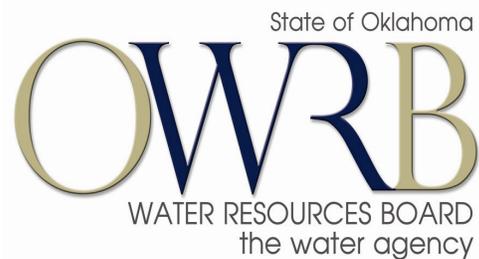


**DRINKING WATER STATE REVOLVING FUND (DWSRF)
SFY 2020 Annual Report**

(Pursuant to: The Safe Drinking Water Act, Section 1452(g)(4))

DRAFT September 28, 2020

FINAL March 2021



**Prepared for the:
United States Environmental Protection Agency**

**Prepared by:
The Oklahoma Department of Environmental Quality
And
The Oklahoma Water Resources Board**

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TABLE OF CONTENTS

I. Background, Key Aspects, and Loan Funding Activities	1
A. Background	1
B. Key Aspects	1
C. Loan Funding Activities	2
D. Additional Requirements (Subsidies, DB, PBR, FFATA, DWNIMS, AIS, Sustainability, and State Laws and Procedures, etc.)	9
II. DWSRF Summary	11
A. Set-asides	13
1. DWSRF Administration	13
2. Small System Technical Assistance	17
3. State Program Management	17
4. Local Assistance and Other State Programs	19
B. State Matching Funds	25
C. Project Activities	25
D. Prospective Loan Projects	33
III. DWSRF Goals Attained	34
A. Project Accomplishments	34
B. Program Accomplishments	35
IV. Capacity Development Strategy Activities	40
V. Operator Certification Activities	41
VI. EPA Automated Standard Application for Payments (ASAP) Payment System	42
VII. Interest Rates/State Financing Plan	42
VIII. Current and Five Year Projection of Water Needs	43
IX. Ten and Twenty Year Projection of DWSRF Needs	43
X. Detailed Financial Report	44
XI. Cross-Collateralization of the DWSRF and Clean Water State Revolving Fund (CWSRF)	44
XII. Transfer Authority Between Drinking Water and Clean Water SRFs	44
XIII. DWSRF Program Changes	45

Tables:

Table 1: Awarded Funds	12
Table 2: Capitalization Budget and Expenses (Set-Aside Accounts)	15
Table 3: DWSRF Outside Account Administration Fees	16
Table 4: DWSRF Project and Loan Details	27
Table 5: Total Percentage of Small Systems Funded	28
Table 6: Binding Commitment Financial Summary	31
Table 7: MBE/WBE Procurement Activity	33

Attachments:

- Attachment 1 DEQ/OWRB Interagency Agreement for SFY 2020**
- Attachment 2 SFY 2020 Intended Use Plan (IUP) and Project Priority List**
- Attachment 3 Capacity Model for SFY 2020**
- Attachment 4 Oklahoma Drinking Water Treatment Loan Administrative Fund Audit Report for SFY 2020**
- Attachment 5 SFY 2020 Financial Statements for the DWSRF Program**
- Attachment 6 Capacity Development Annual Report for SFY 2020**
- Attachment 7 Sources and Uses of Funds Statement**
- Attachment 8 Loans Receiving Subsidy and Extended Term Financing**
- Attachment 9 FFATA Cumulative Report**
- Attachment 10 Subsidy Tracking Chart by Grant and Projects**
- Attachment 11 DWNIMS Financial Indicators**
- Attachment 12 DWSRF SFY 2020 Intended Use Plan (IUP) Revisions**
- Attachment 13 Documentation for EPA Guidelines for Enhancing Public Awareness of SRF Assistance Agreements**
- Attachment 14 DWSRF Project Benefits Reporting**
- Attachment 15 Subsidy Draw Down Tracking Chart by Projects**

I. Background, Key Aspects, and Loan Funding Activities

A. Background

The Safe Drinking Water Act (SDWA), as amended in 1996, requires each state with a Drinking Water State Revolving Fund (DWSRF) program to publish and submit to the United States Environmental Protection Agency (EPA) Administrator a report every 2 years on its DWSRF activities. The Oklahoma Department of Environmental Quality (DEQ) and Oklahoma Water Resources Board (OWRB) choose to submit a report annually.

The United States Congress authorized the DWSRF as part of the SDWA in August of 1996. The DWSRF allows each state, which successfully applies for and receives a capitalization grant, funding for loans to public water supply systems to make infrastructure improvements to achieve compliance with national primary drinking water regulations or otherwise further the public health protection objectives of the SDWA. In Oklahoma, OWRB provides low-interest loans to eligible public water supply systems according to the project priority system developed by DEQ. In addition, Congress provided funding for set-aside activities to administer the DWSRF program and benefit water supply systems in meeting the requirements of the SDWA.

DEQ and OWRB herewith submit the State Fiscal Year (SFY) 2020 DWSRF Annual Report to EPA. For the purpose of this report and future reports on the DWSRF, the reporting period will be the state's fiscal year from July 1, 2019, through June 30, 2020.

B. Key Aspects

The SFY 2020 Audit contains the following information:

Financial Highlights:

- The Program's net position increased by over 7.8% from \$279,753,087 in SFY 2019 to \$301,597,895 in SFY 2020. The increase in net position is primarily attributable to an increase in federal grant revenue retained to fund loans.
- The Program experienced a decrease of \$41,748,085 in the amount of outstanding loans. At June 30, 2020, the Program had 145 outstanding loans with a principal balance of \$509,613,453. At June 30, 2019, the Program had 142 outstanding loans with a principal balance of \$551,361,538.

Program Highlights:

- During SFY 2020, fifteen (15) construction loans totaling approximately \$171 million were made to correct deficiencies and achieve compliance with the national primary drinking water regulations or otherwise further the public health protection objectives of the SDWA. Please see Table 4 on page 28.
- Completed construction during the year on ten (10) projects totaling \$31.9 million.
- Made binding commitments for seventeen (17) new loans, totaling approximately \$167.4 million, in drinking water construction for communities to correct problems and achieve compliance with the SDWA. See pages 3-9.

C. Loan Funding Activities

DEQ and OWRB made binding commitments to seventeen (17) projects during SFY 2020. Twelve (12) of which were long-term loans to small communities including: East Central Oklahoma Water Authority (WA); Bryan County (Co.) Rural Water, Sewer & Solid Waste Management District (RWS & SWMD) #2 (V), Geary Utilities Authority (UA) (II); Collinsville Municipal Authority (MA); Roland Utilities Authority (UA); Weleetka Public Works Authority (PWA); Atoka Municipal Authority (MA) (II); Calera Public Works Authority (PWA); Locust Grove Public Works Authority (PWA); Cheyenne Utilities Authority (UA); Blackwell Municipal Authority (MA); and McIntosh County (Co.) Rural Water Sewer & Solid Waste Management District (RWS & SWMD) #2. Five (5) of them were long-term loans to large communities. They include Oklahoma City (OKC) Water Utilities Trust (WUT) (VIII); Miami Special Utility Authority (UA) (II); Edmond Public Works Authority (PWA) (VI); Okmulgee Municipal Authority (MA) (IV); and Oklahoma City WUT (IX).

DEQ and OWRB closed loans with fourteen (14) systems for fifteen (15) projects by June 30, 2020. One system, OKC WUT had two (2) loans. One system, Central Oklahoma Master Conservancy District (II), received a binding commitment during SFY 2019, but did not close until SFY 2020. See Tables 4 and 5.

The Federal Fiscal Year (FFY) 2020 appropriation grant assistance agreement had a subsidy requirement of “at least 20% but no more than 30%.” DEQ and OWRB chose to provide 20% as subsidy. It also included a minimum 6% subsidy requirement for Disadvantaged Systems. Although the appropriation also encouraged assistance for Green Project Reserve (GPR) projects, GPR was not mandatory for FFY 2019. DEQ and OWRB did not provide subsidy for GPR projects during SFY 2020.

DEQ targeted the additional subsidies to public water supplies who have health-based violations, primarily as Disinfection Byproduct (DBP) issues. A “disadvantaged community” is defined at VII.B in the SFY 2020 Intended Use Plan (IUP). Please see Attachment 2. The remaining funds will be available in the form of a below market interest rate DWSRF loan. Please see Attachment 8. Many small projects have been added to the PPL for DBP projects to use the subsidy funds. DWSRF staff conducted meetings with water systems (communities) with DBP violations during SFY 2020. Communities are encouraged and advised to start the application process as soon as possible as the funds will be obligated based on the readiness to proceed. Five (5) projects that closed a loan during SFY 2020

were eligible to receive \$100,000 each for DBP issues. Those systems are: Bryan Co. RWS & SWMD #2 (V), Weleetka PWA, Cheyenne UA, Okmulgee MA (IV), and McIntosh Co. RWS & SWMD #2. One (1) project received a binding commitment during SFY 2020 and did not close a loan before June 30, 2020. The system was: Blackwell MA. One (1) regionalization project, Copan Public Works Authority (PWA) is moving toward funding in the near future. The project is approximately \$1.6M. Thirteen (13) out of fifteen (15) closed loans were considered “disadvantaged” according to the definition. Please see Attachment 10 for subsidy funds by Grant and Projects, and Attachment 15 for Subsidy Draw Down by Projects.

The project descriptions listed on the following pages show seventeen (17) projects that received a binding commitment during SFY 2020. One system, Central Oklahoma Master Conservancy District (II), which received a binding commitment during the previous SFY 2019, did not close their loan until SFY 2020.

SFY 2020 Project Descriptions

East Central Oklahoma Water Authority (WA)

Binding Commitment Date: August 20, 2019

Binding Commitment Amount: \$1,000,000

Loan Closing Date: August 30, 2019

Loan Closing Amount: \$1,000,000

Loan Term: 30 years

Principal Forgiveness (Subsidy) Amount: \$100,000 (Disadvantaged)

Green Project Reserve Amount: \$0.00

Project Description: Installation of 2,500 linear feet of eight (8) inch high-density polyethylene (HDPE) water line enclosed with a fourteen (14) inch HDPE casing under the Arkansas River and all appurtenances

Construction was completed on March 13, 2020.

Bryan Co. RWS & SWMD #2 (V)

Binding Commitment Date: September 17, 2019

Binding Commitment Amount: \$100,000

Loan Closing Date: January 24, 2020

Loan Closing Amount: \$70,235.72

Loan Term: Zero (0) years

Principal Forgiveness (Subsidy) Amount: \$70,235.72 (Regular)

Green Project Reserve Amount: \$0.00

Project Description: Aeration/Mixing system

Construction completion is estimated to occur in the fall of 2020.

Oklahoma City WUT (VIII)

Binding Commitment Date: September 17, 2019
Binding Commitment Amount: \$21,750,014
Loan Closing Date: October 9, 2019
Loan Closing Amount: \$21,750,014
Loan Term: 30 years
Principal Forgiveness (Subsidy) Amount: \$0.00
Green Project Reserve Amount: \$0.00
Project Description: 15 MG Clearwell for Finished Water at the Draper Water Treatment Plant
Construction completion is estimated to occur in the winter of 2021.

Geary Utilities Authority (UA) (II)

Binding Commitment Date: October 15, 2019
Binding Commitment Amount: \$100,000
Loan Closing Date: Did not close during SFY 2020
Loan Closing Amount: Amount unknown at this time
Loan Term: Unknown at this time
Principal Forgiveness (Subsidy) Amount: \$100,000 (Disadvantaged)
Green Project Reserve Amount: \$0.00
Project Description: Installing 5 miles of 4-inch Poly waterline to supply customers with treated water.
Construction completion is estimated to occur in the winter of 2020.

Miami Special Utility Authority (UA) (II)

Binding Commitment Date: December 5, 2019
Binding Commitment Amount: \$2,785,000
Loan Closing Date: May 19, 2020
Loan Closing Amount: \$2,785,000
Loan Term: 20 years
Principal Forgiveness (Subsidy) Amount: \$100,000 (Disadvantaged)
Green Project Reserve Amount: \$0.00
Project Description: Replacement of 6,400 linear feet of 6-inch water line with 5,400 linear feet of HDPE and 1,000 linear feet of HDPE water line along East Central Avenue. Construction of 8-inch HDPE water line to loop East BJ Tunnell BLVD and 14th Avenue NE. Construction of 12-inch HDPE water line along Hwy 69A with a check valve to tie pressure zones along Hwy 10 and Progress Industrial Park. Construction of one new storage tank near Well No. 7.
Construction completion is estimated to occur in the summer of 2022.

Collinsville Municipal Authority (MA)

Binding Commitment Date: December 5, 2019

Binding Commitment Amount: \$8,291,000

Loan Closing Date: February 7, 2020

Loan Closing Amount: \$8,291,000

Loan Term: 30 years

Principal Forgiveness (Subsidy) Amount: \$0.00

Green Project Reserve Amount: \$0.00

Project Description: Construction of a two (2) million gallon per day water treatment plant that consists of one (1) rapid mix basin, two (2) high rate clarifiers, four (4) multi-media filters, one (1) chemical building and feed system, one (1) powdered activated carbon feed system, demolition of existing clarifiers and filters in process building, all necessary yard piping, rehabilitation of the Collinsville raw water pump station and all necessary appurtenances.

Construction completion is estimated to occur in the summer of 2021.

Roland Utilities Authority (UA)

Binding Commitment Date: January 21, 2020

Binding Commitment Amount: \$2,359,000

Loan Closing Date: January 30, 2020

Loan Closing Amount: \$2,359,000

Loan Term: 29 years

Principal Forgiveness (Subsidy) Amount: \$0.00

Green Project Reserve Amount: \$0.00

Project Description: Refinance two (2) Promissory Notes in favor of Rural Utilities Service issued in the respective original amounts of \$2,156,000 and \$587,000 in August of 2010 to fund water system improvements.

Loan to refinance debt. No construction for this loan.

Weleetka PWA

Binding Commitment Date: February 18, 2020

Binding Commitment Amount: \$95,330

Loan Closing Date: March 6, 2020

Loan Closing Amount: \$ 95,330

Loan Term: Zero (0) years

Principal Forgiveness (Subsidy) Amount: \$95,330 (Regular)

Green Project Reserve Amount: \$0.00

Project Description: Weleetka's elevated storage tank currently has a single inlet/outlet pipe. The proposed project modifies the piping inside the storage tank, which will reduce water age as well as decrease disinfection byproducts.

Construction completion is estimated to occur in the fall of 2020.

Atoka Municipal Authority (MA) (II)

Binding Commitment Date: February 18, 2020

Binding Commitment Amount: \$4,010,000

Loan Closing Date: March 26, 2020

Loan Closing Amount: \$4,010,000

Loan Term: 30 years

Principal Forgiveness (Subsidy) Amount: \$100,000 (Disadvantaged)

Green Project Reserve Amount: \$0.00

Project Description: Construction of one (1) 225,000 gallon clearwell with three (3) 700 gallon per minute (gpm) high service pumps to replace the existing clearwell, construction of one (1) sodium permanganate feed system and installation of one (1) 360 kilowatt (KW) back-up power generator at the raw water intake, removal and replacement of chemical feed equipment, rehabilitation of the 300,000 gallon elevated storage tank located at the water treatment plant, rehabilitation of the 150 gpm Tushka pump station, laboratory improvements, installation of a new SCADA and control system, and installation of water meters and all appurtenances.

Construction completion is estimated to occur in the spring of 2022.

Calera PWA

Binding Commitment Date: April 21, 2020

Binding Commitment Amount: \$1,555,000

Loan Closing Date: Did not close during SFY 2020

Loan Closing Amount: Amount unknown at this time

Loan Term: Unknown at this time

Principal Forgiveness (Subsidy) Amount: \$100,000 (Disadvantaged)

Green Project Reserve Amount: \$0.00

Project Description: Construction of three new wells each with a capacity of 150 gallons per minute (gpm) drilled to depths of 300 feet, 300 feet, and 600 feet to replace the existing wells with a well house for each well and all appurtenances. Rehabilitation of the water treatment plant including sandblasting and repainting of the two existing filter tanks, replacement of media within the filters, installation of one 3-inch and one 6-inch flow meter, replacement of treatment plant piping, valves, and fittings, installation of one 150 gpm induced draft aeration unit with one 4,700 gallon retention tank before the filters, along with all appurtenances.

Construction completion is estimated to occur in the spring of 2022.

Locust Grove PWA

Binding Commitment Date: April 21, 2020

Binding Commitment Amount: \$9,875,000

Loan Closing Date: May 18, 2020

Loan Closing Amount: \$9,675,000

Loan Term: 30 years

Principal Forgiveness (Subsidy) Amount: \$100,000 (Disadvantaged)

Green Project Reserve Amount: \$0.00

Project Description: Installation of four (4) 0.3 million gallon per day (MGD) raw water pumps to replace the existing raw water pumps, installation of 1,200 linear feet of 8-inch raw water line, construction of two (2) rapid mix basins, two (2) 40-foot diameter clarifiers, and three (3) 120 square foot dual media filters with two (2) new 1,800 gallon per minute (gpm) backwash pumps, air scour system, and filter-to-waste piping, installation of one (1) new high service pump station with three (3) pumps each with a capacity of 0.5-MGD, construction of new chemical feed and storage facilities for alum, sodium permanganate, and sodium hypochlorite, along with all appurtenances for the project.

Construction completion is estimated to occur in the summer of 2022.

Cheyenne UA (II)

Binding Commitment Date: April 21, 2020

Binding Commitment Amount: \$100,000

Loan Closing Date: May 29, 2020

Loan Closing Amount: \$100,000

Loan Term: Zero (0) years

Principal Forgiveness (Subsidy) Amount: \$100,000 (Regular)

Green Project Reserve Amount: \$0.00

Project Description: Tank aeration and mixing, repair and painting for 1 MG standpipe for reduction of DBPs.

Construction completion is estimated to occur in the spring of 2021.

Edmond PWA (VI)

Binding Commitment Date: April 21, 2020

Binding Commitment Amount: \$40,000,000

Loan Closing Date: June 19, 2020

Loan Closing Amount: \$40,000,000

Loan Term: 30 years

Principal Forgiveness (Subsidy) Amount: \$0.00

Green Project Reserve Amount: \$0.00

Project Description: Construction of a residuals handling facility and water treatment plant improvements, which entail filter rehabilitation, Supervisory Control and Data Acquisition (SCADA) upgrades at the water treatment plant, and replacement of raw water, decant water, backwash water, and point of entry flow meters.

Construction completion is estimated to occur in the summer of 2022.

Okmulgee MA (IV)

Binding Commitment Date: May 19, 2020

Binding Commitment Amount: \$700,000

Loan Closing Date: June 5, 2020

Loan Closing Amount: \$700,000

Loan Term: Zero (0) years

Principal Forgiveness (Subsidy) Amount: \$700,000.00 (\$600,000 Disadvantaged & \$100,000 Regular)

Green Project Reserve Amount: \$0.00

Project Description: Construction of disinfection improvements for conversion to chloramines and all appurtenances.

Construction completion is estimated to occur in the spring of 2021.

Blackwell MA

Binding Commitment Date: June 16, 2020

Binding Commitment Amount: \$100,000

Loan Closing Date: Did not close in 2020

Loan Closing Amount: Amount is unknown at this time

Loan Term: Unknown at this time

Principal Forgiveness (Subsidy) Amount: \$100,000 (Regular)

Green Project Reserve Amount: \$0.00

Project Description: Install aeration and chemical feed improvements.

Construction completion is estimated to occur in the spring of 2021.

Oklahoma City WUT (IX)

Binding Commitment Date: June 16, 2020

Binding Commitment Amount: \$74,000,000

Loan Closing Date: June 17, 2020

Loan Closing Amount: \$74,000,000

Loan Term: 30 years

Principal Forgiveness (Subsidy) Amount: \$ 0.00

Green Project Reserve Amount: \$0.00

Project Description: Replacement of three balancing tanks at Konawa, Ada, and Stonewall with construction of a new precast concrete balancing tank at each location with a capacity of five million gallons along with all appurtenances (WC-0834). Replacement of Hefner Water Treatment Plant Ozone system with a new efficient ozone system (WT-0151) including all equipment, piping, and all appurtenances. Replacement of Hefner Water Treatment Plant Lime System with new efficient lime system including all equipment, fittings, piping, and all appurtenances (WT-0201). Emergency Generators installed at multiple booster stations (WM-0288) throughout Oklahoma City to maintain the ability to deliver water during power loss.

Construction completion is estimated to occur in the summer of 2022.

