facilities in our jurisdiction a pathway toward sustainable infrastructure of the future. Entities will seek to improve the energy efficiency of their participating water resource recovery facilities by 30 percent and integrate at least one resource recovery measure.

FISCAL SUSTAINABILITY PLANS §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.

It is not the intention that all projects heretofore require an FSP. As explained in EPA's January 6, 2015 Memorandum regarding its WRRDA Interpretive Guidance (Guidance) footnote #5, page 12: "FSPs are not required for new treatment works (unless they are physically replacing an existing treatment works or expanding the treatment capacity of an existing system) or for projects involving an upgrade that does not involve repair/replacement or expand the treatment capacity (e.g., adding advanced treatment)."

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

With new Guidance in place, sustainability is intended to take a front seat in the design and development phase using the entity's own FSP. The timing for Oklahoma was well placed as the OWRB was, in fact, working at the time on the final phases of its Wastewater Planning Guide (Guide). Since the Guide was largely a sustainability plan, the OWRB was able to quickly adapt it to match the provisions of the FSP.

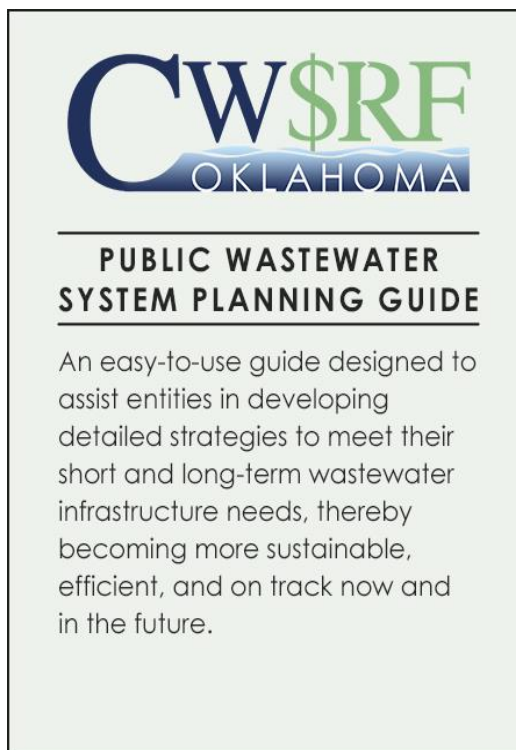
According to the Guidance, each CWSRF program must develop specific criteria for the contents of the FSP. This was accomplished, in general, by highlighting the FSP "required" sections and tables and adding some descriptive language as to how to use the Guide as an FSP Template. The sections specifically designated for the FSP are available online at owrb.ok.gov/guides as a standalone document.

The FSP, at a minimum, will need to include the following (these sections can be found in the planning guide):

- Inventory of critical assets (Section 4 of the Guide);
- Evaluation of the condition and performance of those assets (Sections 4 & 5);
- Certification that the recipient has evaluated and will be implementing water and energy conservation efforts;
- A plan to maintain, repair and replace the treatment works over time and a plan to fund these activities (Section 8); and
- The loan recipient will certify in their loan agreement that an FSP fulfilling these requirements will be completed no later than final inspection of project construction.

An FSP is not initially required to describe an entire system, but rather, be a dynamic plan of sustainability that describes, in logical sections, the project being funded. 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 take a look at developing a system-wide FSP (fundable by the CWSRF) or at least doing so in stages as subsequent projects come online.

Assistance recipients will be allowed to certify, as part of their loan agreement, that they have a plan that fulfills the requirement of the FSP. For systems that are not able to certify that they have a FSP-like plan in place, they will



certify with the loan agreement that one will be created. The system must certify prior to final reimbursement for the work requiring an FSP that the FSP was developed.

Note that FSPs are required for projects with Programmatic Applications submitted on or after October 1, 2014. Programmatic Application dates are included on the PPL.

TABLE 5: BINDING COMMITMENT REQUIREMENTS WITH RESPECT TO FEDERAL PAYMENTS BY FFY

Project Name/ Community Served	Project Number	Binding Commitment Date	FFY 2017	FFY 2018				
			QTR 4	QTR 1	QTR 2	QTR 3	QTR 4	
Carney PWA	ORF-18-0011-CW	08/21/18	\$98,850					\$98,850
Haileyville PWA	ORF-18-0008-CW	08/21/18	\$54,600					\$54,600
Inola PWA	ORF-19-0012-CW	08/21/18	\$300,000					\$300,000
Meeker PWA	ORF-19-0003-CW	08/21/18	\$60,000					\$60,000
Guthrie PWA	ORF-17-0007-CW	09/18/18	\$11,500,000					\$11,500,000
Calumet PWA	ORF-19-0007-CW	08/21/18	\$671,104					\$671,104
Coalgate PWA	ORF-19-0009-CW	02/12/19			\$400,000			\$400,000
Miami SUA	ORF-14-0011-CW	08/21/18	\$4,000,000					\$4,000,000
Corn PWAT	ORF-18-0003-CW	10/16/18		\$1,000,000				\$1,000,000
Big Cabin PWA	ORF-18-0017-CW	08/21/18		\$163,669				\$163,669
Weleetka PWA	ORF-19-0008-CW	12/11/18		\$400,000				\$400,000
Coweta PWA	ORF-19-0002-CW	09/18/18	\$11,308,168					\$11,308,168
Tulsa MUA	ORF-19-0001-CW	10/16/18		\$39,778,000				\$39,778,000
Owasso PWA	ORF-14-0001-CW	11/20/18		\$13,000,000				\$13,000,000
McLoud PWA	ORF-18-0005-CW	09/18/18	\$3,200,000					\$3,200,000
Elk City PWA	ORF-18-0004-CW	09/18/18	\$183,250					\$183,250
Chickasha MA	ORF-17-0012-CW	09/18/18	\$6,700,000					\$6,690,000
Broken Arrow MA	ORF-17-0005-CW	11/20/18		\$19,000,000				\$19,000,000
Oklahoma City WUT	ORF-17-0002-CW	08/21/18	\$3,000,000					\$3,000,000
Oklahoma City WUT	ORF-18-0002-CW	06/18/19				\$1,700,000		\$1,700,000
Perry MA	ORF-17-0010-CW	11/20/18		\$450,000				\$450,000
Capitalization Grant Admin.(from banked funds)			\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
(1) Annual Binding Commitment Totals			\$41,065,972	\$73,891,669	\$500,000	\$1,800,000	\$100,000	\$117,537,641
(2) Cumulative Binding Commitment Totals ¹			\$1,316,599,899	\$1,357,665,871	\$1,431,557,540	\$1,432,057,540	\$1,433,857,540	\$1,433,957,540
(3) Fiscal Year Binding Commitment Totals			\$41,065,972	\$73,891,669	\$500,000	\$1,800,000	\$100,000	
(4) CAP Grant Award & State Match			\$15,560,400	\$0	\$0	\$0	\$0	\$15,560,400
(5) Cumulative Required Binding Commitment Totals			\$414,659,500	\$430,219,900	\$430,219,900	\$430,219,900	\$430,219,900	
(6) Binding Commitment Totals as a Percentage of Required Binding Commitment Totals			317.5%	315.6%	332.8%	332.9%	333.3%	333.3%