McIntosh County RWS & SWMD #2*Binding Commitment Date:* June 16, 2020*Binding Commitment Amount:* \$590,000*Loan Closing Date:* June 30, 2020*Loan Closing Amount:* \$490,000*Loan Term:* 15.5 years*Principal Forgiveness (Subsidy) Amount:* \$200,000 (\$100,000 Disadvantaged & \$100,000 Regular)*Green Project Reserve Amount:* \$0.00*Project Description:* Construction of one (1) 13,500 gallon standpipe at the water treatment plant, installation of one (1) mixing system and one (1) aeration system into the 275,000 gallon clearwell at the water treatment plant, electrical controls for the mixing and aeration systems, and all appurtenances.

Construction completion is estimated to occur in the spring of 2021.

The following projects received a binding commitment during SFY 2020, but will not close a loan until SFY 2021:

Geary UA (II)

Calera PWA

Blackwell MA

D. Additional Requirements (Subsidies, DB, PBR, FFATA, DWNIMS, AIS, Sustainability, and State Laws and Procedures, etc.)

The following information shows the accounting of subsidies for the FFY 2017, 2018, and 2019 capitalization grants as of June 30, 2020. DEQ/OWRB uses principal forgiveness when assigning subsidies.

<u>FFY 2017 Grant Amount</u>	<u>\$13,279,000</u>
20% Subsidy	\$ 2,655,800
Subsidy Amount Awarded	<u>\$ 2,299,066</u>
Subsidy Amount left to Award	\$ 356,734
Remaining Amt. Carried Forward to SFY 2021	\$ 356,734

<u>FFY 2018 Grant Amount</u>	<u>\$15,747,000</u>
20% Subsidy	\$ 3,149,400
Subsidy Amount Awarded	<u>\$ 0</u>
Subsidy Amount left to Award	\$ 3,149,400
Remaining Amt. Carried Forward to SFY 2021	\$ 3,149,400

FFY 2019 Grant Amount	\$15,600,000
20% Subsidy	\$ 3,120,000
Subsidy Amount Awarded	\$ 0
Subsidy Amount left to Award	\$ 3,120,000
6% Disadvantaged Subsidy	\$ 936,000
Subsidy Amount Awarded	\$ 800,000
Subsidy Amount left to Award	\$ 136,000
Remaining Amt. Carried Forward to SFY 2021	\$ 3,256,000

Total forwarded to 2021 is \$6,762,134

DWSRF projects receiving loan subsidies and/or extended-term financing are listed in Attachment 8. Also, please see Attachment 10 for the Subsidy Tracking Chart by Grant and Projects.

All projects funded with grant funds are required to include the Davis-Bacon Provisions as defined in the capitalization grant conditions. DWSRF staff monitored each project through planning, bidding, contracting, and construction to ensure that these provisions were met.

DEQ is required to report project level data in the DWSRF Project Benefits Reporting (PBR) system on a quarterly basis. All fifteen (15) projects that closed a loan in SFY 2020 have been entered in PBR. See list in Attachment 14.

DEQ is required to report project funding in the Federal Funding Accountability and Transparency Act (FFATA) database. An amount of funded projects equal to the capitalization grant amount (minus the set-aside amount) was submitted to the FFATA database during SFY 2020. The FFY 2019 capitalization grant amount was \$15,600,000, minus the set-aside amount of \$4,836,000, which equals \$10,764,000. Two (2) projects totaling \$12,301,000, were used for reporting. Only \$10,764,000 was entered as of June 30, 2020, since the loan amounts exceeded the reporting maximum. The projects are Collinsville MA and Atoka MA (II). DEQ did not report on the set-aside total because there were not any eligible expenses. Please see Attachment 9.

DEQ is required to report all financial information into the Drinking Water National Information Management System (DWNIMS) database on a yearly basis. All financial information was entered into DWNIMS by the EPA deadline.

On January 17, 2014, H.R. 3547, "Consolidated Appropriations Act, 2014," was enacted. This law provides appropriations for the DWSRF for FFY 2014 while adding an American Iron and Steel requirement. H.R. 3547 included language in Division G, Title IV, under the heading "Use of American Iron and Steel". DEQ implemented the provisions of this new act on January 17, 2014. Also, the DWSRF forms were updated to include this new requirement.

DEQ continues to encourage a range of practices that support sustainable water infrastructure and overall system sustainability through the Capacity Development program by implementing the Capacity Development Assessment for each loan recipient.

On June 23, 2015, EPA sent out guidelines for Enhancing Public Awareness of SRF Assistance Agreements. The “Signage Requirement” has been adopted by DEQ and OWRB. DEQ purchased “EPA” stickers to be placed on the construction sign. Please see Attachment 13 for documentation.

State Laws and Procedures

DEQ complied with the following state laws and procedures:

Oklahoma Public Competitive Bidding Act of 1974

OS Title 74 – Central Purchasing Act

OS Title 61 – Public Buildings and Public Works

OS Title 82 – Waters and Water Rights

OS Title 785 Chapter 50 – Financial Assistance

OAC 252-004 Rules of Practice and Procedure

OAC 252-626 Public Water Supply Construction Standards

OAC 252-631 Public Water Supply Operation

OAC 252-633 Drinking Water State Revolving Fund

OAC 252-710 Water Works and Wastewater Works Operator Certification

II. DWSRF Summary

In anticipation of the federal re-authorization of the SDWA and creation of the DWSRF, H.B. 2426 was signed into law creating the Drinking Water Treatment Revolving Loan Account on May 10, 1994. Re-authorization of the SDWA was accomplished August 6, 1996, and H.B. 1084 was signed into law, amending the previous action to implement Section 1452 of the SDWA.

Table 1 is a summary of federal and state matching funds available to the DWSRF from 1997 through 2020 as a result of federal capitalization grants authorized to be awarded to the State of Oklahoma. Provided the federal SDWA is re-authorized, capitalization grants from the federal government are expected to continue beyond 2020.

Table 1 – Awarded Funds

Federal Fiscal Year (FFY)	Federal Appropriation	20% State Match	Total	Reserved for Set-Asides	Total Available for Assistance
1997	\$17,561,900	\$3,512,380	\$21,074,280	\$5,444,189	\$15,630,091
1998	\$10,224,200	\$2,044,840	\$12,269,040	\$3,169,502	\$9,099,538
1999	\$10,716,000	\$2,143,200	\$12,859,200	\$3,321,960	\$9,537,240
2000	\$11,137,000	\$2,227,400	\$13,364,400	\$1,781,920	\$11,582,480
2001	\$11,183,000	\$2,236,600	\$13,419,600	\$2,247,253	\$11,172,347
2002	\$12,446,500	\$2,489,300	\$14,935,800	\$3,236,090	\$11,699,710
2003	\$12,371,700	\$2,474,340	\$14,846,040	\$2,845,492	\$12,000,549
2004	\$12,833,800	\$2,566,760	\$15,400,560	\$3,336,788	\$12,063,772
2005	\$12,806,700	\$2,561,340	\$15,368,040	\$3,009,575	\$12,358,465
2006	\$13,285,600	\$2,657,120	\$15,942,720	\$3,141,612	\$12,801,108
2007	\$13,285,600	\$2,657,120	\$15,942,720	\$3,383,424	\$12,559,296
2008	\$13,151,000	\$2,630,200	\$15,781,200	\$3,534,820	\$12,246,380
2009	\$13,151,000	\$2,630,200	\$15,781,200	\$6,074,218	\$9,706,982
ARRA	\$31,481,000	\$0	\$31,481,000	\$1,259,240	\$30,221,760
2010	\$16,863,000	\$3,372,600	\$20,235,600	\$5,227,530	\$15,008,070
2011	\$11,701,000	\$2,340,200	\$14,041,200	\$3,627,310	\$10,413,890
2012	\$11,151,000	\$2,230,200	\$13,381,200	\$3,456,810	\$9,924,390
2013	\$10,463,000	\$2,092,600	\$12,555,600	\$3,243,530	\$9,312,070
2014*	\$14,226,000	\$2,850,200	\$17,101,200	\$4,392,810	\$12,683,390
2015	\$14,157,000	\$2,831,400	\$16,988,400	\$4,388,670	\$12,599,730
2016	\$13,393,000	\$2,678,600	\$16,071,600	\$4,151,830	\$11,919,770
2017	\$13,279,000	\$2,655,800	\$15,934,800	\$4,116,490	\$11,818,310
2018	\$15,747,000	\$3,149,400	\$18,896,400	\$4,881,570	\$14,014,830
2019**	\$15,580,000	\$3,120,000	\$18,700,000	\$4,836,000	\$13,864,000
TOTAL	\$332,195,000	\$60,151,800	\$392,346,800	\$88,108,633	\$304,238,168

*A \$25,000 contract was issued through EPA and taken off the top of the grant amount (Grant amount \$14,251,000 minus \$25,000 left an awarded amount of \$14,226,000).

**A \$20,000 contract was issued through EPA and taken off the top of the grant amount (Grant amount \$15,600,000 minus \$20,000 left an awarded amount of \$15,580,000).

Federal capitalization grant funds were awarded to DEQ during SFY 2020. DEQ applied for the FFY 2019 capitalization grant on May 31, 2019. EPA was delayed in releasing the FFY 2019 allotment amounts because of the governmental shutdown. EPA awarded \$15,580,000, plus an additional \$20,000 for Needs Survey Training, to DEQ on August 30, 2019. The state matching funds for the FFY 2019 capitalization grant in the amount of \$3,120,000 were provided through the DWSRF Administrative Funds held outside the

DWSRF, with the option to refund the DWSRF Administrative Fund with bond proceeds from an anticipated bond issue scheduled to close during SFY 2021. See page 46 & 47 for more information regarding revenue bond issues. See Attachment 7 for the Sources and Uses of Funds Statement.

A. Set-asides

Section 1452 of the SDWA authorizes four set-asides to enable states to implement requirements of the SDWA. DEQ reserved 31% of the FFY 2019 capitalization grant. The following is a description of the four set-aside account activities.

1. DWSRF Administration

Funds equal to 4% of the FFY 2019 federal capitalization grant were set-aside to offset administrative costs incurred by DEQ and OWRB during SFY 2020. Administrative tasks include loan portfolio management; debt issuance; financial, management, and legal consulting fees; and technical tasks, including the review of planning and design documents, construction documents, and project inspection. A copy of the DEQ and OWRB Interagency Agreement for SFY 2020 is included as Attachment 1.

The DWSRF Administration Set-aside from the FFY 2019 capitalization grant was \$624,000. This entire amount was specified for staff salaries, to provide travel and training necessary for the adequate performance of staff, to pay DWSRF audit costs, and to provide equipment and supplies to meet the needs of the administration of the DWSRF during SFY 2020. A total of \$444,000 for SFY 2020 was budgeted for DEQ expenses associated with administration of the DWSRF and \$180,000 was budgeted for OWRB expenses associated with administration of the DWSRF. Table 2, included on page 13, contains budget and expense data.

DEQ and OWRB expended \$238,566 from the FFY 2018 grant Administration Set-aside, and \$324,781 from the FFY 2019 grant Administration Set-aside during SFY 2020.

In the SFY 2020 work plan, two (2) contracts were listed as potential projects during the year. The first contract was the Annual Audit Contract listed for \$41,000. The contract was awarded for \$35,875, and this amount was expended for contracted work. The second contract was the Interagency Agreement (I/A) with OWRB for \$180,000 and this amount was expended during SFY 2020. Also, DEQ is a member of the Oklahoma "Funding Agency Coordinating Team" (FACT). This team is made up of members of the various funding agencies for water projects in the state. The Team meets quarterly to discuss systems pursuing funding, and to help systems decide the best option for their situation. FACT has an "Engineering/Environmental Conference" each year or every other year. This brings together the consulting engineers and agency staff for training and updates. DEQ and OWRB meet monthly to discuss the projects pursuing DWSRF funding.

During SFY 2020, DEQ did not transfer any unexpended Administration Set-aside funds from the capitalization grant to the project loan fund. In accordance with EPA's DWSRF Set-aside Management Policy that was announced on February 9, 1999, DEQ will reserve the authority to specify any transferred funds from future capitalization grants if they are needed. Set-aside amounts are listed in Table 2.

In accordance with the governing state revolving fund bond documents, including but not limited to the Bond Indenture, administrative funds utilized to administer the program may be paid from the 0.5% administration fee collected on DWSRF loans. The borrowers are billed 0.5% of the outstanding loan principal semi-annually along with their principal and interest payments. As authorized by H.B. 1084 (May 1998), administrative fees collected by OWRB will be held outside the DWSRF account in the Drinking Water Treatment Administrative Fund (DWTAF).

During SFY 2020, administration fees of \$2,772,521 were invoiced and collected. Additionally, the DWTAF earned \$178,577, in interest, for SFY 2020. During SFY 2020, \$3,766,333 was expended from the DWTAF for staff training, Council of Infrastructure Financing Authorities (CIFA) workshop registration, publications, accounting software, annual maintenance fee, state match, and payroll. All expenditures made from the DWTAF were for eligible DWSRF purposes. The balance of the DWTAF at June 30, 2020, was \$8,049,487. Table 3, located on page 16 of this report, includes cumulative DWTAF income and expenditure data. See page 9 of the financial statements for detail on how the administrative fee is collected. Also, see page 9 of the financial statements for the fee balance.

The specific goal for the DWSRF Administrative account is to provide administration of the DWSRF by providing loans to the systems designated for funding in the IUP. Outputs and deliverables for this set-aside will be the successful completion of loans for infrastructure construction projects to drinking water systems to ensure safe drinking water is in compliance with the goals of the SDWA. Each employee in the DWSRF program is evaluated throughout the year based on tasks and goals set up at the beginning of each state fiscal year. These tasks are required to accomplish the goals listed in the IUP each year. During these reviews, tasks that are not on schedule will be addressed by the section supervisor. The necessary corrective action of goal emphasis or staff readjustment can be initiated as required.

Table 2: Capitalization Budget and Expenses (Set-Aside Accounts)

Grant/Use	Total Set-Aside	Specified	Unspecified	Unspecified & Moved to Loan Fund	Cumulative Unspecified & Moved to Loan Fund	Current Year Transfer	Date of Transfer	Expended	Remaining Balance*
FFY 2017 Capitalization Grant = \$13,279,000 - \$4,116,490 = \$9,162,510 to the loan fund									
Admin	531,160	531,160	0	0	1,308,691	0		531,160	0
SSTA	265,580	265,580	0	0	959,478	0		265,580	0
SPM	1,327,900	1,327,900	0	0	5,873,807	0		1,327,895	0
LA	1,991,850	1,991,850	0	0	9,573,722	0		1,981,135	0
Totals	4,116,490	4,116,490	0	0	17,715,698	0		4,105,770	0
FFY 2018 Capitalization Grant = \$15,747,000 - \$4,881,570 = \$10,865,430 to the loan fund									
Admin	629,880	629,880	0	0	1,308,691	0		629,880	0
SSTA	314,940	314,940	0	0	959,478	0		314,940	0
SPM	1,574,700	1,574,700	0	0	5,873,807	0		1,574,700	0
LA	2,362,050	2,362,050	0	0	9,573,722	0		1,765,578	596,472
Totals	4,881,570	4,881,570	0	0	17,715,698	0		4,285,098	596,472
FFY 2019 Capitalization Grant = \$15,600,000 - \$4,836,000 = \$10,764,000 to the loan fund									
Admin	624,000	624,000	0	0	1,308,691	0		324,781	299,219
SSTA	312,000	312,000	0	0	959,478	0		108,110	203,890
SPM	1,560,000	1,560,000	0	0	5,873,807	0		1,027,159	532,841
LA	2,340,000	2,340,000	0	0	9,573,722	0		1,008,823	1,331,177
Totals	4,836,000	4,836,000	0	0	17,715,698	0		2,468,873	2,367,127
Cumulative FFY 1997-2019 Grants									
Admin	13,289,600	12,572,707	126,353	1,182,338	1,308,691	0		11,800,836	299,219
SSTA	6,015,179	5,618,808	65,567	893,911	959,478	0		5,111,927	203,890
SPM	30,214,883	27,632,049	1,440,661	4,433,146	5,873,807	0		25,397,081	532,841
LA	38,613,971	35,066,379	1,570,160	8,003,562	9,573,722	0		29,830,440	1,927,649
Totals	88,133,633	80,889,943	3,202,741	14,512,957	17,715,698	0		72,140,284	2,963,599

*Remaining balances may not match EPA balances due to a delay in drawing down funds

DWSRF OUTSIDE ACCOUNT ADMINISTRATION FEES

Table 3

STATE FISCAL YEAR	RECEIVED IN OUTSIDE ACCOUNT ADMIN FEES	RECEIVED IN OUTSIDE ACCOUNT APPLICATION FEES	RECEIVED IN OUTSIDE ACCOUNT INTEREST EARNED	EXPENDED FROM OUTSIDE ACCOUNT	OUTSIDE ACCT BALANCE CUMMULATIVE
					\$0
1999	\$10,106	\$1,750	\$124		\$11,980
2000	\$27,103	\$2,250	\$1,178	\$58	\$42,453
2001	\$55,593	\$2,750	\$2,820	\$53,283	\$50,333
2002	\$124,102	\$3,850	\$1,561	\$12,369	\$167,478
2003	\$108,724	\$2,850	\$1,199	\$176,084	\$104,166
2004	\$180,786	\$5,000	\$740	\$168,729	\$121,963
2005	\$264,917	\$3,600	\$3,494	\$102,857	\$291,117
2006	\$483,417	\$5,250	\$13,396	\$182,222	\$610,958
2007	\$676,705	\$3,000	\$31,255	\$693,954	\$627,964
2008	\$875,695	\$4,500	\$32,551	\$454,583	\$1,086,127
2009	\$1,416,043	\$10,850	\$53,443	\$528,296	\$2,038,167
2010	\$1,330,896	\$10,500	\$74,719	\$471,636	\$2,982,646
2011	\$1,615,020	\$4,750	\$90,420	\$279,347	\$4,413,488
2012	\$2,123,263	\$5,500	\$114,422	\$4,618,824	\$2,037,849
2013	\$2,181,973	\$5,500	\$52,811	\$381,803	\$3,896,330
2014	\$2,464,260	\$2,750	\$84,739	\$373,893	\$6,074,186
2015	\$2,097,528	\$3,250	\$116,547	\$251,373	\$8,040,137
2016	\$2,363,671	\$2,500	\$118,486	\$3,518,792	\$7,006,002
2017	\$1,916,955	\$2,750	\$123,540	\$709,580	\$8,339,667
2018	\$2,216,896	\$4,000	\$120,160	\$3,277,933	\$7,402,790
2019	\$2,559,207	\$3,917	\$183,679	\$1,284,872	\$8,864,721
2020	\$2,768,154	\$4,367	\$178,577	\$3,766,333	\$8,049,487
TOTALS	\$27,861,014	\$95,434	\$1,399,861	\$21,306,821	

CASH BASIS

FY 2012 – Money provided for Delaware #10 Loan Write-off

FY 2016 and FY 2018 – State Match for FY 2015 and FY 2017 grants included in expenditures

2. Small System Technical Assistance

Funds equal to 2% of the FFY 2019 federal capitalization grant were set-aside to fund small system technical assistance during SFY 2020. These funds were reserved to provide technical assistance to public water supply systems serving populations of 10,000 or fewer. In Oklahoma, during SFY 2020, 96% (1,306) of the water supply systems met the definition of a small system and served 1,208,512 Oklahomans. This technical assistance was provided by DEQ personnel.

The Small System Technical Assistance Set-aside from the FFY 2019 capitalization grant was \$312,000. This entire amount was specified for staff salaries and related expenses.

The Small System Technical Assistance Set-aside fund expended \$129,911 from the FFY 2018 grant Small Systems set-aside and \$108,110 from the FFY 2019 grant Small Systems set-aside during SFY 2020.

During SFY 2020, DEQ did not transfer any unexpended Small System Technical Assistance Set-aside funds from the capitalization grant to the project loan fund. In accordance with EPA's DWSRF Set-aside Management Policy that was announced on February 9, 1999, DEQ will reserve the authority to specify the transferred funds from future capitalization grants if they are needed. Set-aside amounts are listed in Table 2.

Efforts funded by the Small Systems Technical Assistance Set-aside include assistance to small water supply systems in preparation and application for DWSRF loan projects and to systems deemed in need of improved operational controls. DEQ Public Water Supply District Engineers and Representatives along with DWSRF staff accomplished much of this effort. Other technical assistance to the defined small systems is provided through the Program Management Set-aside described in the following section.

3. State Program Management

Funds equal to \$1,560,000 (10%) of the FFY 2019 federal capitalization grant were set aside to fund a portion of the Public Water Supply Supervision (PWSS) Program during SFY 2020. The FFY 2019 funds were reserved to provide technical assistance and other enforcement activities of the PWSS Program, as well as conducting Sanitary Surveys. The PWSS Program, as administered by the Water Quality Division (WQD) of DEQ, regulated 1,357 water supply systems which served 3,725,795 Oklahomans in SFY 2020. The required tasks of the Program Management set-aside were accomplished by WQD staff, in particular the Public Water Supply District Engineers and Representatives along with the Environmental Complaints and Local Services (ECLS) Division of DEQ.

The Program Management Set-aside from the FFY 2019 capitalization grant was specified for staff salaries and related expenses and contracts during SFY 2020.

During SFY 2020, the Program Management set-aside expended \$845,333 from the FFY 2018 capitalization grant including payroll funding corrections, and \$1,027,159 from the 2019 grant Program Management set-aside.

During SFY 2020, DEQ did not transfer any Program Management funds to the project loan fund. In accordance with EPA's DWSRF Set-aside Management Policy that was announced on February 9, 1999, DEQ will reserve the authority to specify the transferred funds from future capitalization grants if they are needed. Set-aside amounts are listed in Table 2.

The State Program Management Set-aside program was administered by WQD staff, State Environmental Lab Services (SELS) staff, and ECLS staff. See program information and accomplishments below.

Lab Capacity and Development (LCD)

The Oklahoma Principal Laboratory, ODEQ SELS has effectively used DWSRF funding for the following activities associated with maintaining adequate analytical capacity in the State of Oklahoma to support the Safe Drinking Water Act and the conditions of agency drinking water primacy. Specifically, efforts related to microbial source water contaminant Polymerase Chain Reaction (PCR) method development including, standard/reagent preparation, instrument/equipment validation and setup, and procedure development and testing. These funds were used and will continue to be used for PFAS informational exchanges that include, technology acquisition, risk assessments, testing methods, remediation, and collaboration at the state, regional and national levels. These funds were used and continue to be used for training of the SELS' new Quality Assurance Officer to the EPA certification and The NELAC Institute (TNI) accreditation Quality System requirements for the scope of drinking water testing associated with SELS' role as the State Principal Lab of Oklahoma. In addition, these funds were used and will continue to be used for drinking water testing and reporting outside of normal business hours to increase PWS monitoring compliance and respond to public health emergencies.

Lab Accreditation Program Activities

The Oklahoma Principal Laboratory, ODEQ SELS, Laboratory Accreditation Program (LAP) is no longer utilizing DWSRF funding for this program due to a rule change at the state level.

During SFY 2020, WQD staff accomplished the following activities through State Program Management Set-aside funding:

- 1) Tracking and technical assistance associated with Inorganic Chemicals;
 - (a) *Quantity was 640 systems with current arsenic schedules in SFY 2020.*
 - (b) *Quantity was 960 systems with current nitrate schedules for SFY 2020.*
 - (c) *Quantity was 239 systems with current nitrite schedules in SFY 2020.*
 - (d) *Quantity was 640 systems with current other phase 2 & 5 inorganic schedules in SFY 2020.*

- 2) Tracking and technical assistance associated with the Organic Chemicals;
 - (a) *Quantity was 634 systems with current volatile organic schedules in SFY 2020.*
 - (b) *Quantity was 356 systems with current synthetic organic schedules in SFY 2020.*
- 3) Tracking and technical assistance associated with the Stage 2 Disinfectant/Disinfection By-product Rule (DBP); *Quantity was 890 systems with current DBP schedules in SFY 2020.*
- 4) Updating PWS inventory information such as administrative contact information, sources of water and treatment processes; *Quantity was 1,246 updates for systems in SFY 2020.*
- 5) Updating latitudes and longitudes for surface water intakes and public water supply wells; *Quantity was 29 new or updated/corrected locations in SFY 2020.*
- 6) Reviewed and evaluated the eligibility of projects and compliance issues surrounding each system that requested placement on the DWSRF project priority list; *Quantity was 40 for SFY 2020.*
- 7) Tracking and database maintenance for systems affected by drought conditions; *Quantity was 31 systems for SFY 2020.*
- 8) Tracking and technical assistance associated with the Lead and Copper Rule; *Quantity was 979 systems with current lead and copper schedules for SFY 2020.*
- 9) Performance of comprehensive performance evaluations (CPEs); *Quantity was two (2) mandatory CPEs for SFY 2020.*
- 10) Tracking and technical assistance associated with the Consumer Confidence Rule (CCR); *Quantity was 904 systems with CCR schedules for SFY 2020.*
- 11) Tracking and technical assistance associated with the Revised Total Coliform Rule (RTCR); *Quantity was 1,363 systems with current RTCR schedules for SFY 2020.*
- 12) Tracking and technical assistance associated with Ground Water Rule; *Quantity was 183 systems with triggered ground water schedules for SFY 2020.*
- 13) Tracking and technical assistance associated with radionuclides; *Quantity was 561 systems with radionuclide schedules for SFY 2020.*
- 14) Tracking and technical assistance associated with Surface Water Treatment Rules (SWTR); *Quantity was 166 systems with SWTR requirements for SFY 2020.*
- 15) Tracking of public notice; *Quantity was 4,437 public notices requested for SFY 2020.*
- 16) Daily importation of electronic sample data into SDWIS; *Quantity was 71,486 samples imported for SFY 2020.*

4. Local Assistance and Other State Programs

Funds equal to \$2,340,000 (15%) of the FFY 2019 federal capitalization grant were reserved for capacity development activities, which includes the Water Loss Pilot

Program, and Wellhead activities including verification and updating of existing data during SFY 2020.

During SFY 2020, DEQ did not transfer any unexpended Local Assistance and Other State Programs Set-aside funds from the capitalization grant to the project loan fund. Unexpended Local Assistance and Other State Programs Set-aside funds from the FFY 2018 and FFY 2019 Capitalization Grant were utilized to cover expenses during SFY 2020.

During SFY 2020, the Local Assistance and Other State Programs' set-aside expended \$585,841.68 from the FFY 2018 capitalization grant including payroll funding corrections, and \$1,008,822.79 from the FFY 2019 grant for a total of \$1,594,664.47. The FFY 2018 and 2019 capitalization grant expenditures were broken down as follows:

Local Assistance and other State Programs' Activities:	\$	838,689.89
Water Loss Program Activities:	\$	420,958.56
Crypto Activities:	\$	107,351.20
Harmful Algal Blooms (HAB):	\$	54,169.08
RTCR Assessments:	\$	31,800.59
Capacity Development Assessments:	\$	123,925.79
Pilot PWS Small System Technical Sampling Assistance:	\$	10,776.73
EPA DBP Pilot Project:	\$	<u>6,992.63</u>
	\$	1,594,664.47

The required tasks of the Local Assistance and Other State Programs Set-aside were accomplished by Capacity Development Section (CapDev) staff, ECLS staff, WQD staff, and SELS staff. See program information and accomplishments below.

Water Loss Program Activities

In SFY 2020, DEQ continued work supporting better water loss management and reduction across Oklahoma. WQD with assistance from ECLS continued efforts to promote water loss auditing by conducting water loss audits at 32 public water supplies across the state during the fiscal year. The work consisted of both conducting the audit according to the American Water Works Association (AWWA) M36 method as well as training system personnel to continue performing the audit work on their own. The auditing work found 2.03 billion gallons/year real loss and 130 million gallons of apparent loss/year. The work continues to show that levels of real and apparent loss continue to be a concern across the state.

In SFY 2020, DEQ has also continued its work with the Oklahoma Rural Water Association (ORWA) to conduct leak detection and meter analysis at public water supplies that have had a water loss audit performed. During SFY 2020, ORWA staff performed leak detection and meter analysis technical assistance at 10 water systems. Over the course of SFY 2020, 472 million gallons of lost water per year were identified, at a value of \$945,401.00/yr. In each instance, water systems

received training from ORWA on how to conduct leak detection and meter analysis on their own, as well as help in locating leaks and faulty meters.

Capacity Development Assessments

During SFY 2020, DEQ completed implementation of the first phase of Project Baseline, a state-wide capacity development assessment of municipal water supplies and rural water districts serving 10,000 or fewer people. Working in concert with staff from the agency's ECLS division, 592 water systems received a capacity development assessment focused on the system's Technical, Managerial, and Financial (TMF) condition. Of the assessments completed, the majority of assessed systems (79%) demonstrated borderline to adequate levels of TMF capacity, having successfully implemented between 50%-90% of capacity development factors. Sixteen percent (16%) of assessed systems demonstrated ideal levels of TMF capacity (possessing 90% or greater of capacity development factors), and 5% of assessed systems had a critical lack of capacity (possessing fewer than 50% of recommended capacity development factors). The information gathered during the baseline assessment is being used to guide targeted TMF technical assistance to water systems in greatest need of help, as well as strategically to broadly plan technical assistance outreach and focus areas for DEQ and other technical assistance providers.

Rate Analysis Activities

During SFY 2020, ORWA also completed the second year of a contract between DEQ and ORWA to provide rate analyses at Oklahoma water systems. Since inception, ORWA conducted 17 rate studies with 13 municipal systems and 4 rural water districts. In each case, the ORWA works with the system to comprehensively account for all expenses and revenue streams, develops a model that forecasts into the future to take into account asset management concerns and planned capital improvements, and helps the system implement the new rate structure by presenting it to the governing board and the public. Based on the rate studies completed, the participating systems experienced an average improvement in operating ratio of 0.36, and 7 systems moved from insolvency to financial sustainability.

Complaint and Spill Investigations

A cornerstone of the ECLS Division is the Environmental Complaints Program. ECLS procedures allow for a rapid response and a quick resolution to environmental complaints. ECLS, through its 53 local environmental specialists strategically located across the state, investigates citizen complaints and documents each investigation in a central repository. ECLS works toward correction of all complaints in its jurisdiction within 90 days or moves the complaint to enforcement. If the investigation requires the assistance of another Division at DEQ, the complaint is referred to that Division. ECLS handles all initial investigations for all public water supply complaints. ECLS investigated 222 complaints involving public water supplies during SFY 2020.

When a spill is reported, whether by the responsible party or a first responder, the local Environmental Programs Specialist (EPS) will determine if the location is within a delineated area. If the spill is within a delineated area, the EPS will contact the community to ensure awareness and to facilitate discussion about inclusion in the wellhead protection plan as if the spill was from a potential source of contamination. ECLS investigated 268 spills in 2020.

Technical Assistance

ECLS, through its local EPSs, has a long history of providing technical service to the citizens and communities of Oklahoma. ECLS provides technical assistance to its citizens and public water supply systems, including the following:

- Discussion and clarification of rules and regulations through site visits; phone calls; and mailing DEQ regulations, fact sheets, and/or letters.
- Operational and compliance assistance to municipalities and/or regulated facilities.
- Participation in public meetings.

In SFY 2020, ECLS provided 170 technical assistance visits to public water supply systems and Oklahoma citizens with questions about their drinking water.

Sanitary Surveys and Site Inspections

Sanitary Surveys are in-depth inspections of EPA's eight elements of a PWS system:

(1) source, (2) treatment, (3) distribution system, (4) finished water storage, (5) pumps, pump facilities, and controls, (6) monitoring and reporting and data verification, (7) system management and operation, and (8) operator compliance with State requirements.

Oklahoma's primacy agreement with EPA requires a sanitary survey be conducted for each PWS system once every three years (triennial). PWS District Engineers and Representatives have taken over the responsibility from ECLS of conducting Sanitary Surveys of PWS systems that provide complex treatment. During SFY 2020, PWS District Engineers and Representatives received training, created forms, and developed procedures to conduct Sanitary Surveys. Six-hundred-five (605) Sanitary Surveys were completed during SFY 2020.

ECLS EPSs conducted 614 (non-primacy) site inspections at all PWS systems not scheduled for triennial Sanitary Surveys during SFY 2020. These site inspections are conducted to ensure PWS systems are continuing to be properly operated and maintained and to continue maintaining good working relationships with PWS Operators.

Crypto Accreditation Activities

With the goal of being able to support small public water systems impacted by the Long Term 2 Enhanced Surface Water Treatment (LT2) Rule, the SELS Division

has been accredited, and currently, is in the process of being re-accredited by TNI for Cryptosporidium/Giardia analysis. DWSRF funds are being used for the fees associated with re-accreditation along with required proficiency testing samples, certified organism specific reference and test materials. There is also a significant amount of staff training associated with developing and maintaining this capacity which is critical in building expertise and demonstrating competency in this field of testing.

Harmful Algal Blooms (HAB) Activities

The SELS continues to budget for and procure vendor trainings to expand the expertise of staff and better prepare for emergency response HAB events that threaten public and environmental health. The SELS continues to protect public water supply source waters by responding to HAB events with field investigations, sample collections, and post bloom monitoring. Relative to HABs, the SELS continues to participate in state, regional, and national regional workshops to improve the effectiveness of DEQ emergency response efforts. In SFY 2020, SELS used DWSRF funding for proficiency sample testing and the purchase of certified reference materials to keep a high level of capacity and further prepare SELS to respond effectively to such unscheduled events. With intent to expand the scope of response, efforts continued with advanced method development, collection protocols, and risk assessment. A significant investment in continuous Identification/Enumeration microscopy and Cyanotoxin training (for new and experienced lab staff) remains critical to building expertise and demonstrating competency in both the field and laboratory.

Laboratory Capacity Expansion Activities

Using one-time DWSRF funding, SELS purchased:

Real-Time PCR training, instrumentation, equipment, standards and supplies were purchased in the Environmental Microbiology Section of the SELS to analyze drinking water and source water for unregulated contaminants present on the UCMR III. This technology, new to the SEL, allows access to genetic information that is not possible with traditional analytical methods. It can be used in the detection and monitoring of environmental pathogens, thereby protecting public health by more effectively protecting sources of drinking water.

State Environmental Laboratory Capacity Maintenance Activities

In an effort to maintain laboratory capacity and uphold Principal Laboratory activities, the SELS Division has the ongoing need to replace outdated, inefficient, unserviceable and nonfunctional equipment that could hinder the timeliness and accuracy of analytical data. On that note, over this fiscal year the SELS utilized DWSRF funding to procure the following:

Total Organic Carbon (TOC) Analyzer

The DEQ SELS utilized DWSRF funding to purchase a replacement UV Persulfate TOC Analyzer instrument for analyzing source and treated drinking

water under the Federal Safe Drinking Water Act to meet public health protection goals. This instrument was needed to maintain laboratory capacity and certification and replaced an aging piece of instrumentation. Specifically, this instrument is used to analyze for TOC, a disinfection byproduct precursor, under the Stage I D/DBPR.

Flow Injection Analyzer

The DEQ SELS utilized DWSRF funding to purchase a replacement flow injection analyzer (FIA) instrument for analyzing drinking water under the Federal Safe Drinking Water Act to meet public health protection goals. This instrument was needed to maintain laboratory capacity and certification and replaced an aging piece of instrumentation. This instrument is used to analyze compliance monitoring samples for nitrate and nitrite under the NPDWR.

Gas Chromatograph/Mass Spectrometer (GC/MS)

The Oklahoma principal laboratory, ODEQ State Environmental Laboratory, has purchased with DWSRF monies a new GC/MS instrument for the purpose of analyzing drinking water compliance samples for THMs and VOCs under the federal Safe Drinking Water Act. This new instrument has resulted in improved method sensitivity, data quality, and reporting time for drinking water compliance testing along with adding additional capacity to the SEL scope of operations.

Personal Computer Replacements

The SELS has ordered electronic tablets to replace personal computers that had exceeded their service life. These devices will be used to support OK Principal Laboratory.

Pilot PWS Small System Technical Sampling Assistance

The DEQ SELS has utilized DWSRF monies to fund and hire one technical FTE. In coordination with WQD, SELS has developed a Pilot to target small systems in the vicinity of Oklahoma City that are currently out of compliance. Pilot activities include system specific targeted outreach to provide system personnel with advanced technical assistance in the form of site visits to explain and demonstrate proper sample collection techniques with an emphasis on the importance of sample integrity and traceability. Significant effort is made to help the system staff to better understand compliance sample rules, schedules, and test results. With a focus on improved compliance rates and sustainability, on-line training videos and other training tools have also been created and deployed for use by these small public water supplies throughout the state.

Revised Total Coliform Rule (RTCR) Assessments

In SFY 2020, DEQ completed level 1 and level 2 assessments for PWSs that were required to comply with that specific part of the RTCR. An assessment is required when total coliform sample results show that a PWS may be vulnerable to contamination. The goal of an assessment is to find sanitary defects which can

provide pathways of entry for contamination into a PWS distribution system. A level 1 assessment may be performed by anyone; however, a level 2 assessment must be performed by qualified personnel.

Working in concert with staff from ECLS, DEQ is offering and completing level 1 and level 2 assessments at all PWSs. ECLS staff completed 33 assessments during SFY 2020. WQD completed 15 assessments.

DEQ staff that perform assessments at a PWS used that opportunity to teach the PWS's operators and owners how to assess their own system. By using this opportunity to teach PWS operators and owners, DEQ's goal is that they will be more likely in the future to find sanitary defects on their own before problems arise.

Other Eligible Activities

In the SFY 2020 work plan, contracts and software/hardware items were listed as potential purchases to be funded by the Local Assistance and Other State Programs set-aside during the year. The contracts are listed as follows:

- 1.) Geographical Information System (GIS)/Global Positioning System (GPS) Application Training contract. This item was listed for \$2,500. This item was not awarded in SFY 2020.
- 2.) GPS Maintenance contract. This item was listed for \$5,000. No maintenance was required so this item was not awarded during SFY 2020.

The following software/hardware items were planned to be utilized to support the implementation of the contract information listed above:

- a. Feature Manipulation Engine (FME) Annual Maintenance for GIS Software. This item was listed for \$2,500. The annual license and support was purchased for \$1,900 during SFY 2020.
- b. GPS Equipment. This item was listed for \$24,000. This item was not purchased during SFY 2020.

B. State Matching Funds

The SDWA requires state matching funds equivalent to 20% of each capitalization grant. The state match must be received before capitalization grant project fund payments can be accepted. The state matching funds for the FFY 2019 capitalization grant in the amount of \$3,120,000 were provided through a transfer from the DWSRF Administrative Fund held outside the DWSRF, with the option to refund the Drinking Water Administrative Fund with bond proceeds from an anticipated bond issue scheduled to close during SFY 2021. Please see page 46 & 47 of this report, which provides more details about the bond issues.

C. Project Activities

Eligible projects proposed by applicants requesting funding from the DWSRF are ranked

and prioritized according to the Project Priority System procedures. The project with the most points shall be first on the Project Priority List. The project with the least points shall be last. The specific categories of source, treatment, storage, and distribution are not ranked separately. Projects will be funded in order of priority as each project meets the program requirements throughout the state fiscal year. For a project to be funded, it must be “ready to proceed.”

“Ready to proceed” means a project that has met the following requirements:

- a. Approved engineering report;
- b. Approved permit to construct for plans and specifications;
- c. Approved financial application;
- d. Completed environmental review; and
- e. Approved Capacity Development Assessment and Water Loss Audit.

Projects that have met the “Ready to proceed” requirements are moved to the fundable portion of the PPL and bypass those projects that are not on schedule. The project is then recommended to the OWRB Board for approval. If approved, DWSRF funds are committed through a board order. The project is advertised, and bids received pursuant to the Oklahoma Public Competitive Bidding Act of 1974. The loan amount is then sized in accordance to the bid to be accepted and awarded. The loan is then closed, contract documents signed, and “Notice to Proceed” is issued to the contractor to start construction on a specified date.

DEQ and OWRB provide DWSRF assistance to the eligible projects of highest priority that are ready to proceed with their project. If the highest priority system is not ready to proceed, it may be bypassed to fund the next highest priority system that is ready to proceed. A bypass letter is sent to each system on the PPL whenever the bypass procedures are needed. The bypass procedures were used during the year when the highest ranked projects were not ready to proceed. Lower ranked projects were funded as their projects were determined to be ready to proceed. The original IUP for SFY 2020 is included as Attachment 2. For revisions to the IUP, please see Attachment 12.

During SFY 2020, the State closed fifteen (15) loans with fourteen (14) systems totaling approximately \$171 million. Seventeen (17) systems received binding commitments during SFY 2020. Three systems, Geary UA (II), Calera PWA, and Blackwell MA received a binding commitment but didn’t close a loan by the end of SFY 2020. The loans will close during early SFY 2021, which is after this reporting period.