¹ Projections

ASSURANCES, CERTIFICATION, AND SPECIFIC REQUIREMENTS

The CWSRF Operating Agreement between Oklahoma and the EPA incorporates required assurances, certifications, and specific requirements of the following CWA sections:

§602(B)(2) STATE MATCHING FUNDS

The State of Oklahoma agrees that State monies in an amount equaling 20 percent of the amount of each grant payment will be deposited into the CWSRF on or before the date on which the State receives each payment from the grant award or the State will utilize other measures for depositing the State match allowable under 40

35.3135 (b)(1). Each annual CWSRF grant application will include details on the source of State matching funds. For the FFY 2018 grant, the state match will come from a reallocation of the Series 2015 Bond proceeds that closed in December 2015.

§602(B)(3) BINDING COMMITMENTS

The State of Oklahoma will enter into binding commitments for 120 percent of each quarterly federal payment within one year of receipt of that payment (Table 5).

§602(B)(4) EXPEDITIOUS AND TIMELY EXPENDITURES

The State of Oklahoma will expend all funds in the CWSRF in an expeditious and timely manner.

§602(B)(5) FIRST USE FOR ENFORCEABLE REQUIREMENTS

The State of Oklahoma will fund all National Municipal Policy projects that were not in compliance or were on enforceable schedules. Prior to the award of the first capitalization grant in 1989, the State certified that all projects listed as National Municipal Policy Projects (under enforcement actions) had been previously funded.

§602(B)(6) COMPLIANCE WITH TITLE II REQUIREMENTS

The State of Oklahoma met the specific statutory requirements for POTW projects constructed before October 1, 1994 with funds directly made available by federal capitalization grants. The OWRB will conduct an environmental review and execute and distribute a determination using the State Environmental Review Process as described in the Operating Agreement, 40 CFR 35.3140 and program rules. Additionally, the DB prevailing wage provision applies to projects funded for treatment works.

§602(B)(9) GAAP

CWSRF Assistance Recipients will maintain project accounts according to generally accepted accounting principles. The requirement is included in each loan agreement as follows:

“The Borrower shall maintain separate Project accounts in accordance with generally-accepted government accounting standards, including (1) standards related to the reporting of infrastructure assets and (2) those set forth in the “Standards for Audit of Government Organizations, Programs, Activities and Functions,” published by the U.S. Government Accountability Office.”

§602(B)(14) A/E REQUIREMENTS

The Annual Capitalization Grant Certification included language that the State of Oklahoma’s qualifications-based requirements set forth in Oklahoma’s Public Competitive Bidding Act of 1974, 61 OS § 101 et seq., and Oklahoma State Consultant Act OS §60 et seq. are fundamentally equivalent to the requirements of 40 U.S.C. § 1101 et seq.

EPA ORDER NO. 5700.7, ENVIRONMENTAL RESULTS UNDER EPA ASSISTANCE AGREEMENTS

The State of Oklahoma agrees to complete the one-page Environmental Benefits Assessment worksheet, effective January 1, 2005, for all binding commitments (final loan agreements) and include copies of the completed worksheet or a summary of the table of the worksheet in the state’s Annual Report (Table 6).

CWSRF REPORTING

The OWRB will report as required by the capitalization grant on the utilization of funds under the SFY 2019 IUP. The major reporting vehicle will be the CBR database and the CWSRF NIMS. Reporting will include how the additional subsidies are utilized, use of funds under the GPR, basic data elements, and environmental benefits. This information will also be included in the Annual Report for SFY 2019.

TABLE 6: PROJECTED ENVIRONMENTAL BENEFITS FOR PROPOSED SFY 2019 CWSRF LOANS

PROJECT	Carney PWA	Haileyville PWA	Inola PWA	Meeker PWA	Guthrie PWA	Calumet PWA	Coalgate PWA	Miami SUA	Corn PWAT	Big Cabin PWA
Project Number	ORF-18-0011-CW	ORF-18-0008-CW	ORF-19-0012-CW	ORF-19-0003-CW	ORF-17-0007-CW	ORF-19-0007-CW	ORF-19-0009-CW	ORF 14-0011-CW	ORF-18-0003-CW	ORF-18-0017-CW
Binding Commitment Year	2018	2018	2019	2019	2018	2019	2019	2017	2018	2018
Population	647	672	1,824	1,144	10,668	600	1,849	13,704	503	256
Assistance Amount Total	\$512,627	\$54,600	\$300,000	\$60,000	\$11,500,000	\$671,104	\$400,000	\$4,000,000	\$1,000,000	\$163,669
Category I	\$512,627				\$11,500,000				\$150,000	\$163,669
Category II										
Category IIIA		\$300,000				\$286,561		\$2,800,000		
Category IIIB		\$300,000				\$384,543	\$400,000	\$400,000	\$850,000	
Category IVA										
Category IVB										
Category V										
Category VI								\$800,000		
Category VII										
Category X										
Category Other			\$300,000	\$60,000						
Waterbody name	Trib of Bellcow Creek	Un. Trib to Blue Creek	Pea Creek	South Quapaw Creek	Cimarron River	Six Mile Creek	Un. Trib to Brier Creek	Neosho River	Corn Creek	Rock Creek
Affected Waterbody I.D.	OK520700050260_00	OK2206000030022_00	OK121500020100_00	OK520700040350_00	OK620910010010_00	OK520530000110_00	OK410400050585_00	OK121600040010_00	OK310830030140_00	OK121600020180_00
PROJECT TYPE FACTOR										
Consent Order or Enforceable NPDES Permit Schedule	X	X	X		X		X	X	X	
Eliminate or reduce documented health threat or NPDES violation within watershed that is a water supply								X		
Eliminate or reduce documented health threat or NPDES violation		X	X	X	X				X	
All other projects sustaining or reducing current degree of treatment, increasing capacity, reliability, or efficiency, reclaim/reuse water, or reduce documented water quality threat	X			X		X		X		X
WATER QUALITY RESTORATION FACTOR										
Affects 303d listed stream			X		X			X		
Top-ten NPS Priority Watershed						X				
Project implements water quality plan	X	X	X				X	X	X	X
WATER QUALITY PROTECTION FACTOR										
Appendix A water										
Outstanding Resource Water										
High Quality Water										
Sensitive Water Supply										
Scenic River										
Cultural Significance										
Nutrient Limited Watershed										
Appendix B water										
Waters with recreational and/or ecological significance										
Source water protection area		X								
Groundwater vulnerability										
Low		X	X				X	X	X	X
Moderate	X									
High Quality Water										
Very High					X	X				

Weleetka PWA	Coweta PWA	Tulsa MUA	Owasso PWA	McLoud PWA	Elk City PWA	Chickasha MA	Broken Arrow MA	Oklahoma City WUT	Oklahoma City WUT	Perry MA
ORF-19-0008-CW	ORF-19-0002-CW	ORF-19-0001-CW	ORF-14-0001-CW	ORF-18-0005-CW	ORF-18-0004-CW	ORF-17-0012-CW	ORF-17-0005-CW	ORF-17-0002-CW	ORF-18-0002-CW	ORF-17-0010-CW
2019	2019	2019	2014	2018	2018	2018	2017	2017	2018	2018
975	9,943	403,333	32,472	4,044	12,198	16,036	104,863	639,163	639,163	5,056
\$400,000	\$11,308,168	\$39,778,000	\$13,000,000	\$3,200,000	\$371,129	\$6,700,000	\$19,000,000	\$3,000,000	\$1,700,000	\$450,000
		\$6,629,667								
		\$6,629,667	\$13,000,000							
		\$6,629,667					\$1,900,000	\$1,500,000	\$850,000	\$22,500
\$400,000	\$11,308,168	\$6,629,667					\$7,600,000	\$1,500,000	\$850,000	\$45,000
		\$6,629,667					\$9,500,000			\$382,500
		\$6,629,667		\$3,200,000						
					\$371,129	\$6,700,000				
Alabama Creek	Arkansas River	Arkansas River/Bird Creek	Un. Trib To Owasso Creek	North Canadian River	Elk Creek	Washita R., Line Cr., & Rock Hollow Creek	Arkansas River	N. Canadian River	N. Canadian River	Cow Creek
OK5205000102_00_00	OK120410010_080_00	OK120420010010_00 OK121300010010_00	OK1213000100_57_00	OK52051000011_0_20	OK3115000300_30_10	OK310820010010_00 OK310820010010_10 OK310820010100_00 OK310820010110_00	OK120410010_080_00	OK520520000_010_10	OK520520000_010_10	OK6212000302_70_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				
			X		X					X
				X						
X	X	X		X		X	X	X	X	

FFATA REPORTING

The Federal Funding Accountability and Transparency Act (FFATA) was signed on September 26, 2006. The intent is to allow the general public to hold government accountable for spending decisions through a searchable website: usaspending.gov. The OWRB reports actual rather than estimated expenditures. Consequently, the projects which will comply with the FFATA reporting requirements cannot be identified at the time the IUP is finalized.

SIGNAGE REQUIREMENTS

The EPA issued “Guidelines for Enhancing Public Awareness of the SRF Assistance Agreements” on June 3, 2015, which provides several options for compliance. The OWRB has chosen the press release option to fulfill this requirement to be distributed at the time of loan approval. Press releases will be posted at owrb.ok.gov/news and will include the following information:

- Name of the facility, project and community;
- State SRF administering the program;
- Project is wholly or partially funded with EPA funding;
- Brief description of the project; and
- Listing of the water quality benefits to be achieved.


IDENTIFICATION OF EQUIVALENCY PROJECTS

Equivalency projects are defined within the SRF programs as a select group of loans whose sum is equal to the amount of the capitalization grant which are required to meet certain federal requirements. Per the EPA’s September 22, 2014 directive, the same group of equivalency loans must meet the federal crosscutter, single audit, Disadvantaged Business Enterprise, Equal Employment Opportunity, AIS, DB, Signage, A/E procurement and FFATA reporting requirements. The OWRB applies CWSRF requirements in order to provide the upmost level of transparency. Only those projects which actually receive federal funds will be reported in the FFATA and only those entities that receive \$750,000 or more in federal funds will be required to do a single audit. The final list of entities that comply with these requirements will be included in the SFY 2019 Annual Report.

OWRB’S FINANCIAL MANAGEMENT

CWSRF FINANCING PLAN

The CWSRF financing plan provides three major elements: 1) a pool of funds to meet the funding demand which is made available with the use of capitalization grants, bond proceeds, and second round funds; 2) below market rate financing and program incentives to help communities meet applicable federal/state pollution control laws; and 3) flexibility and perpetuity of the CWSRF to meet future water quality needs.



FITCH RATINGS

Outstanding Debt
Revolving Fund Revenue Bonds AAA

Rating Outlook
Stable

Ratings Detail as of February 2018

OWRB Bond Rating AAA

As the first step in issuing bonds, a thorough examination of the PPL is done in order to see what the possible demand for the CWSRF will be over the next year. Then a review of funds available for current draws is done including checking whether there are still bond proceeds and how much cash is available. A more in-depth discussion is had with borrowers on the PPL to gain a better understanding of the timeline of their projects. An analysis is then run to see how much equity (funds) the OWRB has to contribute to the bond issue. Spreadsheets are then created to take a snapshot of all the current balances of all the sources of money that are available for funding draws and equity. At this point in the bond issue process, an estimated amount of the bond issue is calculated and a tentative date is set for closing. Once a date is set, the OWRB closely monitors the cash draws in order to be able to meet the Tax Increase Prevention and Revitalization Act of 2005 (TIPRA) first year requirement of expending 30% of the bond proceeds. The OWRB does this by reimbursing funds loaned out from cash and reimbursing them back from bond proceeds. The PPL is once again evaluated to see if TIPRA's third year provisions can be met which is when 95% of the bond proceeds are expended. Average monthly draws are calculated to estimate how long the remaining cash funds will last. After review of all the information, a timeline is finalized for the bond issue.

ALLOCATION OF FUNDS TO ELIGIBLE ENTITIES


The OWRB utilizes a six-step process to prescribe how available funds will be allocated between eligible wastewater construction or pollution control and refinancing projects, as follows:

- Identify borrowers that are ready to proceed with projects during SFY 2019;
- As system interest is received, provide 25% of all CWSRF loans to communities of less than 10,000 population;
- Determine the amount of financing needed by borrowers that are ready to proceed;
- Identify the sources of funds available to provide the requested assistance;
- Determine if financing requested is consistent with amount of funds available; and
- Identify those projects from the 5-year PPL, in priority order, for which the OWRB will commit available unrestricted funds.

CRITERIA AND METHOD OF DISTRIBUTION OF FUNDS

The following process is used to develop the distribution of funds: 1) analyze the type of community served and financial assistance needed; 2) identify funding sources and spending limits; 3) allocate funds among projects; 4) create a capitalization grant payment schedule used for making timely commitment of funds to projects selected to receive assistance; and 5) establish a disbursement schedule to distribute funds to loan recipients for project costs as they are incurred.

TRANSFER AUTHORITY BETWEEN CLEAN WATER AND DRINKING WATER SRFs



S&P GLOBAL RATING

S&P Global Ratings assigned its 'AAA' rating, with a stable outlook, to the OWRB's revolving fund revenue bonds, series 2018 (Master Trust), and affirmed its 'AAA' rating on the board's clean water and/or drinking water revenue bonds outstanding. *Ratings detail as of February 27, 2018.*

OWRB Bond Rating **AAA**

In accordance with the Safe Drinking Water Act (SDWA), SRF funds transfer provisions (Section 302), the State hereby reserves the authority to transfer an amount up to 33 percent of the DWSRF program capitalization grant[s] to the CWSRF program or an equivalent amount from the CWSRF program to the DWSRF program. The transfer authority was approved by the Attorney General July 27, 2004 and by the EPA on September 3, 2004.