During SFY 2020, the State completed construction and began operation on ten (10) projects totaling \$31.9 million. The projects were: Goldsby WA, Jay UA (II), Logan Co. RWS & SWMD #2 (IV), Oklahoma City WUT (VII) (3 projects), Pittsburg Co. RWD #14, Roland UA (Re-finance), East Central Oklahoma WA, and South Delaware Co. RWA. Project information for closed loans is further detailed in Table 4.

TABLE 4 DWSRF Project and Loan Details

Project Name	SFY of Loan Closing	Pop.	Environmental Decision		Binding Commit.	Loan Closing				Project Component				
			Date	Type		Amount	Interest Rate	Admin. Fee	Start Const.	Treatment	Transmission & Distribution	Source	Storage	Land
Central Oklahoma MCD (II)	2020	183,756	4/1/19	Reviewed and Accepted**	5/21/19	\$5,643,680	1.60%	0.50%	11/18/19	\$0	\$5,643,680	\$0	\$0	\$0
East Central Oklahoma WA*	2020	1,200	8/26/19	CATEX	8/20/19	\$1,000,000	1.68%	0.50%	10/25/19	\$0	\$1,000,000	\$0	\$0	\$0
OKC WUT (VIII)	2020	1,114,000	11/12/18	CATEX	9/17/19	\$21,750,014	1.78%	0.50%	12/4/18	\$0	\$0	\$0	\$21,750,014	\$0
Bryan Co. RW & SWMD #2 (V)*	2020	8,656	9/11/19	CATEX	9/17/19	\$70,235.72	0.00%	0.00%	2/10/20	\$70,235.72	\$0	\$0	\$0	\$0
Roland UA (Re-finance)	2020	3,842	12/15/19	Reviewed and Accepted**	1/21/20	\$2,359,000	1.66%	0.50%	N/A	\$2,359,000	\$0	\$0	\$0	\$0
Collinsville MA	2020	5,606	12/1/19	FONSI	12/5/19	\$8,291,000	1.70%	0.50%	3/16/20	\$8,291,000	\$0	\$0	\$0	\$0
Weleetka PWA*	2020	998	12/12/19	Reviewed and Accepted**	2/18/20	\$95,330	0.00%	0.00%	6/24/20	\$0	\$0	\$0	\$95,330	\$0
Atoka MA (II)*	2020	3,609	1/29/19	CATEX	2/18/20	\$4,010,000	1.94%	0.50%	6/8/20	\$2,871,220.08	\$775,050.78	\$0	\$363,729.14	\$0
Locust Grove PWA*	2020	1,950	3/31/20	FONSI	4/21/20	\$9,675,000	1.85%	0.50%	6/29/20	\$9,441,870.59	\$233,129.41	\$0	\$0	\$0
Miami Special UA (II)*	2020	14,137	6/26/19	CATEX	12/5/19	\$2,785,000	1.51%	0.50%	6/20/20	\$0	\$2,421,017.05	\$0	\$363,982.95	\$0
Cheyenne UA*	2020	778	1/8/20	CATEX	4/21/20	\$100,000	0.00	0.50%	N/A	\$0	\$0	\$0	\$100,000	\$0
Okmulgee MA (IV)*	2020	20,673	4/21/20	CATEX	5/19/20	\$700,000	0.00%	0.50%	7/12/20	\$700,000	\$0	\$0	\$0	\$0
OKC WUT (IX)	2020	1,114,000	4/15/20	CATEX	6/16/19	\$74,000,000	1.53%	0.50%	8/24/20	\$46,000,000	\$28,000,000	\$0	\$0	\$0
Edmond PWA (VI)	2020	78,422	3/16/20	CATEX	4/21/20	\$40,000,000	1.47%	0.50%	8/3/20	\$40,000,000	\$0	\$0	\$0	\$0
McIntosh Co. RWS & SWMD #2*	2020	2,774	4/3/20	CATEX	6/16/20	\$490,000	1.09%	0.50%	8/3/20	\$490,000	\$0	\$0	\$0	\$0
Totals:						\$170,969,259.72				\$110,223,326.39	\$38,072,877.24	\$0	\$22,673,056.09	\$0

*Subsidy (Principal Forgiveness)

** Reviewed and Accepted the environmental from another agency

The total percentage of small systems funded through the Oklahoma DWSRF program is shown in Table 5 below. Currently, 23% of all DWSRF funds have been utilized for small systems. Also, 17% of the current year's funds have been utilized for small systems.

Table 5 Total Percentage of Small Systems Funded				
Binding Commitments	SFY	Pop.	Small	Large
SFY 1998-2001			\$22,548,975	\$25,989,280
SFY 2002-2005			\$14,465,983	\$117,672,718
SFY 2006-2018			\$247,845,626	\$753,401,429
SFY 2019			\$18,723,180	\$77,560,000
East Central Oklahoma WA	2020	1,200	\$1,000,000	
Bryan Co. RWS & SWMD #2 (V)	2020	8,656	\$100,000	
OKC WUT (VIII)	2020	1,114,000		\$21,750,014
Geary UA (II)	2020	1,258	\$100,000	
Miami Special UA (II)	2020	14,137		\$2,785,000
Collinsville MA	2020	5,606	\$8,291,000	
Roland UA (Re-finance)	2020	3,842	\$2,359,000	
Weleetka PWA	2020	998	\$95,330	
Atoka MA (II)	2020	3,609	\$4,010,000	
Calera PWA	2020	2,164	\$1,555,000	
Locust Grove PWA	2020	1,950	\$9,875,000	
Cheyenne UA	2020	778	\$100,000	
Edmond PWA (VI)	2020	78,422		\$40,000,000
Okmulgee MA (IV)	2020	20,673		\$700,000
Blackwell MA	2020	9,241	\$100,000	
OKC WUT (IX)	2020	1,114,000		\$74,000,000
McIntosh Co. RWS & SWMD #2	2020	2,774	\$590,000	
Total for 2020			\$28,175,330	\$139,235,014
Total Overall			\$331,759,094	\$1,113,858,441
Percentage			17%	83%

During SFY 2020, DWSRF subsidy funds were directed at public water supplies who have health based violations, such as DBP issues. Many small communities in Oklahoma are struggling with the economy and these conditions may prove challenging.

In addition to the dramatic drop in oil prices, the Pandemic has negatively affected Oklahoma's growth, employment, income, and tax bases.

As part of the ever on-going efforts to meet the small system funding provisions, the DWSRF program notes continuing efforts towards marketing, outreach, and technical assistance, including but not limited to the following activities.

- Small system technical assistance provided by DEQ staff, such as the Public Water Supply Engineering & Enforcement Section and Environmental Complaints and Local Services Division;
- Active participation in quarterly meetings of the FACT – including the United States Department of Agriculture Rural Development (USDA-RD), OWRB, ORWA, Indian Health Services (IHS), Oklahoma Department of Commerce (ODOC), Communities Unlimited (CU), Oklahoma Development Finance Authority (ODFA), and Oklahoma Association of Regional Councils (OARC) – wherein invitations are extended to water systems with the most urgent technical and financial needs;
- Water Loss Program Activities are provided free of charge to small systems. We plan to continue the voluntary audits with a focus on small systems (see page 20 for activities);
- Monthly meetings and/or consultations by DWSRF staff with small systems on the PPL that are not yet “ready to proceed” to assist them to become “shovel ready”;
- Coordination with OWRB and ORWA staff to provide financial and technical consultations (see pages 3-9 and table 4);
- Presentations at conferences and workgroups to establish availability of small systems technical and financial assistance (see page 38, Short-Term Goal 9);
- OWRB sends funding resource letters to all drinking water Consent Order recipients;
- Continue to provide subsidy for public water systems with health based violations, such as DBP issues (see pages 3-9);
- DWSRF attended and presented at five (5) outreach meetings and marketed the program in different regions of the State.

Fund Financial Status

Binding Commitments:

A Binding Commitment is a loan application that is approved for funding by the OWRB. A Binding Commitment letter notifies the applicants that OWRB had approved their applications and concurred in awarding DWSRF loans. Before issuance of these letters, the projects were reviewed in accordance with DEQ's EPA approved State Environmental Review Procedures.

Binding commitments must be made in an amount equal to each grant payment that is deposited into the loan fund and state match within one year of receipt of each grant

payment. As of June 30, 2020, DEQ had entered into binding commitments for 436% over the required binding commitment amount. Oklahoma's binding commitments are displayed in Table 6.

During SFY 2020, many projects had an adjustment between the binding commitment amount and the amount at loan closing due to bid prices coming in lower or higher than expected. The total of these adjustments is listed in Table 6.

Table 6 details the payment schedule and binding commitments for Oklahoma's Drinking Water State Revolving Fund. The table demonstrates that during state fiscal year 2020 the Oklahoma Department of Environmental Quality entered into binding commitments within one year of receipt of payments. Please note that the table lists actions by federal fiscal years.

Table 6

1997 - 2016 Cumulative data is hidden

FFY	QTR	2017 Grant	2018 Grant	2019 Grant	Set-Aside	TOTAL	CUMULATIVE	BINDING	CUM. BIND.	PROJ.	BINDING	CUM. BIND.	% OF
		Loan	Loan	Loan	Payments	QTR.	LOAN	COMMIT.	COMMIT.		COMMIT.	COMMIT.	BIND COM
		Payments	Payments	Payments		PAYMENTS	PAYMENTS	REQUIRED	REQUIRED		ACTUAL	ACTUAL	REQUIRED
2018	1st	\$4,581,255			\$969,123	\$4,581,255	\$240,192,633	\$207,592	\$291,049,063	(bv)	\$8,064,643	\$1,054,019,718	362%
	2nd				\$969,123	\$0	\$240,192,633	\$207,592	\$291,256,655	(bw)	\$53,118,333	\$1,107,138,051	380%
	3rd				\$969,121	\$0	\$240,192,633	\$163,991	\$291,420,646	(bx)	\$21,985,480	\$1,129,123,530	387%
	4th		\$5,432,715		\$1,406,940	\$5,432,715	\$245,625,348	\$5,739,331	\$297,159,976	(by)	\$25,293,611	\$1,154,417,141	388%
2019	1st		\$5,432,715		\$1,158,213	\$5,432,715	\$251,058,063	\$5,691,331	\$302,851,307	(bz)	\$32,974,803	\$1,187,391,944	392%
	2nd				\$1,158,213	\$0	\$251,058,063	\$193,825	\$303,045,132	(ca)	\$20,823,180	\$1,208,215,124	399%
	3rd				\$1,158,204	\$0	\$251,058,063	\$193,824	\$303,238,956	(cb)	\$15,680,051	\$1,223,895,175	404%
	4th			\$5,382,000	\$1,370,910	\$5,382,000	\$256,440,063	\$6,800,646	\$310,039,602	(cc)	\$17,493,694	\$1,241,388,869	400%
2020	1st			\$5,382,000	\$1,155,030	\$5,382,000	\$261,822,063	\$6,750,901	\$316,790,502	(cd)	\$11,169,783	\$1,252,558,653	395%
	2nd				\$1,155,030	\$0	\$261,822,063	\$231,643	\$317,022,145	(ce)	\$3,476,063	\$1,256,034,715	396%
	3rd				\$1,135,030	\$0	\$261,822,063	\$231,641	\$317,253,786	(cf)	\$126,613,287	\$1,382,648,002	436%
	4th												
Total		\$9,162,510	\$10,865,430	\$10,764,000		\$261,822,063		\$317,253,786			\$1,382,648,002		

Timely and Expedious Use of Funds

DEQ's goal is to have less than 2 years' worth of capitalization grants open. As of June 30, 2020, DEQ had two open grants, which are for FFY 2018 and FFY 2019. The FFY 2018 grant will remain open to provide the remaining subsidy funds to projects on the PPL, and to use the remaining 15% set-aside (Local Assistance and Other state programs) remaining funds on eligible expenses due to state budget cuts. Federal funds are drawn as quickly as possible using the First In First Out (FIFO) method.

Recipient Accounting Requirements

DWSRF recipients are required to maintain project accounts in accordance with Generally Accepted Government Accounting Standards (GAGAS). All loan agreements for DWSRF recipients stipulate that the "Borrower shall maintain separate Project accounts in accordance with GAGAS." Active borrowers are required to submit financial audits annually to the OWRB. OWRB staff review the audits and work with the borrowers or their auditors to resolve any issue encountered.

Cash Draw Proportionality

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

Financial Indicators

In an effort to measure the pace, Oklahoma's DWSRF incorporates "financial indicators" into annual program review. Attachment 11 presents five key measures that reflect the different financial objectives of the SRF and provides broad indicators of how the DWSRF is meeting them.

Cross-Cutting Authorities

DEQ has reviewed all DWSRF funded projects for compliance with the following Federal cross-cutting authorities: National Environmental Policy Act; National Historic Preservation Act; Archeological and Historic Preservation Act; Protection of Wetlands; Environmental Justice; Flood Plain Management; Farmland Protection Policy Act; Wild and Scenic Rivers Act (only in certain counties of Oklahoma); Endangered Species Act; Clean Air Act; Safe Drinking Water Act; Disadvantaged Business Enterprise Provisions;

Equal Employment Opportunity Executive Order; Civil Rights Act of 1964; Section 13 of the Federal Water Pollution Control Act Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; The Age Discrimination Act of 1975; Clean Water Act; Debarment and Suspension Executive Order; Environmental Justice Executive Order; Demonstration Cities and Metropolitan Development Act; Uniform Relocation Assistance and Real Property Acquisition Act; Lobbying Disclosure Rules. The cross-cutters are applied to all projects funded through DWSRF.

For SFY 2020, the DEQ negotiated the following Minority Business Enterprise/Women Business Enterprise goals with EPA Region 6, for the capitalization grant, as follows (Table 7):

Table 7 – MBE/WBE Procurement Activity

Total 2020 Procurements	MBE Goals	SFY 2020 MBE Actual		WBE Goals	SFY 2020 WBE Actual	
		Dollar Value	% of Procurement		Dollar Value	% of Procurement
\$13,884,000		\$1,012,551	9.4%		\$300,000	2.7%
Construction	11.25%	\$1,012,551	9.4%	7.41%	\$300,000	2.7%
Services	9.04%	\$0	0%	19.85%	\$0	0%
Supplies	16.15%	\$0	0%	16.43%	\$0	0%
Equipment	6.68%	\$0	0%	12.16%	\$0	0%
Overall DBE Procurements					12.1%	

The DWSRF Loan Program will continue to strive to meet these goals in the future.

The DWSRF met 0% (zero percent) of the goals in the above categories for MBE/WBE as related to the set-aside portion of the grant for SFY 2020. Procurement is encouraged by the following: the list is kept and maintained by another state agency. The list is open to all vendors, including DBEs, so long as they provide the necessary information and documents to be considered for this list. All purchases for the state, or on behalf of the state, have to go through a solicitation process from the said list. DEQ sends out Vendor Information Requests yearly to suppliers that we use asking if they are a Minority Business Owner, Small Business, Female Owned Business, or Veteran Owned Business for our internal solicitations.

D. Prospective Loan Projects

During SFY 2020, forty (40) projects were added to the DWSRF Project Priority List. Based on the original SFY 2020 IUP, the DWSRF Priority List contained thirty-seven (37) projects. Also, twenty-four (24) projects were removed from the PPL either by request or by receiving a binding commitment. All of these projects were on the planning portion of the list and are working to comply with DWSRF planning and design requirements. Seventeen (17) of these projects received letters of binding commitment during SFY 2020. The remaining projects are at various stages in the planning process. The SFY 2020 IUP is included as Attachment 2.

During SFY 2020, environmental decisions were finalized for twenty-five (25) DWSRF projects. The breakdown of these decisions is as follows: nineteen (19) Categorical Exclusions (CatEx), three (3) Environmental Assessment (EA)/Finding of No Significant Impact (FONSI), and three (3) reviews and acceptance of environmental decisions for CATEXs issued by the Cherokee Nation, U.S. Rural Development (USDA-RD), and Community Development Block Grant (CDBG).

III. DWSRF Goals Attained

A. Project Accomplishments

The DWSRF loans made to projects during SFY 2020, detailed in Table 4, were specifically directed at achieving the goals (as listed) of the DWSRF program and were accomplished (in italics) as follows:

1. To assist public drinking water systems in maintaining the health objectives of the SDWA;
 - *Assisted public drinking water systems in maintaining the health objectives of the SDWA by conducting monthly inspections of systems under construction and training sessions which included consulting engineers, system officials, and other agencies;*
2. To rehabilitate or replace contaminated drinking water sources;
 - *Initiated construction on zero (0) projects.*
3. To install or upgrade treatment that improves the capability of public drinking water systems to comply with primary or secondary drinking water standards;
 - *Initiated construction on fifteen (15) projects.*
4. To install or upgrade storage facilities to prevent contamination from entering the drinking water system;
 - *Initiated construction on two (2) projects.*
5. To install or replace transmission and distribution facilities to prevent contamination;
 - *Initiated construction on three (3) projects.*
6. To assist in consolidation or interconnection of water supply systems to improve service;
 - *Initiated construction on zero (0) projects.*
7. To assist public drinking water systems to ensure quality water at an affordable cost;
 - *Initiated construction on fifteen (15) projects.*
8. To assist in acquisition of land needed to locate an eligible project from a willing seller who receives fair market value for the land;
 - *Initiated construction on zero (0) projects.*
9. To assist in costs of planning, design, and other related costs of eligible projects;
 - *Initiated construction on eight (8) projects in which these costs were reimbursed.*
10. To provide loans to assist public drinking water systems that are under enforcement actions in attaining compliance by established deadlines;
 - *Initiated construction on eight (8) projects.*

11. To provide loans to assist public drinking water systems in eliminating drinking water deficiencies and to improve the quality of drinking water in the state;
 - *Initiated construction on seven (7) projects.*
12. To provide loans to assist public drinking water systems in constructing water facilities needed to maintain quality drinking water;
 - *Initiated construction on fifteen (15) projects.*
13. To provide loans to assist public drinking water systems to provide affordable drinking water by building cost effective water treatment, storage, and distribution facilities. The interest rate of these loans shall be at approximately seventy percent (70%) of market rate for long-term loans from the DWSRF;
 - *Initiated construction on fifteen (15) projects.*
14. To provide at least fifteen percent (15%) of each DWSRF capitalization grant to assist small public drinking water systems to the extent that there are a sufficient number of eligible projects to fund.
 - *Initiated construction on nine (9) projects that had a population of 10,000 or less. For SFY 2020, DWSRF provided seventeen percent (17%) of assistance to small public drinking water systems. See Table 5, and the following paragraph, to see how we are proceeding with this goal.*

All of the project accomplishments listed above were achieved in SFY 2020.

Please refer to page 12, Table 1, for total grants available for assistance and page 29, Table 5, for total percent of small systems funded since inception of DEQ's loan program.

DEQ funded systems whose projects were determined to be eligible and whose costs were eligible.

B. Program Accomplishments

The application and receipt of capitalization grant funding, the provision of state matching funds, and the proposition to provide low interest loans to eligible loan applicants are the specific efforts required to achieve the following goals of the DWSRF program:

1. To maintain the fiscal integrity of the DWSRF and to assure a continuous enhancement of the loan fund for future generations;
 - *The DWSRF program has been leveraged to meet the funding needs in the future. See Pages 46 & 47 and Attachment 3.*
2. To maintain the fund in perpetuity; perpetuity consists of maintaining the principal amounts of the state matching funds and capitalization grants, less set-asides, within the DWSRF;
 - *The DWSRF program has been leveraged which will provide state matching funds for future grants. A bond issue was not needed during SFY 2020. See Attachment 3.*

3. To assist the State in meeting its total drinking water funding needs by providing long-term, low-interest financing;
 - *Provided construction loan financing for systems through DWSRF loans provided to Oklahoma water systems. See Tables 4 and 5, and Attachments 4 and 5.*
4. To obtain maximum capitalization of the fund for the State in the shortest time possible;
 - *The DWSRF program has been leveraged to meet the funding needs in the future. See Attachment 3.*
5. To provide the necessary state matching funds prior to accepting capitalization grant payments for the FFY 2019 capitalization grant.
 - *The state matching funds were provided by a transfer of \$3,120,000 from the DWSRF Administrative Fund held outside the DWSRF with the option to refund the DWSRF Administration Fund with bond proceeds from an anticipated bond issue scheduled in the future for 2021. See page 25 and Attachments 4 and 5.*

All of the program accomplishments listed above were achieved in SFY 2020. Also, DEQ complied with general grant regulations.

Since we have more demand for funding than we can supply, another bond issue is planned for SFY 2021. The capacity model can be found in Attachment 3.

Short-term Goals for SFY 2020

1. Provide forty-one (41) loans to the forty (40) water systems listed on the Fundable Portion of the SFY 2020 Project Priority List. (Target Completion: June 2020)

Answer: The State closed fifteen (15) loans to systems on the SFY 2020 Project Priority List. Please see Table 4 for a list of systems, including all pertinent information.