During SFY 2019, Oklahoma may determine it is necessary to transfer funds between the two programs in order to assure adequate capacity to meet funding demands. If the entire unused reserved amount of transfer authority were to be transferred from the CWSRF to the DWSRF during SFY 2019, the transfer is not anticipated to impair the OWRB's ability to fund all projects on the SFY 2019 PPL. Neither would such a transfer have an impact on set-aside funds.

The long-term impact of these transfers on the CWSRF may result in a reduction of leveraging capacity, meaning that at some future date, unless funds are transferred back from

the DWSRF, the OWRB may not have adequate program funds to meet the total demand for CWSRF funding.

With this IUP, the OWRB requests the ability to transfer funds as necessary between the CWSRF and DWSRF programs during SFY 2019. Approval of the IUP will constitute approval of the transfer request. The OWRB understands that funds transferred between programs during SFY 2019 or in future years may not be available for return to the SRF of origin if a permanent extension of transfer authority is not granted.

CROSS-COLLATERALIZATION OF THE CWSRF AND DWSRF REVENUE BOND STRUCTURE

The Master Trust Agreement dated October 1, 2003, provides a bond structure that allows for cross-collateralization of the CWSRF and the DWSRF in order to provide additional bond security and ratings enhancement for both programs. With cross-collateralization, excess CWSRF revenues (revenues pledged to repayment of CWSRF bonds over and above what is needed to make actual debt service payments) would be available to cure any DWSRF bond payment default or reserve fund deficiency. Likewise, excess DWSRF revenues would be available to cure any CWSRF bond payment default or reserve fund deficiency. Pursuant to federal regulations, cross-collateralization support cannot extend to debt specifically issued for the purpose of providing state matching funds.


The Master Trust Agreement provides adequate safeguards to ensure that future CWSRF or DWSRF bond issues will comply with this limitation. Revenues pledged to the repayment of CWSRF bonds include: principal and interest payments received on local loans made from proceeds of the bond issue and from other CWSRF program

loans; investment earnings on funds and accounts within the bond indenture, including a reserve fund comprised of CWSRF program assets (cash). The Master Trust Agreement and each series bond indenture require that revenues be pledged sufficient to cover the debt service requirement for each payment date at least 1.1 times.

Accordingly, a cash flow surplus is anticipated for each period absent a borrower default on a local loan. This surplus flows through a Deficiency Fund in the Master Trust Agreement that makes the surplus available to other series of CWSRF and DWSRF bonds.

The order of priority for surplus CWSRF pledged revenues is:

- Other CWSRF bond issue debt service payment deficiencies;
- Any DWSRF bond issue debt service payment deficiencies (but not DWSRF state match bonds);
- Other CWSRF bond issue reserve fund deficiencies;
- Any DWSRF bond issue reserve fund deficiencies (but not DWSRF unrestricted reserve funds that secure DWSRF state match bonds);
- To replenish and repay the DWSRF for any surplus DWSRF pledged revenues that were previously utilized to cure a CWSRF bond issue debt service or reserve fund deficiency;
- All remaining funds are released back to the CWSRF Loan Account.



**MOODY'S
INVESTOR SERVICE**

Central to the AAA rating is the credit quality of the loan pool participants together with the OWRB's capacity to absorb high percentages of potential defaults of underlying loans and still pay debt service for the life of the bonds. The rating is further supported by sound program structure and strong management and oversight. Additionally, we expect the loan portfolio size and diversity to continue to improve with subsequent bond issuances, driven by healthy demand for clean water projects throughout the state of Oklahoma. *Credit Opinion as of March 2, 2018.*

OWRB Bond Rating

AAA

The order of priority for surplus DWSRF pledged revenues is similarly structured, as such any surplus CWSRF pledged revenues that are utilized to cure a DWSRF bond issue debt service or reserve fund deficiency will ultimately be repaid to the CWSRF through operation of the Master Trust Agreement.

INVESTMENT AUTHORITY BETWEEN CLEAN WATER AND DRINKING WATER SRFS

Special permission was received from the EPA on October 6, 2006, in accordance with the Federal Water Quality Act of 1987, to invest in the DWSRF a portion of the CWSRF in order to provide an efficient and economical interim financing alternative.

The possible investment would include funds from second round principal repayments and investment earnings that are currently being held by the Oklahoma State Treasurer. The funds would be replenished with proceeds from a DWSRF bond issue as soon as enough DWSRF loans have originated that in the aggregate total a desired bond issue size. Oklahoma may request an investment of funds in order to assure adequate capacity to meet funding demands for the DWSRF program.

- The funds are restricted by several EPA provisions including:
- The indebtedness may be in the form of a loan or bond purchase and will not exceed three years in duration.

- The amount will not exceed a \$12 million balance at any time.
- The interest rate will be equivalent to the interest that would have been earned had the OWRB invested in traditional institutions.
- The OWRB will provide results of their DWSRF investment in the Annual Reports.
- The EPA will be informed of the total outstanding balance and informed of the terms each time an indebtedness instrument is signed.
- The OWRB deems it to be in the best interest of Oklahoma to fully meet funding demands of the DWSRF.

ADMINISTRATIVE COST OF THE CLEAN WATER SRF §603(D)(7)

To administer the program, the OWRB historically utilized funds from the banked 4% set-aside from the federal capitalization grant, as authorized by the CWA Amendments of 1987, along with an annual loan administration fee equal to 0.5% on unpaid loan balances. With the reauthorization of the CWA options regarding the amount of funds available to administer the CWSRF program has changed. The maximum amount of CWSRF funds allowable for covering the reasonable costs of administering the fund is the greatest of the following:

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

In reviewing the three options, the OWRB will continue to bank an amount equal to 4% of all grant awards received by a State CWSRF less any amount that has been used in previous years. The current level of CWSRF banked funds is \$10,048,781.88.

The SFY 2019 program administrative budget is expected to be approximately \$2.3 million, with an estimated \$400,000 from the 4% set-aside fund from awarded capitalization grants and \$1.97 million from the Administrative Fund.

FEES §602(B)(12)

The annual loan administration fee charged to the borrowers is 0.5% of their outstanding principal loan balance billed semi-annually. The initial application fee charged to the borrower is based on the loan amount requested as shown in Table 3. All of these fees are deposited into the Administrative Fund, table 7, held outside the CWSRF, and are used solely for the purpose of administering the CWSRF, including long-term loan servicing and other authorized purposes. An annual financial audit is performed by an accounting firm and will be included in the Annual Report to EPA.

TABLE 7: SFY 2019 UNRESTRICTED SOURCES BY ADMINISTRATIVE FUND

Beginning Balance, 7/1/18*	\$ 4,189,237.85
Projected Application Fees	\$ 2,000.00
Projected Administrative Fee Revenue	\$ 2,391,231.13
Total Sources	\$ 6,582,468.98
Projected Expenses**:	\$ 1,903,005.00
Projected Ending Balance, 6/30/19	\$ 4,679,463.98

*Balance projected through 6/30/18

**Includes Personnel, Travel, Professional Services, Equipment, etc.

SFY 2019 PROPOSED PROJECTS

For SFY 2019, the OWRB has received requests for 21 wastewater and water quality projects totaling \$116,957,641. The PPL in Table 2 is a condensed version of the full PPL, which includes the 5-year planning and contingency projects that can be found on our website at owrb.ok.gov/cwsrf. It provides a listing of these fundable projects, along with EPA “needs category,” target approval dates, application date, GPR, GPR type, required environmental documents, loan type, and, if applicable, Oklahoma Pollutant Discharge Elimination System permit number, pursuant to CWA Section 606(c)(1-11). The PPL may be revised if the financing strategy changes or additional projects are identified.

Projects shall conform to a state-approved 208 Water Quality Management Plan, 319 NPS Management Plan, Stormwater Management Plan or Quality Assurance Project Plan to be considered for funding. Based on initial environmental reviews, no proposed projects are anticipated to require a formal EIS study. Projected environmental benefits of proposed projects based on project type, water quality restoration, and water quality protection factors are listed in Table 6. Projects that meet the requirements of the capitalization grant, including federal crosscutting laws and authorities are identified in Table 5. These projects may receive loan funds from capitalization grant monies, state matching funds, CWSRF bonds, interest and investment earnings, and monies repaid to the fund by previous borrowers, called “second round monies.”

BYPASS PROVISION

According to OAC 785:50-9-23(f)(2), 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 notices that the project is to be bypassed. Projects that have been bypassed may be reinstated on the funded portion of the list if sufficient funds are available, and the project 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.

TABLE 8: BANKED ADMINISTRATIVE FUNDS

(Expended vs. Available)

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 CUMMULATIVE
0001-89-0	88	\$371,120.00	1990	\$267,260.20	\$103,859.80	\$0.00	\$0.00		\$0.00
0001-89-1	89	\$303,896.00	1991	\$317,222.55	\$90,533.25	\$6,645.85	\$0.00		\$6,645.85
0001-90-0	90	\$314,480.00	1992	\$304,224.90	\$100,788.35	\$61,038.10	\$4,845.78		\$62,838.17
0001-91-0	91	\$663,224.76	1993	\$338,973.80	\$425,039.31	\$135,268.39	\$19,201.38		\$178,905.18
0001-92-0	92	\$627,909.48	1994	\$412,302.79	\$640,646.00	\$172,677.21	\$91,539.01		\$260,043.38
0001-93-0	93	\$621,141.84	1995	\$36,317.36	\$1,225,470.48	\$198,427.36	\$374,450.40		\$84,020.34
0001-94-0	94	\$385,304.00	1996	\$370,594.21	\$1,240,180.27	\$204,594.86	\$217,803.20		\$70,812.00
0001-95-0	95	\$398,047.32	1997	\$376,309.00	\$1,261,918.59	\$110,168.75	\$81,189.13		\$99,791.62
0001-96-0	96	\$652,014.00	1998	\$283,979.00	\$1,629,953.59	\$338,310.69	\$311,939.84		\$126,162.47
0001-97-0	97	\$199,444.00	1999	\$0.00	\$1,829,397.59	\$377,880.55	\$378,995.72		\$125,047.30
0001-98-0	98	\$435,164.40	2000	\$0.00	\$2,264,561.99	\$491,889.36	\$449,188.42		\$167,748.24
0001-99-0	99	\$435,200.04	2001	\$220,545.42	\$2,479,216.61	\$601,236.58	\$507,070.09	\$1,857.93	\$260,056.80
0001-100-0	2000	\$439,868.08	2002	\$144,193.71	\$2,774,890.98	\$610,366.39	\$707,864.29	\$26,075.53	\$136,483.37
0001-101-0	2001	\$429,869.88	2003	\$128,364.98	\$3,076,395.88	\$721,147.29	\$615,566.98	\$43,131.32	\$198,932.36
40000202	2002	\$430,828.20	2004	N/A	\$3,507,224.08	\$793,865.98	\$678,699.06	\$3,935.22	\$310,164.06
40000204	2003	\$428,028.00	2005	N/A	\$3,935,252.08	\$843,271.10	\$745,075.59	\$0.00	\$408,359.57
40000205	2004	\$428,028.00	2006	N/A	\$4,363,280.08	\$874,416.19	\$778,732.54	\$0.00	\$504,043.22
40000206	2005	\$347,752.00	2007	\$61,048.30	\$4,649,983.78	\$977,081.00	\$696,811.00	\$0.00	\$784,313.22
40000207	2006	\$281,852.00	2008	\$31,751.26	\$4,900,084.52	\$959,796.00	\$875,374.00	\$0.00	\$868,735.22
40000208	2007/2008	\$563,496.00	2009	\$127,823.28	\$5,335,757.24	\$1,019,751.00	\$1,193,883.00	\$0.00	\$694,603.22
2W-96688501	ARRA	\$1,266,484.00	2010	\$742,626.65	\$5,859,614.59	\$1,179,759.31	\$1,178,736.04	\$0.00	\$695,626.49
40000210	2009/2010	\$876,564.00	2011	\$255,064.13	\$6,481,114.46	\$1,002,432.46	\$1,206,749.42	\$0.00	\$491,309.53
40000211	2011	\$477,200.00	2012	\$80,572.58	\$6,877,741.88	\$1,757,659.00	\$1,053,387.11	\$0.00	\$1,195,581.42
40000212	2012	\$456,760.00	2013	N/A	\$7,334,501.88	\$2,049,551.00	\$1,376,583.00	\$0.00	\$1,868,549.42
40000213	2013	\$431,440.00	2014	N/A	\$7,765,941.88	\$2,276,819.00	\$1,955,991.00	\$0.00	\$2,189,377.42
4000214	2014	\$453,120.00	2015	N/A	\$8,219,061.88	\$2,252,743.00	\$2,051,801.00	\$0.00	\$2,390,319.42
4000215	2015	\$450,760.00	2016	N/A	\$8,669,821.88	\$2,358,714.00	\$2,078,957.00	\$0.00	\$2,670,075.91
4000216	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
4000217	2017	\$428,480.00	2018	N/A	\$9,530,101.88	\$2,438,225.09	\$1,668,347.15	\$0.00	\$4,189,237.85
4000218	2018	\$518,680.00	2019	N/A	\$10,048,781.88	\$2,393,231.13	\$1,903,005.00	\$0.00	\$4,679,463.98
TOTAL	N/A	\$14,547,956.00	N/A	\$4,499,174.12	\$10,048,781.88	\$29,673,874.64	\$24,919,410.15	\$75,000.00	\$4,679,463.98
AVAILABLE ADMINISTRATIVE FUNDS					\$10,048,781.88				\$4,679,463.98
TOTAL OF ALL AVAILABLE ADMINISTRATIVE FUND									\$14,728,245.86

*REVENUE AND EXPENDITURES FROM THE OUTSIDE ACCOUNT ARE PROJECTED THROUGH JUNE 30, 2018 AND WILL BE UPDATED WITH THE ANNUAL REPORT.