2. Apply for FFY 2020 capitalization grant in the first year that it is appropriated. (Target Completion: April 2020)

Answer: DEQ applied for the 2020 capitalization grant on April 13, 2020. This delay was due to the fact that EPA was involved in the government shutdown and was late in finalizing the budget.

3. Complete set-aside work plans specifying funds from the 2019 capitalization grant. (Target Completion: Within 90 days of grant award)

Answer: DEQ submitted set-aside work plans for the 2019 capitalization grant on November 27, 2019, and the deadline was November 28, 2019.

4. Use set-aside funds to update source water assessments. (Target Completion: June 2020)

Answer: Source water assessments are complete. Please see page 20 for information on wellhead activities.

5. Use set-aside funds to implement Capacity Development Strategy. (Target Completion: June 2020)

Answer: DEQ revised the Capacity Development Strategy Document twice since inception of the program: first in 2012, which updated regulatory citations and incorporated language to facilitate implementation of EPA's Sustainable Infrastructure initiative and expansion of future DWSRF grant funding, and again in 2020 to include training and development/implementation assistance for system asset management plans. DEQ is currently in the review phase of its strategy document revisions and are on track to be the first in Region 6 to complete revisions in compliance with AWIA. DEQ will submit the 2020 Capacity Development Annual Report by the due date and it can be found in Attachment 6. DEQ met this goal through DEQ staff activities. See pages 41-42, and Attachment 6.

6. Use set-aside funds to provide technical assistance to systems to comply with the LT2, Stage 2 DBP; RTCR Rule; Lead and Copper Rule (LCR), and Ground Water Rule. (Target Completion: June 2020)

Answer: DEQ meets this goal. See pages 18, 19, 20, and 25 for accomplishments.

7. Issue DWSRF Revenue Bonds in an estimated amount of \$75,000,000 to finance the additional demand for drinking water loan funds. (Target Completion: December 2019)

Answer: OWRB did not issue DWSRF Revenue Bonds during this SFY.

8. Expend Capitalization Grant within two years of grant award.

Answer: The FFY 2019 Capitalization Grant will be expended by June 30, 2021.

9. Promote and market the DWSRF program by giving five (5) to seven (7) presentations around the State. (Target Completion: June 2020)

Answer: DWSRF staff attended and presented at the Fall ORWA conference, 2019 National AWOP Meeting, and three (3) Quarterly AWOP Meetings along with a

meeting with Muskogee Municipal Authority and the systems that purchase water from them. DEQ cancelled five (5) Outreach Workshops in coordination with PWS which were scheduled during the spring of 2020 due to COVID. OWRB attended fifteen (15) workshops and conferences. Many communities attended the FACT meetings to find funding resources.

Long-term Goals

1. Maintain the fiscal integrity of the DWSRF and assure a continuous enhancement of the loan fund for future generations.

Answer: DEQ and OWRB work together to assure the long-term financial health of the loan fund through contracts and an annual audit. See Attachments 4 & 5.

2. Maintain the fund in perpetuity. Perpetuity consists of maintaining the principal amounts of the state matching funds and capitalization grants, less set-asides, within the DWSRF.

Answer: The perpetuity of the program can be found in Attachments 3 and 5.

3. Assist the State in meeting the total drinking water funding needs by blending DWSRF capitalization grant and state match funds with leveraged DWSRF bond proceeds to provide long-term low interest drinking water financing.

Answer: OWRB and DEQ leverage the program when needed for funding projects. See Attachment 5.

4. Obtain maximum capitalization of the fund for the State while generating sufficient investment and loan interest earnings to retire revenue bonds.

Answer: OWRB and DEQ decide on the loan terms and conditions for each borrower to optimize the fund. See Attachment 1.

5. Use set-aside funds along with DWSRF loans to maximize compliance and public health protection.

Answer: DEQ uses set-aside funds to ensure public health protection. OWRB and DEQ make loans to systems which need to come back into compliance or remain in compliance. See Attachments 1 and 2.

6. Promote technical, managerial, and financial capability of all public water supply systems.

Answer: OWRB and DEQ conduct financial analysis and overview of the ability of the borrower to run the system. See Attachments 1 and 6.

7. Encourage the consolidation and/or regionalization of small public water systems that lack the capability to operate and maintain systems in a cost-effective manner.

Answer: OWRB and DEQ may offer subsidization in the form of principal forgiveness as encouragement to systems to consolidate or regionalize. See Attachment 1 and pages 3-9, of the annual report, under project descriptions.

8. Target public water supply projects with health-based violations to reduce the number of public water supplies with health-based violations by at least 25% by the year 2022.

Answer: With the start of SFY 2019, and continuing through SFY 2020, OWRB and DEQ are targeting systems with health-based violations, primarily DBPs. Staff met with approximately forty (40) public water systems. And out of those forty (40) systems, twenty-four (24) systems have decided to pursue funding through the DWSRF. OWRB & DEQ will continue the use of subsidy for health-based violations for the next 3-4 years. During SFY 2020, DEQ & OWRB closed loans with five (5) systems and made a binding commitment to one (1) system with health-based violations.

9. Continue to refine the Capacity Development Program, including the Water Loss Audit Program.

Answer: WQD created a new section entitled Capacity Development. It currently consists of a Program Manager and two (2) FTE positions. DEQ is working to hire and fill one (1) additional FTE position for this program. See page 20, 21, and 41.

All the long-term goals were achieved in SFY 2020 as discussed throughout this report.

Oklahoma provides a “disadvantaged community program” for systems wishing to receive financing for up to a 30-year loan (up to a 40-year loan for eligible communities subject to useful life of infrastructure). DEQ closed eight (8) loans for a term between 20 and 30 years during SFY 2020.

Environmental Results under EPA Assistance Agreements

1. In accordance with “EPA’s Environmental Results under EPA Assistance Agreements, Order No. 5700.7”, which became effective on January 1, 2005, DEQ herein describes the outcome of the output goals listed below.

Output 1 – Provide forty-one (41) loans to the forty (40) water systems listed on the Fundable Portion of the SFY 2020 PPL. See Appendix B, of the SFY 2020 IUP, for a list of projects on the PPL.

Outcome:

The State closed loans to fifteen (15) projects (14 systems) on the SFY 2020 PPL. See Table 4 for system names and amounts.

Output 2 – Enter into binding commitments with thirty-four (34) small systems and six (6) large systems for a total of forty-one (41) projects during SFY 2020. See Appendix B, of the SFY 2020 IUP, for a list of these systems and their population.

Outcome:

DEQ made binding commitments with seventeen (17) systems on the SFY 2020 PPL. See Table 4 and Table 5 for system names and amounts. Of these systems, twelve (12) were small systems, and five (5) were large systems.

2. Environmental benefits will result from loans made and projects completed to reduce specific contaminants, create energy savings, conserve water, increase capacity to meet current water needs, replace aging infrastructure, and comply with state and federal regulations.

Output and Outcome

1. Assisting non-compliant systems to achieve compliance: **5 systems**
(Bryan Co. RWS & SWMD #2 (V), Weleetka PWA, Cheyenne UA, Okmulgee MA (IV), and McIntosh Co. RWS & SWMD #2)
2. Assisting compliant systems to maintain compliance: **8 systems**
(East Central Oklahoma WA, Oklahoma City WUT (VIII), Collinsville MA, Atoka MA (II), Locust Grove PWA, Miami Special UA (II), Oklahoma City WUT (IX), and Edmond PWA (VI))
3. Assisting compliant systems to meet future requirements: **0 systems**
4. Other Assistance not compliance related: **2 systems** (COMCD (II), and Roland UA)

IV. Capacity Development Strategy Activities

The SDWA includes requirements for states to obtain authority to: (1) ensure that new systems have TMF capacity to provide safe and affordable drinking water for now and in the future; (2) ensure that all DWSRF loan recipients have sufficient TMF capacity prior to receiving loan funds (or that the loan funds will allow them to receive the capacity they require); and (3) develop a strategy to address the capacity of existing systems.

The Capacity Development Strategy document, which demonstrates that DEQ has the statutory authority to ensure that all proposed new water supply systems have TMF capabilities to provide safe and affordable drinking water, was initially submitted to EPA and was approved on July 6, 1999. DEQ revised the Capacity Development Strategy Document twice since inception of the programs: first in 2012, which updated regulatory citations and incorporated language to facilitate implementation of EPA's Sustainable Infrastructure initiative and expansion of future DWSRF grant funding, and again in 2020 to include training and development/implementation assistance for system asset management plans. DEQ has the authority to review and approve all planning, design documents, and applications to construct and operate waterworks, as well as ensure that proper technical,

managerial, and financial requirements are met during the life of the plant. DEQ jurisdiction over the “permit to construct process” is the main control point through which all public drinking water systems must be approved before construction can be initiated and drinking water supplied to the public.

The Capacity Development requirements for DWSRF loan recipients are attained via a multi-agency approach coordinated by the agency Capacity Development Section (CapDev). All loan fund applicants are assessed for TMF capacity by the CapDev Section, who assists the applicants in developing policies, procedures, or making other changes to obtain and maintain appropriate capacity and sustainability.

Additional assistance is provided to applicants by the OWRB (managerial and financial capacity assistance), via technical assistance from DEQ permitting, inspection, and enforcement staff, and via assistance from 3rd-party providers. All loan applicants that had projects listed on the PPL have received technical assistance and have been thoroughly reviewed to ensure that they are fully capable of operating and maintaining a public water supply system.

The WQD maintains a complete inventory of all public water supply systems, monitoring data, and records of violations. Public water supply systems with actual or potential problems are targeted to receive TMF capacity assistance, increased monitoring, and/or legal oversight to ensure that the problem does not continue or increase to the point that public health is threatened.

DEQ’s Existing System Capacity Development program was approved by EPA Region 6 on August 25, 2000. DEQ submitted the 2019 annual report to EPA in September 2019.

DEQ will submit the 2020 report within 90 days of the close of the fiscal year. See Attachment 6 for a copy of the 2020 report.

V. Operator Certification Activities

The SDWA directs the Administrator of EPA, in cooperation with the States, to specify minimum requirements for certification of operators of community and non-transient non-community water systems. EPA’s final guidelines were published on February 5, 1999. States had two years from this date to adopt and implement an operator certification program that complies with EPA’s guidelines.

DEQ currently has an operator certification program that requires certification of operators for community water systems. DEQ has amended Oklahoma's rules related to operator certification to ensure that the program complies with EPA's final guidelines, including required certification of non-transient non-community system operators. DEQ submitted documentation of the revised operator certification program to EPA in August 2000. EPA approved the program in March 2001. The DWSRF grant application does not specify funds for the Operator Certification program.

VI. EPA Automated Standard Application for Payments (ASAP) System

In lieu of depositing federal capitalization grant funds directly into the DWSRF, the federal government has implemented the Automated Standard Application for Payments (ASAP) system. The ASAP system is a federal cash management tool that allows the state to draw down the capitalization grant funds only when eligible costs are actually incurred. The ASAP system was developed by the U.S. Office of Management and Budget to improve cash management of federal payments. Since federal cash payments to the state cannot be made until costs are incurred, this procedure eliminates any potential interest earnings between the time the capitalization grant was awarded and the time the funds were utilized (loaned). The 20 percent state match is placed into the DWSRF prior to receiving federal grant payments.

VII. Interest Rates/State Financing Plan

The SDWA places certain federal requirements on projects that receive assistance from the DWSRF. These federal requirements include “cross-cutting” federal laws and authorities. Loans below market rate are necessary to create program incentives to comply with the federal cross-cutting measures and to reduce the cost of compliance with the SDWA. Federal cross-cutting laws and authorities will continue to be a requirement for all DWSRF projects utilizing federal capitalization grant funds and state matching funds.

The Oklahoma DWSRF financing plan objective is to provide (1) a pool of funds to meet program demand, which is well above that anticipated to be available directly from the DWSRF, (2) below market interest rate loans which provide program incentives for Oklahoma water supply systems to become compliant with the federal SDWA, (3) flexibility/perpetuity of the DWSRF, and (4) a strategy to assist small water systems. To meet the program objectives of the DWSRF program in an efficient and cost-effective manner, the Oklahoma DWSRF financing plan consists of the following:

The DWSRF program may provide up to 40-year loan terms that are only available to eligible disadvantaged communities and subject to the useful life of infrastructure to be constructed. The loan bears a fixed interest rate. Loans require an interest and administrative fee to be paid semi-annually as funds are drawn. Occasionally, principal repayments may begin prior to construction completion based on each borrower’s promissory note. Once construction is completed, loans require that principal, interest and administration fee are paid monthly to a local trustee until the loan is paid off. The DWSRF provides loans for both small and large public drinking water systems at an interest rate equal to 70% of the AAA Municipal Market Daily (MMD) rate plus 40-76 basis points depending on the loan term. An administration fee of 0.5% is added.

VIII. Current and Five Year Projection of Water Needs

As a result of the efforts by DEQ and OWRB to establish a "lower than market rate" loan program, several water supply systems have responded favorably by requesting that their projects be added to the DEQ DWSRF five (5) year project priority list. The DEQ Project Priority List for SFY 2020 contained the current year's needs plus anticipated needs for the next five years. The SFY 2020 Project Priority List reflected a cumulative demand of \$168,052,100 over the next five years. The SFY 2020 Project Priority List is included as Appendix B to the SFY 2020 IUP. The SFY 2020 IUP is in Attachment 2 of this annual report. For revisions to the IUP, please see Attachment 12.

For SFY 2020, thirty-seven (37) projects were identified on the Project Priority List as being potentially ready to proceed with financing and were identified in the SFY 2020 IUP. All projects are ranked in accordance with the DEQ priority ranking system. The State's DWSRF Priority List and IUP are adjusted periodically to reflect changes in project status, new requests, and available funds. The sources of funds necessary to finance SFY 2020 loan requests include FFY 1997 through 2019 federal capitalization grants, state match, principal and interest payments on outstanding loans, investment earnings, and leveraged bonds. For SFY 2020, a complete breakout of the sources of funds is included in Table 1 of the IUP (included as Attachment 2) and a final version can be found in Attachment 7 of this report. It is anticipated that future federal appropriations for capitalization grants requiring state matching funds will continue through the year 2021.

IX. Ten and Twenty Year Projection of DWSRF Needs

Oklahoma has approximately 760 operational public water treatment facilities and distribution systems that are eligible for DWSRF assistance. Most treatment facilities were originally designed with a 20-year design life, whereas, the design life of a distribution system is normally 40 years. Based on these facts, it is reasonable to assume that 5% of all public water treatment facilities and 2.5% of all distribution systems will need to be replaced or rehabilitated each year. Additional annual needs will occur as a result of poor operation and maintenance.

The most current estimate of water infrastructure needs conducted by EPA reflects total public water supply system needs for the entire nation of greater than \$472.6 billion. This current estimate takes into consideration all drinking water needs for the next 20 years. This estimate is from EPA's 2015 Needs Survey and Assessment. The current state estimate of needs does not forecast ten-year needs nor does the state currently have a way of estimating public drinking water needs for the next ten years. The 2015 Needs Survey results was published on EPA's website and in the March 2018 Sixth Report to Congress. For Oklahoma, the 2015 Needs Survey results showed a decrease in percentage of needs from 1.61% (in 2011) to 1.42%. This state percentage, utilizing the results of the 2015 Needs Assessment, will be in effect for allocating DWSRF program funds for fiscal years 2018 through 2021 appropriations.

X. Detailed Financial Report

During SFY 2020, DEQ used the 2018 and 2019 capitalization grants to fund set-aside activities and DWSRF loans. DEQ entered into a contract for the 21st annual financial and compliance audit of the DWSRF program for SFY 2020 which will be performed during SFY 2021. The audited financial statements can be found in Attachment 5. Audited financial statements for the Oklahoma Drinking Water Treatment Loan Administrative Fund for SFY 2020 are included as Attachment 4.

XI. Cross Collateralization of the DWSRF and Clean Water State Revolving Fund (CWSRF) Revenue Bond Structure

The Master Trust Agreement dated as of 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.

A new Master Trust Indenture was created on December 1, 2019 for the DWSRF and CWSRF bond programs. The indenture makes some technology changes to the document, modifies the flow of funds, includes changes implemented in tax law, and moves the bonds from a reserve fund model to cash flow model. In the new indenture, the loans are pledged to the specific program and not to individual bond issues; therefore, all the funds are available to pay the bonds in the specific programs. As bonds are defeased or refunded in the 2003 Master Trust Agreement, any outstanding loans will be moved to the 2019 Master

Trust Indenture and the funds will be used to pay the 2019 outstanding bonds. The cross-collateralization and security between the two programs has not changed.

XII. Transfer Authority Between Drinking Water and Clean Water SRFs

In accordance with the SDWA SRF funds transfer provisions (Section 302), Oklahoma reserved the authority to transfer funds between the DWSRF and CWSRF in order to assure adequate capacity to meet funding demands for both programs.

The OWRB had previously reserved the authority to transfer up to 33% of the DWSRF capitalization grants. The total amount of transfers from CWSRF to DWSRF is

\$47,992,182 leaving \$27,079,650 available to transfer through the FFY 2019 capitalization grant. Transfers of \$15 million were made during SFY 2020. No transfers are anticipated to be necessary to meet demand in SFY 2021.

XIII. DWSRF Program Changes

In future years, the Revenue Bonds will be sized, based on the amount of identified need, and a portion of the proceeds may include funds for the purpose of providing the state matching funds for future capitalization grants. DEQ and OWRB remain committed to achieving the goals of the SDWA by providing the greatest amount of low-interest financing to the greatest number of borrowers possible. The structure and size of the Revenue Bond issue will be designed to minimize the impact of program changes on local borrowers and maintain the DWSRF Program as a permanent and perpetual source of financing.

The following table includes the current outstanding DWSRF Bond Issues:

Outstanding OWRB Obligations

<u>Issue</u>	<u>Issue Amount</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Outstanding Balance (October 1, 2020)</u>		
				<u>Fixed Rate</u>	<u>Floating Rate</u>	<u>Total</u>
Series 2013A DW	\$41,410,000	9/19/2013	4/1/2043	\$27,245,000		\$27,245,000
Series 2013B DW*	\$35,505,000	9/19/2013	4/1/2025	\$10,425,000		\$10,425,000
Series 2016 DW	\$90,000,000	10/19/2016	4/1/2041	\$86,500,000		\$86,500,000
Series 2018 DW	\$80,055,000	3/22/2018	4/1/2038	\$75,910,000		\$75,910,000
Series 2019 CW/DW**	<u>\$154,420,000</u>	12/19/2019	4/1/2042	<u>\$154,420,000</u>		<u>\$154,420,000</u>
	<u>\$401,390,000</u>			<u>\$354,500,000</u>		<u>\$354,500,000</u>

* Refunding of the 2003 DW Series

**Refunding of the 2011 and 2012 CW/DW Series

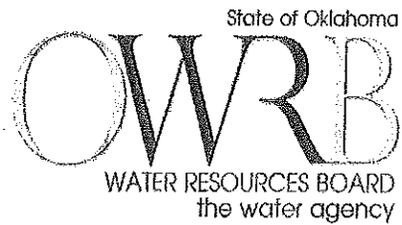
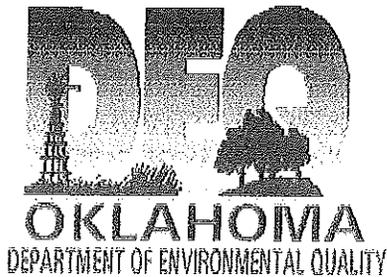
Attachment 1

DEQ/OWRB Interagency Agreement For SFY 2020

**DRINKING WATER
STATE REVOLVING FUND**

INTERAGENCY AGREEMENT

**BETWEEN
THE
OKLAHOMA WATER RESOURCES BOARD
AND
THE DEPARTMENT OF
ENVIRONMENTAL QUALITY**



State FY 2020

(From July 1, 2019 Through June 30, 2020)

DRINKING WATER STATE REVOLVING FUND

DEQ/OWRB Interagency Agreement

TABLE OF CONTENTS

SECTION I:	INTRODUCTION AND PURPOSE
SECTION II:	DWSRF CAPITALIZATION GRANT
SECTION III:	ANNUAL JOINT REPORT TO THE GOVERNOR AND LEGISLATURE
SECTION IV:	ANNUAL REPORT
SECTION V:	LOAN APPLICATION
SECTION VI:	BINDING COMMITMENT
SECTION VII:	BIDDING AND CONTRACT DOCUMENTS
SECTION VIII:	LOAN CLOSING
SECTION IX:	CHANGE ORDERS AND CONSTRUCTION RELATED DOCUMENTS
SECTION X:	INSPECTION OF PROJECT, BOOKS, AND RECORDS
SECTION XI:	LOAN DISBURSEMENT
SECTION XII:	LOAN TERMINATION
SECTION XIII:	RETURN OF FUNDS TO THE DWSRF
SECTION XIV:	ADMINISTRATIVE COSTS
SECTION XV:	LOAN REPAYMENT
SECTION XVI:	INTEREST RATE DETERMINATION/FINANCING PLAN
SECTION XVII:	ANNUAL AUDIT
SECTION XVIII:	COOPERATION AND INFORMATION EXCHANGE
SECTION XIX:	FORCE MAJEURE
SECTION XX:	AMENDMENTS; EFFECTIVE TERM

SECTION I: INTRODUCTION AND PURPOSE

The 1996 amendments to the Safe Drinking Water Act (P.L. 104-182)(SDWA) authorize a Drinking Water State Revolving Fund (DWSRF) program to assist public water systems to finance the costs of infrastructure needed to achieve or maintain compliance with SDWA requirements and to protect public health. Section 1452 of the SDWA authorizes the Administrator of the U.S. Environmental Protection Agency (EPA) to award capitalization grants to states, which in turn can provide low cost loans and other types of assistance to eligible systems.