**THE OUTSIDE ACCOUNT REVENUE IS GENERATED FROM A 0.50% ANNUAL ADMINISTRATIVE FEE ON ALL OUTSTANDING LOANS.

SOURCES AND COMMITMENT OF FUNDS DURING SFY 2019

Table 8 identifies sources and commitments of all CWSRF funds. It is anticipated that approximately \$154 million will be available during SFY 2019. Approximately \$146 million in fund commitments have been identified, leaving approximately \$8.1 million for wastewater infrastructure funding needs.

As funds are available, the OWRB will fund all new loans from the revolving fund, bond proceeds, capitalization grants, loan repayments, interest earnings, or release of reserve funds. Under the OWRB's financing strategy, new loans that are funded from cash reserves may be reimbursed with proceeds from future bond issues. A reimbursement resolution detailing the loans which would be available to be refunded back to the OWRB from the proceeds of future bond issues will be approved by the Board in advance of the issue.

SFY 2019 ALLOCATION OF FUNDS AMONG PROJECTS

Table 9 details the allocation of funds among the various types of projects, along with the EPA's project types or "needs categories," applicable treated effluent discharge permit requirements, binding commitment, construction start, and initiation of operations dates. Projects scheduled for funding have been or will be reviewed for consistency with the CWA as amended. Prior to receiving a loan commitment, documented evidence of this review is placed on file.

TABLE 9: SFY 2019 UNRESTRICTED FUND SOURCES BY STATE FISCAL QUARTER

Sources of Funds		Totals
Beginning Balance (FY 18 Carryover) Includes: Open cap grants, cash in 2nd Round Fund, outstanding bond proceeds, remaining state match funds		\$89,266,522.93
2018 Capitalization Grant Payments		\$12,967,000.00
2018 State Match Deposit		\$2,593,400.00
Release of Reserve Funds		\$3,236,882.87
Loans:	Interest Earnings	\$10,148,210.28
	Principal Repayments	\$34,450,509.49
Investment Income Treasury	State Treasurer's Cash Management Program Interest (recycled funds)	\$808,327.71
	Lawton Investment Principal/Interest	\$565,974.00
	Short-Term Investment Earnings-BancFirst	\$166,514.73
Total Sources		\$154,203,342.01
Fund Commitments		Totals
Loan Obligations on SFY2019 Priority List*		\$29,239,410.25
Loan Obligations for Prior Years		\$53,507,297.22
OWRB Administrative Expenses		\$400,000.00
Transfer to DWSRF		\$30,000,000.00
2011 CWSRF Bonds::	Interest	\$2,518,637.50
	Principal	\$5,220,000.00
2012 CWSRF Bonds::	Interest	\$3,532,000.00
	Principal	\$2,610,000.00
2014A CWSRF Bonds:	Interest	\$924,226.20
	Principal	\$5,075,000.00
2015 CWSRF Bonds::	Interest	\$3,928,743.75
	Principal	\$9,090,000.00
Total Fund Commitments		\$146,045,314.92
Difference of Source and Fund Commitments		\$8,158,027.09

*This amount is 25% of the anticipated draws from loans on the 2019 Priority List.

TABLE 10: SFY 2019 INTENDED USE PROJECTS AND ADMINISTRATIVE COSTS

	TYPE ¹	PROJECT NAME/ COMMUNITY	PROJECT NUMBER	ASSISTANCE AMOUNT (\$)	AMERICAN COMMUNITY SURVEY DATA POPULATION ESTIMATE	DISCHARGE PERMIT REQUIREMENTS (DPR) ²			
						CBOD ₅	BOD	TSS	NH ₃ -N
1	NC	Carney PWA	ORF-18-0011-CW	\$98,850	638		20	30	
2	NC	Haileyville PWA	ORF-18-0008-CW	\$54,600	672	15,10,15		30,20,30	5,7,5
3	NC	Inola PWA	ORF-19-0012-CW	\$300,000	1,824		30	90	
4	NC	Meeker PWA	ORF-19-0003-CW	\$60,000	1,144	15	20	30	10
5	LC	Guthrie PWA	ORF-17-0007-CW	\$11,500,000	11,063		30	30	
6	LC	Calumet PWA	ORF-19-0007-CW	\$671,104	600	ND	ND	ND	ND
7	LC	Coalgate PWA	ORF-19-0009-CW	\$400,000	1,849		20	30	
8	LC	Miami SUA	ORF-14-0011-CW	\$4,000,000	13,669	15	30	30	4
9	LC	Corn PWAT	ORF-18-0003-CW	\$1,000,000	499	ND	ND	ND	ND
10	LC	Big Cabin PWA	ORF-18-0017-CW	\$163,669	256	15	30	30,90	10
11	LC	Weleetka PWA	ORF-19-0008-CW	\$400,000	975		20	30	
12	LC	Coweta PWA	ORF-19-0002-CW	\$11,308,168	9,943		30	30	
13	LC	Tulsa MUA	ORF-19-0001-CW	\$39,778,000	403,333	15		30	8,7,7
14	LC	Owasso PWA	ORF-14-0001-CW	\$13,000,000	33,598	12		23.6	3.14,2.36
16	LC	McLoud PWA	ORF-18-0005-CW	\$3,200,000	4,596		30	30	
17	LC	Chickasha MA	ORF-17-0012-CW	\$6,690,000	16,342	N/A	N/A	N/A	N/A
18	LC	Broken Arrow MA	ORF-17-0005-CW	\$19,000,000	104,869		30	1168.0	
19	LC	Oklahoma City WUT	ORF-17-0002-CW	\$3,000,000	639,163		10	10	2
20	LC	Oklahoma City WUT	ORF-18-0002-CW	\$1,700,000	639,163		10	10	2
21	LC	Perry MA	ORF-17-0010-CW	\$450,000	5,056		20	30	
Total--212				\$116,774,391					

PART 2. Section 319 Nonpoint Source Mgmt. Projects

15	LC	Elk City PWA	ORF-18-0004-CW	\$183,250	12,198	NPS	NPS	NPS	NPS
Total-- NPS Cat. VI-B				\$183,250					

PART 3. Section 320 Estuary Program Projects

Total-- No Estuaries				\$0
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PART 4. CWSRF Program Administrative Costs