Title 82 of Oklahoma Statutes, Section 1085.71 et seq., establishes the DWSRF to implement portions of the federal SDWA. Sections 1085.71 through 1085.84A establish the duties of the Oklahoma Water Resources Board (OWRB) and the Department of Environmental Quality (DEQ). This Interagency Agreement shall constitute the joint operating agreement between DEQ and OWRB required by section 1085.82 and shall further clarify the duties and roles of each agency by establishing procedures to ensure compliance with state and federal laws.

SECTION II: DWSRF CAPITALIZATION GRANT

The DWSRF Capitalization Grant Agreement between the State of Oklahoma, by and through its authorized agency and the EPA, consists of the Grant Application, Intended Use Plan (IUP), and Operating Agreement between DEQ and EPA.

- The DEQ has the responsibility to make application for, enter into and be recipient of the capitalization grant from the EPA.
- DEQ shall prepare an IUP with the cooperation of OWRB, including amendments, for submittal to EPA. The amount of the capitalization grant to be utilized for administrative costs will be identified in the IUP. OWRB will prepare and submit to DEQ, prior to the beginning of each state fiscal year, an annual budget that reflects the anticipated administrative expenses of OWRB for the DWSRF program for the upcoming state fiscal year.
- DEQ and OWRB will jointly prepare the Operating Agreement and, as necessary, annual updates. DEQ will submit the documents to EPA.
- DEQ and OWRB jointly covenant that, to the extent the OWRB has agreed to apply any DWSRF Capitalization Grant funds in connection with the issuance of any DWSRF Revenue Bonds or other series bonds on a parity therewith (issued pursuant to a Master Trust Agreement by and between the OWRB and its Trustee Bank and dated as of October 1, 2003, as amended, and including all bond series indentures and any superseding master indenture; collectively referred to as the "DWSRF Revenue Bonds"), such funds shall be drawn as rapidly as is permissible under law, rules and regulations applicable to the DWSRF Program and the DWSRF Capitalization Grants, provided however, that this covenant is understood by DEQ and the OWRB to only apply to those portions of the Capitalization Grant funds permitted to be used to make DWSRF loans. The DEQ and the OWRB further covenant to take all actions required to comply with the terms and conditions of the DWSRF Capitalization Grants and not omit to take any action if such omission would result in noncompliance with any term or condition of the

DWSRF Capitalization Grant Agreement(s). The agreements of DEQ and OWRB in this paragraph shall survive the expiration or other termination of this SFY 2020 Agreement and, if a new Interagency Agreement is entered into for subsequent fiscal years, identical language shall be included in each such Interagency Agreement until such time as all obligations under this paragraph are satisfied. The provisions of this paragraph are for the benefit of the Trustee Bank for the DWSRF Revenue Bonds and may be directly enforced by said Trustee Bank.

SECTION III: ANNUAL JOINT REPORT TO THE GOVERNOR AND LEGISLATURE

DEQ and OWRB will coordinate the preparation of an Annual Joint Report for submittal to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate. Submission of the Annual Joint Report will be within 120 days of the end of each fiscal year.

SECTION IV: ANNUAL REPORT

DEQ and OWRB will coordinate the preparation of an annual report for submittal to EPA according to the schedule identified in the capitalization grant. The Annual Joint Report to the Governor and Legislature described in Section III herein may also be prepared by DEQ and OWRB to meet the biennial reporting requirements of EPA.

SECTION V: LOAN APPLICATION

OWRB will accept DWSRF loan applications from those projects identified in the fundable portion of the project priority list in the current IUP. Upon receipt of a loan application and design documents, DEQ and OWRB will review documents for completeness. If the loan application is incomplete, OWRB will notify the applicant of the deficiencies.

OWRB will review the loan application to determine whether the applicant's financial, legal, and managerial capabilities are sufficient to ensure repayment of a loan from the DWSRF.

DEQ will review the priority ranking request, planning, design, and related application documents for compliance with the applicable requirements of Part E, Section 1452 of the SDWA, and other applicable federal and state requirements. If DEQ cannot certify planning and design documents, it will advise the applicant and OWRB of the reason(s) for rejection. If OWRB cannot approve an application for financial assistance, OWRB will notify the applicant and DEQ of the reason(s) for rejection.

DEQ will maintain the official engineering and technical project files. OWRB will maintain the official financial review files.

DEQ will review all project planning documents and make a determination of the eligibility of the scope of the project.

DEQ will review project design documents to assure uniformity with planning documents for compliance with state and federal requirements.

DEQ will provide written documentation to OWRB indicating that the project has received appropriate planning and design approvals from DEQ.

OWRB agrees that a project loan will not be approved without appropriate planning and design approvals from DEQ, except as provided for under Section VI herein.

SECTION VI: BINDING COMMITMENT

Upon approval of an Engineering Report, an environmental decision, plans and specifications, and issuance of a "Permit to Construct" by DEQ, and approval of the loan application and issuance of a Board Order by OWRB, DEQ will issue a binding commitment of loan funds for the planning, design, and/or construction of the drinking water project. This binding commitment may contain those conditions deemed necessary by DEQ and OWRB. A binding commitment may be issued by DEQ prior to plans and/or specifications approval in cases where both DEQ and OWRB agree that it would be advantageous to the loan applicant and/or the DWSRF, or where DEQ and OWRB want to make a loan for planning and/or design. In the event that either DEQ or OWRB believe it would be advantageous to the loan applicant and/or the DWSRF (or in the event that either DEQ or OWRB want to make a loan for planning and/or design), each agency agrees to notify the other agency that it has determined that such a binding commitment is warranted prior to the approval of the plans and specifications. DEQ and OWRB agree that the agency receiving the notification has a duty to inform the other agency as to whether it agrees that such binding commitment is warranted within fourteen (14) days. Binding commitments will expire if the recipients have not closed on a DWSRF loan within one year of the date of the OWRB order approving the loan. However, the binding commitment may be extended if mutually agreed to by DEQ, OWRB, and the recipient.

SECTION VII: BIDDING AND CONTRACT DOCUMENTS

DEQ will review project bidding documents for compliance with state and federal requirements following bid opening. Upon authorization by DEQ, each loan recipient shall execute the construction contract and submit one copy of same, with related documents, to DEQ for review and concurrence that contract award is consistent with approved bidding documents.

DEQ will maintain a copy of all approved bidding and contract documents for the term of the loan. Upon request, DEQ will provide OWRB with a copy of the bidding and contract documents approval letter(s).

For projects seeking an alternative project delivery method, DEQ will ensure the procurement process for federally funded projects is followed. DEQ will also review request for qualifications and proposal from engineer/contractor quality based services, contract, and sub-contractor bidding documents.

SECTION VIII: LOAN CLOSING

Following approval of all bidding documents by DEQ, OWRB will coordinate, prepare for and schedule a loan closing which will include all applicable loan documents. DEQ may review

preliminary loan documents and provide loan conditions that DEQ deems necessary to ensure compliance with any local, state, or federal requirements. In addition, DEQ will, prior to loan closing, provide OWRB with the following:

- Written documentation that DEQ has completed their review of the technical documents and that the project is available for loan closing.
- A detailed project budget which limits the contingency to 5% of the contracted amounts.
- A detailed project schedule that has been coordinated with federal and/or state enforcement officials.
- Special condition(s) required by DEQ, if any.

The OWRB will maintain the loan closing documents (Transcript of Proceedings). A copy of each executed loan agreement and promissory note will be provided to DEQ.

SECTION IX: CHANGE ORDERS AND CONSTRUCTION RELATED DOCUMENTS

Change orders and construction related documents will be submitted by the recipients to DEQ for review. When change orders that will not exceed the loan contingency amount are submitted, DEQ may modify the project budget and notify OWRB of the determination (approval/denial) at the same time the recipient is notified.

If a change order will exceed the loan contingency amount or the loan project period, DEQ will notify OWRB before taking any action on the change order, and both agencies will work together to reach an agreement on the appropriate action to be taken.

SECTION X: INSPECTION OF PROJECT, BOOKS, AND RECORDS

At any time during normal business hours, the DEQ may inspect any and all projects, any and all incidental works, areas, facilities and premises otherwise pertaining to the project for which application is made. From the time of receipt of the pre-application, throughout all stages of construction, and at any other time while any assistance from the DWSRF Program recipient is outstanding, DEQ and the OWRB, in addition to the inspections by DEQ solely, agree that they both may inspect any and all projects, any and all incidental works, areas, facilities and premises otherwise pertaining to the project for which application is made. DEQ and OWRB further may inspect any and all books, accounts, records, contracts, or other instruments, documents, or information possessed by recipient or its contractors, agents, employees, or representatives which relate in any respect to the receipt, deposit, and/or expenditure of DWSRF assistance funds.

Upon substantial construction completion and initiation of operation of the project, DEQ will receive from the applicant a certification regarding the construction completion date and recovery of unexpended loan funds. The certification will be forwarded to OWRB at which time OWRB will de-obligate any unpaid loan proceeds. At the time specified by loan documents, OWRB shall provide a final amortization for the loan proceeds drawn.

SECTION XI: LOAN DISBURSEMENT

After loan closing, DEQ shall have authority to approve the disbursement of loan proceeds. OWRB shall have the authority to then release the funds.

Requests for loan disbursements and budget revisions will be submitted to DEQ from the loan recipients based upon actual project costs incurred. Both OWRB and DEQ agree to establish and maintain a loan disbursement procedure that will minimize the time a borrower has to wait on loan disbursements.

SECTION XII: LOAN TERMINATION

If at any time DEQ and OWRB determine that there is cause to believe the project may not be completed or undertaken according to the terms of the loan agreement and applicable statutes and rules, DEQ and OWRB will issue the recipient a letter requiring specific action to be undertaken within a specified time period to assure timely completion of the project or otherwise to assure remedy of the defect(s). Failure to complete the specific action within the specified time period may result in withholding disbursements or loan default, as provided in the loan agreement between the recipient and OWRB. However, DEQ and OWRB will work with the recipient in an effort to avoid termination of the loan commitment or loan default.

SECTION XIII: RETURN OF FUNDS TO THE DWSRF

DEQ agrees that financial assistance funds made available to a recipient by the DWSRF shall be utilized and expended by the recipient solely and exclusively for the payment of authorized and allowable costs and expenses of the project for which assistance was approved. In the event funds furnished to a recipient by the DWSRF are not utilized and expended by the recipient for the specified project as indicated in each loan agreement, DEQ will notify the recipient who shall return or otherwise pay to OWRB, for deposit in the DWSRF, any and all such unused funds or any amounts of funds used and expended for unauthorized purposes plus a market rate of interest on the unused or unauthorized amount.

SECTION XIV: ADMINISTRATIVE COSTS

Money made available as a result of the capitalization grant administrative set aside may be used for reasonable costs of administering the DWSRF Program, provided that the amount does not exceed four percent (4%) of all EPA grant awards received by the DWSRF.

Disbursement requests for incurred administrative costs from the DWSRF shall be paid 100% (no state match) from the administrative set aside. Payment of administrative funds from the capitalization grant will be in accordance with this Interagency Agreement, grant conditions, and the EPA Operating Agreement.

OWRB will maintain an administrative fund as established by 82 O.S. 2011, Section 1085.84A, the Master Trust Agreement dated October 1, 2003, and supplements thereof outside the DWSRF. Monies to be deposited into the Drinking Water Treatment Loan Administrative Fund

(OWRB Account Number 444-835) include loan application fees, program income from administrative fees assessed as established in individual loan agreements, and interest earnings from administrative fund investments. Monies in this fund will be utilized solely for the purpose of reimbursing actual and eligible expenditures by OWRB and DEQ identified in the annual Interagency Agreement for the administration of the DWSRF Program. Monies in this fund may be invested and maintained by the Office of the State Treasurer in accordance with applicable state law. OWRB will be responsible for processing requests for reimbursement from this fund and will provide an annual accounting of the administrative funds.

The division of the available funds for the administration of the program will be negotiated annually by OWRB and DEQ prior to finalizing agency fiscal budgets.

DWSRF Administrative Set Aside

DEQ and OWRB agree that sufficient funds will be made available to pay for program administrative costs as a result of the 4% administrative set aside from the DWSRF capitalization grants. All costs billed for SFY 2020 from the 4% administrative set aside shall not exceed the proposed DWSRF total administrative budget for each agency, as shown below.

SFY 2020 Proposed DWSRF 4% Administration Budget		
	OWRB	DEQ
Salary	\$69,160.00	\$192,778.00
Indirect Costs ¹	\$51,205.00	\$77,046.00
Fringe Benefits ¹	\$59,635.00	\$81,700.00
Equipment/Supplies	\$ 0.00	\$8,000.00
Contractual	\$ 0.00	\$41,000.00
Travel/Training/Other	\$ 0.00	\$43,476.00
TOTALS	\$180,000.00	\$444,000.00

Note 1. Indirect Costs and Fringe Benefits

Payments to DEQ: The rate of indirect costs and fringe benefits utilized in the above budget estimates for DEQ are from the DEQ State FY 2020 Indirect Cost Proposal that has been approved by EPA. DEQ is attaching the State FY 2020 Indirect Cost Proposal from EPA to this agreement.

Payments to OWRB: The rate of indirect costs utilized in the above budget estimates for OWRB is from the latest A-87 EPA/State negotiated Indirect Cost Agreement that will become effective July 1, 2019. -

Drinking Water Treatment Loan Administrative Fund (DWTLAF)

DEQ and OWRB agree that funds in the Drinking Water Treatment Loan Administrative Fund as allowable will be available for DWSRF administrative purposes and may be utilized to pay for the following OWRB and DEQ DWSRF expenses not paid from the 4% capitalization grant set aside including as necessary, the state match for DWSRF capitalization grants:

Proposed Budget*

Costs Classifications	OWRB
Salary	\$412,402.00
Indirect Costs	\$364,046.00
Fringe Benefits	\$122,837.00
Equipment/Supplies/Memberships/Publications	\$130,687.00
Professional Services	\$376,625.00
Travel/Training	\$40,422.50
Trustee Fees	\$43,773.76
Total from Loan Administrative Fund	\$1,490,793.26

SECTION XV: LOAN REPAYMENT

Payment of principal, interest, and administrative fees on loans shall be made to OWRB as provided in the loan documents. Such repayments will be deposited in the appropriate DWSRF funds.

OWRB will be responsible for the collection of delinquent interest and principal payments, and the maintenance of the record of collection actions taken. In the event of default, OWRB will utilize all available means to remedy the default.

SECTION XVI: INTEREST RATE DETERMINATION/FINANCING PLAN

All loans from the DWSRF will be made at or below market interest rates, which may include interest-free loans. OWRB and DEQ will jointly agree on an annual financing plan as set forth in the Drinking Water IUP.

SECTION XVII: ANNUAL AUDIT

The State is required to conduct an annual independent financial audit and an annual independent compliance audit of its DWSRF program, including set-aside programs. These audits will be in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States.

The OWRB will maintain accounting records for the DWSRF loan account. These records will be maintained in accordance with generally accepted accounting practices.

The DEQ will contract with an independent auditor annually to perform a financial audit in accordance with generally accepted governmental auditing standards which are defined, but not limited to those contained in the U.S. General Accounting Office (GAO) publication Governmental Audit Standards, as revised. The audit report will contain an opinion on the financial statements of the DWSRF and set-aside programs. DEQ will arrange for the audit to be completed within three (3) months of the end of the State fiscal year (June 30) at which time a copy will be provided to the OWRB.

The OWRB agrees to make all DWSRF financial records available to the DEQ and/or the auditors selected by DEQ. In addition, OWRB agrees to review draft audit reports and respond to DEQ regarding any audit findings.

SECTION XVIII: COOPERATION AND INFORMATION EXCHANGE

DEQ and OWRB jointly recognize that the successful implementation and management of the DWSRF Program requires close cooperation and an open exchange of information between the two agencies. In this regard, the agencies will cooperate in the development of rules and policies relating to the DWSRF Program and will freely share information concerning loan recipients and project status. The agencies will copy each other on all project related correspondence sent to applicants and loan recipients in the DWSRF Program.

DEQ and OWRB additionally recognize the fact that program development and management will require continuous communication and coordination. To this end the Director of the Water Quality Division, DEQ, or designee and the Chief of the Financial Assistance Division, OWRB, or designee are designated as the contact persons for their respective agencies.

SECTION XIX: FORCE MAJEURE

DEQ and OWRB shall take reasonable efforts to minimize any delays and will perform the requirements of this Interagency Agreement within the approved schedule unless performance is prevented or delayed by events, which constitute a Force Majeure. "Force Majeure," for purposes of this Agreement, is defined as any event arising from causes beyond the reasonable control of the DEQ or OWRB or their contractors or subcontractors which delays or prevents the performance of any obligation under this Agreement, such as, without limitation, acts of God; vandalism; fire; flood; labor disputes or strikes; weather conditions which would prevent or impair construction activities; civil disorder or unrest. Force Majeure events do not include increased costs of performance of the tasks agreed to by the Parties, or changed economic circumstances. DEQ or OWRB shall notify the other in writing within fifteen (15) days after DEQ or OWRB knew or should have known of a Force Majeure event that will cause a delay or anticipated delay in achieving compliance with any requirement of the Interagency Agreement.

SECTION XX: AMENDMENTS; EFFECTIVE TERM

This Interagency Agreement may be amended annually prior to the beginning of the state's fiscal year or at any other mutually agreeable time to incorporate program changes and annual agency program budgets.

This agreement shall be in full force and effect from July 1, 2019 to June 30, 2020.

Department of Environmental Quality

Oklahoma Water Resources Board



Catherine Sharp
Director of Administrative Services



Stephen B. Allen
Vice Chairman

ATTEST:

ATTEST:



Date: 5/31/2019



Date: June 18, 2019

ATTACHMENTS

- OWRB Indirect Cost Agreement
- DEQ Indirect Cost Agreement



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
 WASHINGTON, D.C. 20460
COGNIZANT AGENCY
NEGOTIATION AGREEMENT

Oklahoma Water Resources Board
 Oklahoma City, OK

Date: May 14, 2018

Filing Ref: June 7, 2017

The indirect cost rates contained herein are for use on grants and contracts with the Federal Government to which Office of Management and Budget 2 CFR Part 200 applies, subject to the limitations contained in the Circular and in Section II, A below.

SECTION I: RATES

<u>Type</u>	<u>Effective Period</u>		<u>Rate</u>	<u>Base</u>
	<u>From</u>	<u>To</u>		
<u>Fixed:</u>				
Fringe Benefits	7/1/2018	6/30/2019	76.14%	(a)
Indirect Costs	7/1/2018	6/30/2019	79.00%	(a)

Basis for Application

(a) Direct salaries and wages

Treatment of Fringe Benefits: FICA, Retirement, Health Insurance, Unemployment Compensation, Longevity Pay, terminal leave and Annual, Sick and Administrative Leave applicable to direct salaries are included in the fringe benefit rate.

SECTION II: GENERAL

A. LIMITATIONS: The rates in this Agreement are subject to any statutory and administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the department/agency or allocated to the department/agency by an approved cost allocation plan were included in the indirect cost pool as finally accepted; such costs are legal obligations of the department/agency and are allowable under governing cost principles; (2) The same costs that have been treated as indirect costs have not been claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the department/agency which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.