Total-- 4% Program Admin. Fees Banked				\$400,000
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TOTAL PARTS 1 through 4				\$117,357,641
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DPR (continued)			NEEDS CATEGORIES ³									BINDING COMMITMENT DATE ⁴	CONSTRUCT START DATE ⁵	INITIATION OF OPERATION DATE ⁶
P	Min. DO	Fecal	I	II	IIIA	IIIB	IVA	IVB	V	VIA	VIB			
			X								Other	08/21/18	10/20/18	04/21/19
					X	X			X		Other	08/21/18	10/20/18	04/21/19
											Other	08/21/18	10/20/18	04/21/19
	3										Other	08/21/18	10/20/18	04/21/19
			X									09/18/18	11/17/18	11/16/20
ND	ND	ND			X	X						08/21/18	10/20/18	10/19/20
						X						02/12/19	04/13/19	04/12/20
	5				X	X				X		08/21/18	10/20/18	10/19/20
ND	ND	ND	X			X						10/16/18	12/15/18	12/15/19
			X									08/21/18	10/20/18	04/21/19
						X						12/11/18	02/09/19	08/11/19
						X						09/18/18	11/17/18	11/16/20
	7,5,7		X	X	X	X	X	X				10/16/18	12/15/18	12/14/20
	5			X								11/20/18	01/19/19	01/18/21
							X					09/18/18	11/17/18	11/17/19
N/A	N/A	N/A								X	X	09/18/18	11/17/18	11/16/20
		200						X				11/20/18	01/19/19	01/18/21
	5				X	X						08/21/18	10/20/18	10/20/19
	5				X	X						06/18/19	08/17/19	08/16/20
							X					11/20/18	01/19/19	07/21/19

NPS	NPS	NPS									X	09/18/18	11/17/18	05/19/19
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¹ R = Refinancing LC = Long-term Construction Loan HG = Hardship Grant NC = Non-construction GPR = Green Project Reserve

² ND = No Discharge NA = Not Applicable NPS = Nonpoint Source

³ I = Secondary Treatment, II = Advanced Treatment, IIIA = Inflow/Infiltration Correction, IIIB = Major Sewer System Rehab., IVA = New Collection System

IVB = New Interceptor, V = Correction of Combined Sewer Overflows, VI-A = Stormwater: Grey, VI-B = Stormwater: Green, VII-A = Ag. Croplands,

VII-B = Ag. Animals, VI-C = Silviculture, VII-E = Groundwater, VII-F = Marinas, VII-G = Resource Extraction, VII-H = Storage Tanks, VII-J = Sanitary

Landfills, VII-K = Hydromod/Habitat Modification, VII-L = Individual/Decentralized Systems, X = Water Reuse, Other = Water quality projects as defined under 82 O.S. § 1085.51.

⁴ "Binding Commitment Date" is target date for OWRB board approval and commitment of funds (prior to loan closing).

⁵ Estimated based on assumption that construction start is 60 days following Binding Commitment Date.

⁶ Construction time estimated based on cost of project: <\$500,000 = 2 quarters or 183 days; \$500,000-\$3.5 million = 4 quarters or 365 days; >\$3.5 million = 8 quarters or 730 days.

SFY 2019 FEDERAL CAPITALIZATION GRANT PAYMENT SCHEDULE

The proposed federal capitalization grant payment schedule is based on the state's projection of binding commitments for selected projects that may be funded with federal funds, and therefore meet the requirements of the federal capitalization grant, including all federal crosscutting laws and authorities (Table 5). This chart is based on the assumption that the FFY 2018 capitalization grant funds will be awarded by the EPA during the first quarter SFY 2019. The cumulative EPA/ACH System draws of federal payments will not exceed 83.33 percent for selected projects that utilize federal capitalization grant and state matching funds. In actuality however, 100 percent state match will be dispersed prior to any disbursement of federal funds. Tables 10 and 11 present sources and timing of all capital into the CWSRF.

SFY 2019 FUND DISBURSEMENT SCHEDULE

Fund disbursement schedules are based on projected binding commitment date (OWRB approval date), construction start/loan closing date (beginning of disbursements), and construction completion (initiation of operation) date included in Table 9. Construction invoices are generally submitted by the borrower for payment beginning approximately one to three months after entering into a binding commitment.

PUBLIC REVIEW AND FUTURE IUP AMENDMENTS

The OWRB met the requirements under 33 U.S.C. § 606 (c) of the CWA through the public review and comments process. A public meeting to review the SFY 2019 CWSRF Draft IUP and PPL was held May 31, 2018. A public notice through a press release was issued on April 29, 2018 to print media statewide via The Oklahoman. The Draft SFY 2019 IUP and PPL were made available at owrb.ok.gov/cwsrf prior to the public notice. Additionally, notice was distributed to public wastewater authorities currently listed on the IUP, state and federal agencies, and other stakeholders on May 1, 2017 via mail and electronic mail. The public comment period was open through June 8, 2018.

Future changes in the IUP may be required and shall be made in accordance with procedures provided in 40 CFR Part 35, Subpart K, and the OWRB CWSRF regulations. Revisions to this plan or additions to the PPL, required for administrative purposes for example, shall be made by the OWRB without public notice and will be reported to the EPA in the OWRB Financial Assistance Division's CWSRF SFY 2019 Annual Report. Any revisions made to the PPL will be posted at owrb.ok.gov/cwsrf prior to approval of project.

TABLE 11: HISTORICAL FUNDING SOURCES AS OF APRIL 1, 2018

Fiscal Year	Federal Cap Grant Amount	State Match Amount	Over Match Amount	Bond Issue Proceeds	Notes	Less 4% Administration	Total Available For Assistance
1988	\$9,278,000.00	\$1,855,600.00	\$0.00	\$0.00	(1)	\$371,120.00	\$10,762,480.00
1989	\$7,597,400.00	\$1,519,480.00	\$0.00	\$0.00	(2)	\$303,896.00	\$8,812,984.00
1990	\$7,862,000.00	\$1,572,400.00	\$0.00	\$0.00	(3)	\$314,480.00	\$9,119,920.00
1991	\$16,580,619.00	\$3,316,123.80	\$0.20	\$0.00	(3)	\$663,224.76	\$19,233,518.24
1992	\$15,697,737.00	\$3,139,547.40	\$0.60	\$0.00	(4)	\$627,909.48	\$18,209,375.52
1993	\$15,528,546.00	\$3,105,709.20	-\$0.20	\$0.00	(5)	\$621,141.84	\$18,013,113.16
1994	\$9,632,600.00	\$1,926,520.00	\$0.00	\$0.00	(6)	\$385,304.00	\$11,173,816.00
1995	\$9,951,183.00	\$1,990,236.60	\$0.40	\$0.00	(7)	\$398,047.32	\$11,543,372.68
1996	\$16,300,350.00	\$3,260,070.00	-\$1.00	\$0.00	(7,8)	\$652,014.00	\$18,908,405.00
1997	\$4,986,100.00	\$997,220.00	\$21,450.00	\$0.00	(8)	\$199,444.00	\$5,805,326.00
1998	\$10,879,110.00	\$2,175,822.00	\$8,644.94	\$0.00	(9)	\$435,164.40	\$12,628,412.54
1999	\$10,880,001.00	\$2,176,000.20	\$105,646.80	\$0.00	(10)	\$435,200.04	\$12,726,447.96
2000	\$10,996,702.00	\$2,199,340.40	\$82,990.54	\$0.00	(11)	\$439,868.08	\$12,839,164.86
2001	\$10,746,747.00	\$2,149,349.40	\$677.89	\$0.00	(12)	\$429,869.88	\$12,466,904.41
2002	\$10,770,705.00	\$2,154,141.00	\$0.00	\$26,000,000.00	(12,13)	\$430,828.20	\$38,494,017.80
2003	\$10,700,700.00	\$2,140,140.00	\$0.00	\$127,500,000.00	(14)	\$428,028.00	\$139,912,812.00
2004	\$10,720,400.00	\$2,144,080.00	\$0.00	\$0.00	(14)	\$428,816.00	\$12,435,664.00
2005	\$8,693,800.00	\$1,738,760.00	\$0.00	\$0.00	(14)	\$347,752.00	\$10,084,808.00
2006	\$7,046,300.00	\$1,409,260.00	\$67,760.00	\$0.00	(14)	\$281,852.00	\$8,241,468.00
2007/2008	\$14,087,400.00	\$2,817,480.00	\$0.00	\$0.00	(15)	\$563,496.00	\$16,341,384.00
ARRA	\$31,662,100.00	N/A	\$0.00	\$0.00		\$1,266,484.00	\$30,395,616.00
2009/2010	\$21,914,100.00	\$4,382,820.00	\$0.00	\$93,534,169.20	(15,16)	\$876,564.00	\$118,954,525.20
2011	\$11,930,000.00	\$2,386,000.00	\$0.00	\$0.00	(16)	\$477,200.00	\$13,838,800.00
2012	\$11,419,000.00	\$2,283,800.00	\$0.00	\$100,000,000.00	(16,17)	\$456,760.00	\$113,276,292.74
2013	\$10,786,000.00	\$2,157,200.00	\$0.00	\$0.00	(17)	\$431,440.00	\$12,511,760.00
2014	\$11,328,000.00	\$2,265,600.00	\$0.00	\$0.00	(18)	\$453,120.00	\$13,140,480.00
2015	\$11,269,000.00	\$2,253,800.00	\$0.00	\$114,245,235.87	(19)	\$450,760.00	\$13,072,040.00
2016	\$10,795,000.00	\$2,159,000.00	\$124,800.00	\$0.00	(19)	\$431,800.00	\$12,522,200.00
2017	\$10,712,000.00	\$2,142,400.00	\$0.00	\$0.00	(19)	\$428,480.00	\$12,522,200.00
2018	\$12,967,000.00	\$2,593,400.00	\$0.00	\$0.00	(20)	\$518,680.00	\$12,522,200.00
Totals	\$363,718,600.00	\$66,411,300.00	\$411,970.17	\$461,279,405.07		\$14,548,744.00	\$760,509,508.11

- Notes:
1. FY 1988 state match appropriated by the legislature from the Statewide Water Development Revolving Fund. - 7/30/88, H.B. 15/1
 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 \$1,955,000 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 providing state match in the amount of \$4,537,600 for the 2015 and 2016 cap grants. The anticipated 2017 cap grant will be matched with overmatch dollars and reallocated bond proceeds from the Series 2015 Bond Issue.
 20. Reallocation of bond funds from the 2015 Bond Issue to state matching funds.

FUTURE OF OKLAHOMA'S CWSRF PROGRAM

The need for wastewater infrastructure (including NPS pollution control projects) in Oklahoma will be significant and is projected to be almost \$44 billion (based on 2010 dollars) from the time of this report until 2060. Hence, the CWSRF is a crucial resource for the State as a vehicle to champion the cause of the OCWP and the Water for 2060 Act.

With most wastewater projects designed to last 20 to 30 years, it is entirely possible that all such infrastructure across the state will have to be replaced at least once within the OCWP's 50-year planning horizon. This is even more likely when considering the need for upgrades to meet new federal standards as well as the ever increasing demands of a growing population. While the ebb and flow of the economy and other factors will create some variation in the number of loans in any given year, the dire need for new, better, and more efficient systems will most certainly drive the demand trend up over the coming years.

The OWRB continues to be committed to providing Oklahoma communities the best assistance possible through technical assistance and offering some of the lowest interest rates available. The OWRB will continue to provide public outreach that helps our communities by offering tools that advocate sustainability and planning, such as OASIS, the Public Wastewater System Planning Guide complete with FSP template, community infrastructure mapping, and ORWA training and technical assistance contracts. These tools will better equip Oklahomans for the increasingly complex technical, financial, and managerial decisions facing them today. With hard work, proper planning, public awareness, and true implementation, it really will be possible for Oklahomans to use no more freshwater in 2060 than we did in 2010!



RULE CHANGES

The OWRB has proposed rules to simplify the loan process, remove superfluous documents and procedures, and correct spelling and grammar errors. Any future rule changes will be promulgated as part of the annual rulemaking process or emergency rulemaking as needed.

LIST OF ACRONYMS

AIS	American Iron and Steel
ASR	Aquifer Storage and Recovery
BMPs	Best Management Practices
CATEX	Categorical Exclusion
CBR	CWSRF Benefits Reporting
CEUs	Continuing Education Units
CWA	Clean Water Act
CWNS	Clean Water Needs Survey
CWSRF	Clean Water State Revolving Fund
DB	Davis Bacon (Act)
DCR	Debt Coverage Ratio
DUNS	Data Universal Numbering System
DWSRF	Drinking Water State Revolving Fund
EA	Environmental Assessment
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
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
FWPCA	Federal Water Pollution Control Act
GIS	Geographic Information Systems
GPR	Green Project Reserve
Guide	Public Wastewater System Planning Guide
IUP	Intended Use Plan
mmd	Municipal Market Daily
MS4	Municipal Separate Storm Sewer System
NEPA	National Environmental Policy Act
NIMS	National Information Management System
NPDES	National Pollutant Discharge Elimination System
NPS	Non-Point Source
OASIS	Oklahoma Advantages Assessment and Scoring for Infrastructure Solutions
OCWP	Oklahoma Comprehensive Water Plan
ODEQ	Oklahoma Department of Environmental Quality
ORWA	Oklahoma Rural Water Association
OS	Oklahoma Statutes
OWQS	Oklahoma Water Quality Standards
Packet	Program Application Packet
PPL	Project Priority List
POTW	Publicly Owned Treatment Works
SFY	State Fiscal Year
SRF	State Revolving Fund
SWS-R	Sensitive Water Supply with Reuse
TIPRA	Tax Increase Prevention and Revitalization Act of 2005
WRRDA	Water Resources Reform and Development Act
WQ	Water Quality

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