- B. CHANGES. The fixed rate contained in this agreement is based on the organizational structure and the accounting system in effect at the time the proposal was submitted. Changes in the organizational structure or changes in the method of accounting for costs which affect the amount of reimbursement resulting from use of the rate in this agreement, require the prior approval of the authorized representative of the responsible negotiation agency. Failure to obtain such approval may result in subsequent audit disallowances.
- C. THE FIXED RATE contained in this agreement is based on an estimate of the cost which will be incurred during the period for which the rate applies. When the actual costs for such a period have been determined, an adjustment will be made in the negotiation following such determination to compensate for the difference between the cost used to establish the fixed rate and that which would have been used were the actual costs known at the time.
- D. NOTIFICATION TO FEDERAL AGENCIES: Copies of this document may be provided to other Federal agencies as a means of notifying them of the agreement contained herein.
- E. SPECIAL REMARKS: Please confirm your acceptance of the terms of the indirect cost rate agreement by signing and returning this letter to me. Please retain a copy for your records.

ACCEPTANCE

The undersigned official warrants that he/she has the proper authority to execute this agreement on the behalf of the State Agency:

Julie Cunningham
(Signature)

Julie Cunningham
(Name)

Executive Director
(Title)

OK Water Resources Board
(Agency)

May 15, 2018
(Date)

By the Federal Agency:

JACQUELINE SMITH
Digitally signed by
JACQUELINE SMITH
Date: 2018.05.14 16:25:25
-04'00'

(Signature)

Jacqueline Smith, Rate Negotiator
Financial Analysis and
Oversight Service Center
U.S. Environmental
Protection Agency

Negotiated by: Jacqueline Smith
Telephone: 202-564-5055



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

COGNIZANT AGENCY
NEGOTIATION AGREEMENT

Page 1 of 2

Oklahoma Department of
Environmental Quality
Oklahoma City, Oklahoma

Date: November 17, 2017

Filing Ref: November 4, 2016

The indirect cost rate contained herein is for use on grants and contracts with the Federal Government to which 2 CFR Part 200 applies, subject to the limitations contained in Section II, A below.

SECTION I: RATES

Type	Effective Period		Rate	Base
	From	To		
<u>Fixed:</u> Indirect	7/1/2018	6/30/2019	29.80%	(a)

Basis for Application

(a) Direct salaries and wages plus applicable fringe benefits.

Treatment of Fringe Benefits: Fringe benefits applicable to direct salaries and wages are treated as direct costs.

SECTION II: GENERAL

- A. **LIMITATIONS:** The rates in this Agreement are subject to any statutory and administrative limitations and apply to a given grant, contract or other agreement only to the extent that funds are available. Acceptance of the rates is subject to the following conditions: (1) Only costs incurred by the department/agency or allocated to the department/agency by an approved cost allocation plan were included in the indirect cost pool as finally accepted; such costs are legal obligations of the department/agency and are allowable under governing cost principles; (2) The same costs that have been treated as indirect costs have not been claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment; and (4) The information provided by the department/agency which was used to establish the rates is not later found to be materially incomplete or inaccurate by the Federal Government. In such situations the rate(s) would be subject to renegotiation at the discretion of the Federal Government.
- B. **CHANGES.** The fixed rate contained in this agreement is based on the organizational structure and the accounting system in effect at the time the proposal was submitted. Changes in the organizational structure or changes in the method of accounting

- for costs, which affect the amount of reimbursement resulting from use of the rate in this agreement, require the prior approval of the authorized representative of the responsible negotiation agency. Failure to obtain such approval may result in subsequent audit disallowances.
- C. THE FIXED RATE contained in this agreement is based on an estimate of the cost which will be incurred during the period for which the rate applies. When the actual costs for such a period have been determined, an adjustment will be made in the negotiation following such determination to compensate for the difference between the cost used to establish the fixed rate and that which would have been used were the actual costs known at the time.
- D. NOTIFICATION TO FEDERAL AGENCIES: Copies of this document may be provided to other Federal agencies as a means of notifying them of the agreement contained herein.
- E. SPECIAL REMARKS: Please confirm your acceptance of the terms of the indirect cost rate agreement by signing and returning this letter to me. Please retain a copy for your records.

ACCEPTANCE

The undersigned official warrants that he/she has the proper authority to execute this agreement on the behalf of the State Agency:



(Signature)

Scott Thompson

(Name)

Executive Director

(Title)

Oklahoma Dept of Environmental Quality

(Agency)

11/20/17

(Date)

By the Federal Agency:

Jacqueline
Smith

(Signature)

Digitally signed by
Jacqueline Smith
Date: 2017.11.17 16:08:34
-05'00'

Jacqueline Smith, Rate Negotiator
Financial Analysis and
Oversight Service Center
U.S. Environmental
Protection Agency

Negotiated by: Jacqueline Smith
Telephone: (202) 564-5055

Attachment 2

SFY 2020 Intended Use Plan (IUP) and Project Priority List

STATE OF OKLAHOMA
DEPARTMENT OF ENVIRONMENTAL QUALITY



FINAL
INTENDED USE PLAN

DRINKING WATER STATE REVOLVING FUND
STATE FISCAL YEAR 2020

Effective 7-1-2019 through 6-30-2020

July 26, 2019

I. INTRODUCTION.....	1
II. LIST OF PROGRAMS	3
A. SET-ASIDE PROGRAMS.....	3
1. DWSRF ADMINISTRATION	3
2. SMALL SYSTEM TECHNICAL ASSISTANCE	4
3. STATE PROGRAM MANAGEMENT	5
4. LOCAL ASSISTANCE AND OTHER STATE PROGRAMS.....	5
B. DRINKING WATER STATE REVOLVING FUND PROJECTS.....	7
1. DWSRF PROJECT PRIORITY SYSTEM.....	7
2. READY TO PROCEED.....	7
3. BYPASS PROJECTS NOT READY TO PROCEED AND SMALL SYSTEMS	7
4. ALLOCATION OF FUNDS.....	8
5. STATUS OF PROJECTS ON THE FUNDABLE PORTION OF THE PRIORITY LIST	9
6. SRF AVAILABLE FUNDS	9
C. AMERICAN IRON AND STEEL (AIS)	9
D. ADDITIONAL SUBSIDIZATION	9
E. DAVIS-BACON WAGE RATES	10
F. SUSTAINABILITY POLICY.....	10
G. REPORTING REQUIREMENTS	10
III. DWSRF GOAL STATEMENTS.....	11
A. SHORT-TERM GOALS	11
B. LONG-TERM GOALS	11
C. ENVIRONMENTAL RESULTS UNDER EPA ASSISTANCE AGREEMENTS	12
IV. FINANCING PLANS	12
A. DWSRF INTEREST RATES.....	13
B. ADMINISTRATION FEES.....	13
C. BINDING COMMITMENTS	14
V. ASSURANCES AND SPECIFIC PROPOSALS	14
VI. CRITERIA FOR PROJECT SELECTION AND DISTRIBUTION OF FUNDS	15
A. DISTRIBUTION OF FUNDS.....	15
B. FUNDS AVAILABLE FOR DWSRF PROJECTS	16
C. DWSRF LEVERAGED BOND ISSUE.....	16
D. DESCRIPTION OF FINANCIAL STATUS OF DWSRF	16
E. DEVELOPMENT OF PAYMENT SCHEDULE	17

F.	FINANCIAL PLANNING PROCESS AND MANAGEMENT OF FUNDS	17
G.	CASH DRAW RATIO	17
VII.	SAFE DRINKING WATER ACT AMENDMENT OPTIONS.....	17
A.	PRIVATELY OWNED DRINKING WATER SYSTEMS.....	17
B.	DISADVANTAGED COMMUNITIES.....	18
C.	TRANSFER OF FUNDS.....	18
VIII.	PUBLIC REVIEW AND COMMENT	18
IX.	AMENDMENTS TO THE PLAN.....	19

EXHIBITS AND TABLES

TABLE 1	SOURCES AND USES FOR DWSRF PROGRAM	2
TABLE 2	DWSRF SET-ASIDE ACTIVITIES.....	3
TABLE 3	SUBSIDY FUNDS.....	10
TABLE 4	DRINKING WATER TREATMENT ADMINISTRATION FUND.....	13
EXHIBIT 1	DWSRF PROPOSED LOANS TO SMALL SYSTEMS SFY 2020.....	14

APPENDICES

APPENDIX A	PROJECT PRIORITY SYSTEM
APPENDIX B	PROJECT PRIORITY LIST
APPENDIX C	FEDERAL PAYMENT SCHEDULE
APPENDIX D	NOTICE OF PUBLIC MEETING

I. INTRODUCTION

The Safe Drinking Water Act (SDWA) Amendments of 1996 authorized a Drinking Water State Revolving Fund (DWSRF) program to assist public water systems in financing the cost of replacement and repair of drinking water infrastructure to achieve or maintain compliance with the SDWA requirements and to protect public health. The DWSRF program will help ensure that drinking water supplies remain safe and affordable, and that the systems that receive funding will be properly operated and maintained.

The SDWA places a strong emphasis on preventing contamination rather than reacting to problems. Central to this emphasis is the development of state prevention programs including source water protection, capacity development, and additional requirements for operator certification. To fund these activities, the SDWA allowed not only the creation of the loan fund but also four set-aside accounts to fund the following state activities:

1. Administration of DWSRF;
2. Small System Technical Assistance Program;
3. State Program Management; and
4. Local Assistance and other State Programs.

As required by the SDWA, the State of Oklahoma, through the Department of Environmental Quality (DEQ), is required to prepare this annual Intended Use Plan (IUP) in order to identify the set-aside programs and DWSRF loan projects that will utilize the funds available to the DWSRF. This IUP is prepared for State Fiscal Year 2020 (SFY 2020) and identifies those sources and uses of available program funds. For the purpose of the DWSRF and this IUP, the fiscal year identified is the SFY 2020, beginning July 1, 2019, and ending June 30, 2020. The capitalization grants and state matching funds to fund these activities are from prior fiscal years and the Federal Fiscal Year 2019 (FFY 2019) appropriation. DEQ will apply for the FFY 2019 grant by June 1, 2019, to ensure funding will be available on July 1st, which is the beginning date of SFY 2020.

To ensure that the public has an opportunity to review DEQ's proposed plans for the DWSRF, a draft IUP was made available before the IUP public meeting held on June 17, 2019. To ensure that interested parties were made aware of the public meeting date, DEQ posted notice on the DEQ web-site and distributed announcements to a mailing list of public water systems, state and federal agencies, environmental organizations, public health officials, consulting engineers, financial consultants, and interested citizens. The public comment period closed on July 17, 2019. No comments were received during the public comment period.

As a result of federal appropriations to the State, DEQ has received federal capitalization grants totaling \$316,615,000.00 from FFY 1997 thru FFY 2018. DEQ will apply for the FFY 2019 Capitalization Grant in the amount of \$15,600,000.00 approved by Congress. This IUP includes the total funds received from repayments and interest earnings, state match, capitalization grants less set-asides, and leveraged revenue bond funds. These federal and state funds will be utilized by DEQ in accordance with the purposes identified in this IUP. The state is required to provide 20 percent matching funds for each capitalization grant as the federal payments are received for DWSRF projects. Table 1 reports the sources of funds available to the DWSRF program and their intended uses.

It is the intent of the Oklahoma DWSRF program to consistently comply with all requirements as stipulated in each year's grant agreement for the capitalization grant. However, procedural changes and reporting requirements may be modified by the Environmental Protection Agency (EPA). These changes will be incorporated into the Oklahoma DWSRF program, as necessary.

**TABLE 1
Sources and Uses**

<u>SOURCES OF FUNDS</u>		
Beginning July 1, 2019		
Beginning Balance (SFY 2019 Carryover)	\$	40,273,671.00
<i>State Fiscal Year 2020 (Projected)</i>		
Federal Grant FFY 2019	\$	15,600,000.00
Projected Bond Issue - SFY 2020	\$	75,000,000.00
State Match – SFY 2021 (From SFY 2020 Bond Issue)	\$	3,120,000.00
Principal Repayments	\$	21,491,297.00
Interest Earnings on Loans	\$	10,483,543.00
Interest Earnings on Fund 473	\$	403,826.00
Release of 2013B Bond Reserve Funds	\$	2,247,169.00
Investment Earnings from Bond Funds	\$	234,561.00
	Sub Total	\$ 128,580,395.00
	Total Sources of Funds	\$ 168,854,066.00
<u>USES OF FUNDS</u>		
<i>Expected DWSRF Loan Commitments for SFY 2020</i>		
Small System Binding Commitments	\$	47,402,100.00
Large System Binding Commitments	\$	49,785,000.00
	Sub Total	\$ 97,187,100.00
<i>DWSRF Set-Aside Programs for SFY 2020</i>		
Administration	\$	624,000.00
Small System Technical Assistance	\$	312,000.00
Program Management	\$	1,560,000.00
Local Assistance	\$	2,340,000.00
	Sub Total	\$ 4,836,000.00
<i>Debt Service Obligations</i>		
Debt Service on 2011 Bonds	\$	3,902,106.00
Debt Service on 2012 Bonds	\$	2,791,150.00
Debt Service on 2013A and 2013B Bonds	\$	9,092,449.00
Debt Service on 2016 Bonds	\$	4,864,063.00
Debt Service on 2018 Bonds	\$	8,018,163.00
	Sub Total	\$ 28,667,930.00
	Previously Committed/Obligated Funds – SFY 2020 (Estimated)	\$ 85,000,000.00
	Total Uses of Funds	\$ 215,691,030.00
	**Additional Funds Needed	\$ (46,836,964.00)

**Will use Clean Water State Revolving Fund (CWSRF) transfer funds, future cap grant, future state match, and bond issues to fund future needs as required.

II. LIST OF PROGRAMS

A. SET-ASIDE PROGRAMS

Section 1452 (g) and Section 1452 (k) of the SDWA authorizes set-asides to enable states to implement the requirements of the SDWA. The set-asides are based on a percentage of the capitalization grant as specified in the SDWA. DEQ will reserve the following amounts in the FFY 2019 capitalization grant for set-asides as follows: 4 percent for Administration; 2 percent for Small System Technical Assistance; 10 percent for Program Management; 15 percent for Local Assistance and other State Programs. The 15 percent for Local Assistance and other State Programs will be broken into 10 percent for Capacity Development Program and 5 percent for the following use: 1.48% for the Water Loss Audit Program; 0.93% for Cryptosporidium special monitoring capabilities; 0.79% for Harmful Algal Blooms (HAB) special monitoring capabilities; 0.84% for Revised Total Coliform Rule (RTCR) Level I and Level II assessments; and 0.96% for Technical Assistance and Training on Sampling. Note that the DWSRF program is working with the State Environmental Laboratory Services (SELS) Division to further its special monitoring capabilities for Cryptosporidium and HAB. DEQ will provide work plans for each set-aside to EPA describing how the specified FFY 2019 capitalization grant funds are to be expended during SFY 2020.

As done in the previous year, DEQ plans to continue to utilize the remaining funds to conduct and complete Sanitary Surveys, Capacity Development Assessments, Water Loss Audits and Leak Detection, and any other eligible DWSRF activity as needed. The Sanitary Surveys will be conducted on a third of the State's public water supplies that are groundwater, surface water and purchase without treatment. A third and final round of Capacity Development Assessments will be performed at a third of the State's public water supplies that are serving a population of 10,000 or fewer. If funding is available, DEQ plans to continue these programs and revisit these public water supplies at least triennially.

Table 2 shows DWSRF Set-aside activities for SFY 2020.

TABLE 2
DWSRF Set-Aside Activities
SFY 2020

Set-aside category	Percent of Set - Aside Program	Total amount reserved from FFY 2019 grant	Reclaimed credit from old grants	Cumulative amount to be specified in workplans
Admin.	4	\$ 624,000	\$ -	\$ 624,000
Tech. Asst.	2	\$ 312,000	\$ -	\$ 312,000
St. Prg. Mgt.	10	\$ 1,560,000	\$ -	\$ 1,560,000
Local Assist.	15	\$ 2,340,000	N/A	\$ 2,340,000
Total	31	\$ 4,836,000	\$ -	\$ 4,836,000

1. DWSRF Administration

Section 1452(g) of the SDWA authorizes states to provide funding for the DWSRF Administration as a set-aside activity. The administration of the fund will be

accomplished by DEQ personnel and through an interagency agreement with the Oklahoma Water Resources Board (OWRB). Administrative tasks include portfolio management; debt issuance; DWSRF program costs; support services; and financial, management, and legal consulting fees.

Title 82 of Oklahoma Statutes, Section 1085.71 through 1085.84A establishes the DWSRF program duties of OWRB and DEQ. The interagency agreement between OWRB and DEQ specifies the responsibilities of each agency in regard to the following tasks: DWSRF capitalization grant application and management; annual joint report to the Governor and Legislature; annual report to EPA; loan applications; binding commitment to loan applicants; bidding and contract documents; loan closings; change orders and other related construction documents; inspections of projects, books and records; environmental reviews; payments; loan terminations; and the return of funds.

As allowed by the SDWA, DEQ reserved and specified an amount equal to 4 percent of the FFY 2019 capitalization grant for administrative support of the DWSRF. DEQ and OWRB will use an estimated amount of \$624,000.00 from set-aside funds for SFY 2020 DWSRF administration. This set-aside is to fund activities that implement, administer, and operate the DWSRF program during SFY 2020.

In addition to set-aside funds, the Drinking Water Treatment Loan Administration Fund can be utilized by DEQ and OWRB for additional administrative expenses. This fund is a statutory account outside DWSRF and is funded through fees applied to each loan. At the end of SFY 2020, it is projected that approximately \$8,522,364.38 will be available. Table 4 shows accumulated amounts of available funds from FFY 1997 through FFY 2019 and the projected amount for SFY 2020. Additional information concerning this fund is located in Section IV.B. of this report.

Competency of the program is demonstrated through EPA approval of the State FY 2019 – FY 2020 Quality Management Plan for DEQ. The DWSRF ensures competency of personnel through an established hiring process, training programs, standard operating procedures, and implementation of the quality assurance system within the agency.

2. Small System Technical Assistance

Section 1452(g)(2)(D) of the SDWA authorizes states to provide funding for technical assistance to public water systems serving a population of 10,000 or fewer. DEQ staff will provide technical assistance and compliance determinations for small systems to assist with compliance of the SDWA.

Small water systems will be provided technical assistance to improve treatment and capacity to operate surface water systems, to improve compliance with drinking water standards, comply with monitoring and reporting requirements, to improve the quality of service to customers along with the quality of water system management, and to increase the knowledge of board members in efficient water system operation.

As allowed by the SDWA, DEQ reserved and specified an amount equal to 2 percent of the FFY 2019 capitalization grant to fund small system technical assistance activities for SFY 2020. DEQ will use an estimated amount of \$312,000.00 from set-aside funds for SFY 2020.

3. State Program Management

Section 1452(g)(2) of the SDWA, authorizes states to provide funding to finance State Program Management (SPM) requirements. These requirements are to provide technical assistance to small water systems, to provide technical assistance through source water protection programs, to develop and implement the Capacity Development Strategy, to provide Long Term 2 Enhanced Surface Water Treatment Rule assistance, to provide Stage 2 Disinfectant/Disinfection By-products Rule assistance, to provide RTCR assistance, to provide Lead and Copper Rule (LCR), and to provide Ground Water Rule assistance. DEQ personnel will accomplish these tasks.

As allowed by the SDWA, DEQ reserved and specified an amount equal to 10 percent of the FFY 2019 capitalization grant for state program management. DEQ will use \$1,560,000.00 from set-aside funds for SFY 2020 public water supply state program management.

Using DWSRF funding, SELS plans to obtain additional analytical based resources and training to build Lab Capacity and Development (LCD), and technical competency. These extended capabilities will enable the SELS to prepare for expanded support for current and new rules under the SDWA and develop the analytical methodologies needed to respond to emerging contaminants. As a condition of primacy, the SELS' Lab Accreditation Program (LAP) will utilize grant funding to support audit efforts associated with the certification of drinking water laboratories in the State of Oklahoma.

4. Local Assistance and other State Programs

Section 1452(k) of the SDWA authorizes states to provide funding for Local Assistance and other State Programs. The Local Assistance and other State Programs set-aside funds will be used for the Water Loss Audit Program, development of SELS special monitoring capabilities, RTCR assessments, and the Capacity Development Program as allowed under Section 1452(k)(1) of the SDWA.

DEQ has completed over 1,100 Source Water Assessment and Protection (SWAP) plans for drinking water suppliers in the State. The plans defined the areas of concern around either drinking water wells and/or surface water sources, determined the potential sources of contamination within those areas, and completed a susceptibility analysis for each source and system. At this point, DEQ will be maintaining the program by reviewing and updating existing SWAPs.

Local Assistance funding will be designated to fund two programs internal to the agency that are managed by the Capacity Development Coordinator: a state-wide capacity development assessment and the water loss auditing of small (serving fewer than 10,000 persons) public water supplies. The state-wide capacity development assessment involves meeting with water system personnel and conducting interviews focused on determining the technical, managerial, and financial condition of the water supply. The goals for the assessment program are: determining a state-wide baseline level of public water system capacity, delineating what the strengths and weakness of public water supplies are in terms of capacity development issues (to guide future technical assistance efforts), and determining the effectiveness of current capacity development technical assistance efforts. The assessments also serve to introduce

public water supply personnel to capacity development concepts that they may not be familiar with and to give personnel an opportunity to request capacity development help if they need it.

The water loss auditing program is focused on conducting water loss audits at public water supplies using the American Water Works Association (AWWA) M36 method and software. Local Assistance funding is used to conduct water loss audits at public water supplies that request it, and the work serves to both conduct the audit and to teach public water supply personnel how to conduct future audits by themselves. Using the AWWA software, public water supplies obtain the knowledge necessary to begin controlling and reducing non-revenue water which increases system efficiency, enhances system sustainability, and reduces impact on the environment.

Local Assistance funding will also be used to fund two programs outside of DEQ that are overseen by the Capacity Development Coordinator: a leak detection / meter analysis program and a rate analysis program. These two programs will be conducted by the Oklahoma Rural Water Association (ORWA) at public water supplies referred to them by DEQ. For the first program, ORWA will work with systems that have received a water loss audit and will use the results of the audit to conduct leak detection and meter analysis. The goal of the program will be to find leaks (which the system can repair), determine production and consumer meter accuracy, and to educate system personnel on how to conduct leak detection and meter analysis on their own.

The use of Local Assistance funding for rate analysis is a new use of funding that will be targeted on helping public water supplies set appropriate rates. Too often in Oklahoma, water systems do not have the necessary knowledge to establish a water rate that can sustainably support system operations, with the results that rates are either never changed to compensate for increase operational costs, or they are set arbitrarily and are not based on the true costs of maintaining and operating a water system. To alleviate this, ORWA personnel will meet with system personnel and will conduct a rate study with the system using software developed by the Environmental Finance Center. ORWA will conduct rate studies at systems referred to them by DEQ.

SELS will continue to utilize DWSRF funding to maintain Cryptosporidium accreditation and analytical emergency response capabilities that pose a threat to public health like those associated with HAB events.

As allowed by the SDWA, DEQ reserved and specified an amount equal to 15 percent of the FFY 2019 capitalization grant for Local Assistance and other State Programs. DEQ will use \$2,340,000.00 from set-aside funds for SFY 2020. Ten (10) percent for Capacity Development Program and 5 percent for the following use: 1.48% for the Water Loss Audit Program; 0.93% for Cryptosporidium special monitoring capabilities; 0.79% for Harmful Algal Blooms (HAB) special monitoring capabilities; 0.84% for Revised Total Coliform Rule (RTCR) Level I and Level II assessments; and 0.96% for Technical Assistance and Training on Sampling.

B. DRINKING WATER STATE REVOLVING FUND PROJECTS

1. DWSRF Project Priority System

DEQ has established the Project Priority System, included as Appendix A, and prepared the comprehensive Project Priority List (PPL), included as Appendix B. The comprehensive PPL demonstrates which eligible drinking water projects are to receive loan funds from the DWSRF. The comprehensive PPL is comprised of a Funding List and a Contingency List that ranks projects according to the DWSRF Project Priority System that:

- a. Address the most serious risk to human health;
- b. Are necessary to ensure compliance with the requirements of the SDWA;
- c. Assist systems most in need, on a per household basis; and,
- d. Emergencies including natural and man-made disasters. *

*Projects, deemed by DWSRF which come about as a result of an emergency and pose an immediate public health concern, will be made a priority over current projects on the PPL.

Eligible projects proposed by applicants requesting funding from the DWSRF are ranked and prioritized according to the Project Priority System procedures. The project with the most points shall be first on the PPL; the project with the least points shall be last. The specific categories of source, treatment, storage, and distribution are not ranked separately. Projects will be funded in order of priority as each project meets the program requirements throughout the state fiscal year. For a project to be funded, it must be “ready to proceed.”

2. Ready to Proceed

“Ready to proceed” means a project that has met the following requirements:

- a. Approved engineering report;
- b. Approved construction permit for plans and specifications;
- c. Approved financial application;
- d. Completed environmental review; and
- e. Approved capacity development assessment.

Projects that have met the above requirements will be moved ahead of projects that are not on schedule on the PPL. The project is then recommended to the OWRB Board for approval. If approved, DWSRF funds are committed through a board order.

The project is advertised and bids received pursuant to the Oklahoma Public Competitive Bidding Act. The loan amount is then sized in accordance to the bid to be accepted and awarded. The loan is then closed, contract documents signed, and “Notice to Proceed” is issued to the contractor to start construction on a specified date.

3. Bypass Projects Not Ready to Proceed and Small Systems

A project may be bypassed if it is not on schedule and not “ready to proceed.” Bypassed projects will be monitored and encouraged to meet program requirements so that they may be reinstated to the fundable portion of the list.

In addition, SDWA §1452(a)(2) states, “Of the amount credited to any State loan fund established under this section in any fiscal year, 15 percent shall be available solely for providing loan assistance to public water systems which regularly serve fewer than

10,000 persons to the extent such funds can be obligated for eligible projects of public water systems.” If this SDWA small system funding provision has not been met with projects above the Project Priority List’s (PPL) fundable line but there are “ready to proceed” small system projects below the fundable line, projects should be bypassed to reach those small system projects to the extent such funds can be obligated for eligible projects.

Oklahoma DWSRF expects to meet the SDWA small system funding provision for SFY 2020, although economic conditions in the State may prove challenging. Much of the State is still recovering from recent extreme drought, and the dramatic drop in oil prices has negatively affected Oklahoma’s growth, employment, income, and tax bases. As part of the ever on-going efforts to meet the small system funding provisions, the DWSRF program notes continuing efforts towards marketing, outreach, and technical assistance, including but not limited to the following activities.

- a. Small system technical assistance provided by DEQ staff, such as the Public Water Supply Engineering and Field Inspection Section and Environmental Complaints and Local Services Division;
- b. Water Loss Audits, including leak detection and meter calibration services;
- c. Monthly meetings and/or consultations by DWSRF staff with small systems on the PPL that are not yet “ready to proceed” to assist them to become “shovel ready;”
- d. Coordination with OWRB and ORWA staff to provide financial and technical consultations;
- e. Presentations at conferences and workgroups to establish availability of small systems technical and financial assistance;
- f. DWSRF outreach and marketing (currently 6 presentations are scheduled in different regions of the State)
- g. Active participation in quarterly meetings of the Funding Agency Coordinating Team (FACT) – including the United States Department of Agriculture Rural Development (USDA-RD), OWRB, ORWA, Indian Health Services (IHS), Oklahoma Department of Commerce (ODOC), Communities Unlimited (CU), Oklahoma Development Finance Authority (ODFA), and Oklahoma Association of Regional Councils (OARC) – wherein invitations are extended to water systems with the most urgent technical and financial needs.

4. Allocation of Funds

Allocation of funds among the eligible projects is based on a six-step process:

- a. Projects of eligible applicants that request financial assistance are ranked according to the Project Priority System and placed on the PPL;
- b. The financial assistance needed for each drinking water project that is “ready to proceed” is determined;
- c. Sources of unobligated funds available to the DWSRF that are necessary to provide the requested financial assistance are identified;
- d. The highest priority projects that will be ready to proceed during SFY 2020 are placed on the SFY 2020 Funding List, included as Appendix B;
- e. Bypass letters can be issued to applicants which have projects not ready to proceed according to the Priority Ranking System procedures; and
- f. The consistency with the funds available and the financial assistance requested is determined.

Information pertinent to each DWSRF project is included on the PPL pursuant to the requirements of the SDWA. To be placed on the fundable portion of the list the project must be “ready to proceed.”

The contingency portion of the PPL, included as Appendix B, is developed from the projects of applicants that are bypassed and projects of applicants that do not rank high enough to receive funding. This contingency list includes projects which may receive loan funds should projects in the fundable portion not proceed on schedule.

5. Status of Projects on the Fundable Portion of the Priority List

The SFY 2020 PPL attached as Appendix B shows a total of forty-one (41) projects on the fundable portion of the PPL with their assigned priority points, project name, loan amount, population, project description, anticipated binding commitment date, and project number.

6. SRF Available Funds

For SFY 2020, the total need of \$97,187,100.00 for projects is shown in Appendix B, but only \$50,350,136.00 is available for the fundable portion of the PPL. These funds are derived from past capitalization grants and state matching funds, FFY 2019 capitalization grant and state match, investment income, interest income, and projected bond issue funds. Additional needed funds will be obtained as indicated in the bottom of Table 1.

C. AMERICAN IRON AND STEEL (AIS)

On January 17, 2014, H.R. 3547, “Consolidated Appropriations Act, 2014,” (Appropriations Act) was enacted requiring that “none of the funds made available by a State water pollution control revolving fund as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or made available by a drinking water treatment revolving loan fund as authorized by Section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel products used in the project are produced in the United States.”

D. ADDITIONAL SUBSIDIZATION

Capitalization Grants for the 2009 American Recovery and Reinvestment Act, FFY 2010, and FFY 2011 allotments required that the DWSRF program provide at least 30% of the capitalization grant funds as additional subsidies. DEQ targeted projects which were eligible under the Green Project Reserve or which would include the consolidation or regionalization of water systems. This requirement changed for the FFY 2012 capitalization grant, and continues through the FFY 2019 capitalization grant, to state that at least 20%, but no more than 30% of the capitalization grant must be utilized as additional subsidies. Beginning in SFY 2019, DEQ’s primary focus for the subsidy will be with public water supplies who have health-based violations, such as Disinfection Byproduct (DBP) issues. However, if these types of projects are not ready to proceed, the focus may shift towards other initiatives, such as, regionalization, consolidation, or other compliance issues. Table 3 shows the remaining uncommitted subsidy funds available for SFY 2020 projects.

**TABLE 3
Subsidy Funds
SFY 2020**

FFY 2016	FFY 2017	FFY 2018	FFY 2019	Available for SFY 2020
\$0.00	\$1,622,300.00	\$3,149,400.00	\$3,120,000.00	\$7,891,700.00

E. DAVIS-BACON WAGE RATES

The requirement for implementation of the Department of Labor (DOL) Davis-Bacon Prevailing Wage Rates for DWSRF projects is a mandatory condition of the capitalization grant. DEQ has fully implemented this requirement by ensuring that the latest DOL wage rates for each contract of each project are established prior to bidding, that weekly payroll reports are received from the prime and sub-contractors and reviewed by the water system, that employee interviews are conducted at least twice during the contract period, and that all complaints regarding the wage rate determinations are investigated and resolved.

F. SUSTAINABILITY POLICY

EPA finalized their Sustainability Policy on February 12, 2011. The primary direction of the policy is "...encouraging 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."

The DWSRF program maintains a strong capacity development program which includes a comprehensive review of each DWSRF applicant for technical, financial and managerial capacity. This program is the platform for a sustainability program because it already incorporates the three tiered review. Applicants are evaluated through detailed technical reviews, financial audits, and managerial checklists. To qualify for a DWSRF loan, an applicant must meet a minimum debt coverage requirement of 1.25 times.

The Capacity Development program, through the use of the set-asides for State Program Management, Small System Technical Assistance and Local Assistance, expands the review of systems from the DWSRF applicants to all Oklahoma public water supply systems. An annual Capacity Development Report is provided to EPA each year, prior to September 30th, detailing all of the activities which are incorporated into the ongoing strategy for ensuring capacity development for public water supply systems. The report provides information on Oklahoma's efforts through enforcement, permitting, operator certification, source water assessment, Area Wide Optimization Program, small system technical assistance program, and the Public Water Supply Sanitary Survey program.

G. REPORTING REQUIREMENTS

DWSRF provides numerous reports to EPA and other entities as required by capitalization grant agreement, or other federal and state requirements.

Oklahoma will report quarterly in the DWSRF Project Benefits Reporting (PBR) System on the use of all DWSRF funds. This information will also be included in the Annual Report. Quarterly reporting shall include use of the funds for the GPR and Additional Subsidization, as well as information on the environmental benefits of DWSRF assistance agreements.

Oklahoma will report annually to the Drinking Water National Information Management System (DWNIMS). Detailed reporting will include all required information related to the DWSRF capitalization grant, set-asides, leveraged funds, and project and loan costs.

Oklahoma will report to the Federal Funding Accountability and Transparency Act (FFATA) database as each project loan is closed up to the amount of the capitalization grant for each year.

III. DWSRF GOAL STATEMENTS

A. SHORT-TERM GOALS

1. Provide forty-one (41) loans to the forty (40) water systems listed on the Fundable Portion of the SFY 2020 PPL. (Target Completion: June 2020)
2. Apply for FFY 2020 capitalization grant. (Target Completion: April 2020)
3. Complete set-aside work plans specifying funds from the capitalization grant. (Target Completion: Within 90 days of grant award)
4. Use set-aside funds to update source water assessments. (Target Completion: June 2020)
5. Use set-aside funds to implement Capacity Development Strategy. (Target Completion: June 2020)
6. Use set-aside funds to provide technical assistance to systems to comply with Long Term 2 Enhanced Surface Water Treatment Rule, Stage 2 Disinfectant/Disinfection By-products Rule, Revised Total Coliform Rule, LCR, and Ground Water Rule. (Target Completion: June 2020)
7. Issue DWSRF Revenue Bonds in an estimated amount of \$75,000,000.00 to finance the additional demand for drinking water loan funds. (Target Completion: December 2019)
8. Expend Capitalization Grant within two years of grant award.
9. Promote and market the DWSRF program by giving five (5) to seven (7) presentations around the State. (Target Completion: June 2020).

B. LONG-TERM GOALS

1. Maintain the fiscal integrity of the DWSRF and assure a continuous enhancement of the loan fund for future generations.
2. Maintain the fund in perpetuity. Perpetuity consists of maintaining the principal amounts of the state matching funds and capitalization grants, less set-asides, within the DWSRF.
3. Assist the State in meeting the total drinking water funding needs by blending DWSRF capitalization grant and state match funds with leveraged DWSRF bond proceeds to provide long-term low-interest drinking water financing.
4. Obtain maximum capitalization of the fund for the State while generating sufficient investment and loan interest earnings to retire revenue bonds

5. Use set-aside funds along with DWSRF loans to maximize compliance and public health protection.
6. Promote technical, managerial, and financial capability of all public water supply systems.
7. Encourage the consolidation and/or regionalization of small public water systems that lack the capability to operate and maintain systems in a cost-effective manner.
8. Target public water supply projects with health based violations to reduce the number of public water supplies with health based violations by at least 25% by the year 2022.
9. Continue to refine the Capacity Development Program, including the Water Loss Audit Program.

C. ENVIRONMENTAL RESULTS UNDER EPA ASSISTANCE AGREEMENTS

1. In accordance with “EPA’s Environmental Results under EPA Assistance Agreements, Order No. 5700.7,” which became effective on January 1, 2005, DEQ herein describes the outputs to be used as a measure to comply with the new requirements.
 - a. Output 1 – Provide forty-one (41) loans to the forty (40) water systems listed on the Fundable Portion of the SFY 2020 PPL. See Appendix B, for a list of projects on the PPL.
 - b. Output 2 – Enter into binding commitments with thirty-four (34) small systems and six (6) large systems (one large water system has two projects/loans) for a total of forty-one (41) projects during SFY 2020. See Appendix B, for a list of these systems and their population.
2. Environmental benefits will result from loans made and projects completed to reduce specific contaminants, create energy savings, conserve water, increase capacity to meet current water needs, replace aging infrastructure, and comply with state and federal regulations.

IV. FINANCING PLANS

The type of assistance to be provided will be loans for up to 100 percent of the eligible cost of drinking water projects. DWSRF program requirements are defined in DEQ and OWRB program regulations. OWRB provides a DWSRF financing plan that maintains funds to meet the program demand. Loans at below market interest rates provide affordable financing and incentives for loan applicants to meet the program requirements. The program provides for flexibility and the perpetuity of the DWSRF.

DEQ and OWRB provide one financing plan for both small and large systems, a long-term DWSRF loan. The long-term DWSRF loan is a 30-year loan (up to a 40-year loan for eligible disadvantaged communities subject to useful life of infrastructure) with a fixed interest rate used for the construction of drinking water infrastructure improvements. During the construction phase, interest and administration fees are paid semi-annually as funds are drawn. Once construction is completed, principal, interest, and administration fees are paid semi-annually until loan is paid.

Beginning with the 2009 American Recovery and Reinvestment Act and the FFY 2010 Capitalization Grant, DWSRF may grant subsidies in the form of principal forgiveness to systems. Those systems which met the criteria for consolidation and/or regionalization were granted principal forgiveness in accordance with the DWSRF procedures for each type of project. Starting in SFY 2019, DEQ’s focus for the subsidy

became public water supplies who have health based violations, such as Disinfection Byproduct (DBP) issues.

The total amount of subsidies given will be determined by the FFY 2019 Capitalization Grant. The method the DWSRF uses to fund projects is to draw all of the state matching funds first, federal capitalization grants next (up to subsidy amount), bond fund, and then second round funds.

A. DWSRF INTEREST RATES

DWSRF will provide long-term financing loans for both small and large public drinking water systems at an interest rate equal to 70% of Municipal Market Daily (MMD) AAA scale spot rates plus 0.40% to 0.76% to account for interest rate risk, where 0.40% is charged on the shortest maturities and 0.76% is charged on the longest maturities. An additional 0.50% 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.

B. ADMINISTRATION FEES

OWRB charges an annual administration fee of 0.5 percent on the unpaid loan balance, and an administrative fee upon application filing. This fee is based on the size of the application. If the application is for \$249,999 or less, the fee is \$100. If the application is for \$250,000 to \$999,999, the fee is \$250. If the application is for \$1,000,000 or more, the fee is \$500. Administrative fees collected are deposited into the Drinking Water Treatment Loan Administration Fund as shown in Table 4. This fund is a statutory account outside the DWSRF, and fees deposited into this fund will be used to offset the future DWSRF administrative expenses of DEQ and OWRB including, as necessary, the state match for DWSRF capitalization grants and a reserve to issue bonds. It is projected that the Drinking Water Treatment Loan Administrative Fund will contain approximately \$8,522,364.38 as of June 30, 2020.

**TABLE 4
Drinking Water Treatment Loan Administration Fund**

Revenue	SFY1997-2019**	SFY 2020	Total
Application Fee	\$ 87,150.00	\$ 2,500.00	\$ 89,650.00
Administration Fee on Loans (0.5%)	\$ 22,533,653.00	\$ 2,204,762.94	\$ 24,738,415.94
Interest Earnings on Fund 444 Account	\$ 1,037,604.00	\$ 112,612.00	\$ 1,150,216.00
Recovery of Delaware #10 Loan Default	\$ 312,233.44	\$ 50,000.00	\$ 362,233.44
Subtotal	<u>\$ 23,970,640.44</u>	<u>\$ 2,369,874.94</u>	<u>\$ 26,340,515.38</u>
Expenses			
Administrative Costs	\$ 7,033,451.55	\$ 643,596.00	\$ 7,677,047.55
Tsfr to DWSRF-Write Off Delaware 10	\$ 4,159,703.45	\$ 0.00	\$ 4,159,703.45
Funds Used for State Match	\$ 5,981,400.00	\$ 0.00	\$ 5,981,400.00
Subtotal	<u>\$ 17,174,555.00</u>	<u>\$ 643,596.00</u>	<u>\$ 17,818,151.00</u>
Total	<u><u>\$ 6,796,085.44</u></u>	<u><u>\$ 1,726,278.94</u></u>	<u><u>\$ 8,522,364.38</u></u>

**Includes Projections through April, May & June 2019

C. BINDING COMMITMENTS

It is anticipated that DEQ will enter into forty-one (41) binding commitments with thirty-four (34) small systems and six (6) large systems (one large water system has two projects/loans) during SFY 2020. The amount of funding for small systems is anticipated to be \$47,402,100.00 which is equal to 49 percent of the amount of funding available for projects on the fundable portion of the SFY 2020 PPL. This amount exceeds the requirement that at least 15 percent of loan funds be utilized for small systems. A graphical presentation of this information is presented in Exhibit 1.

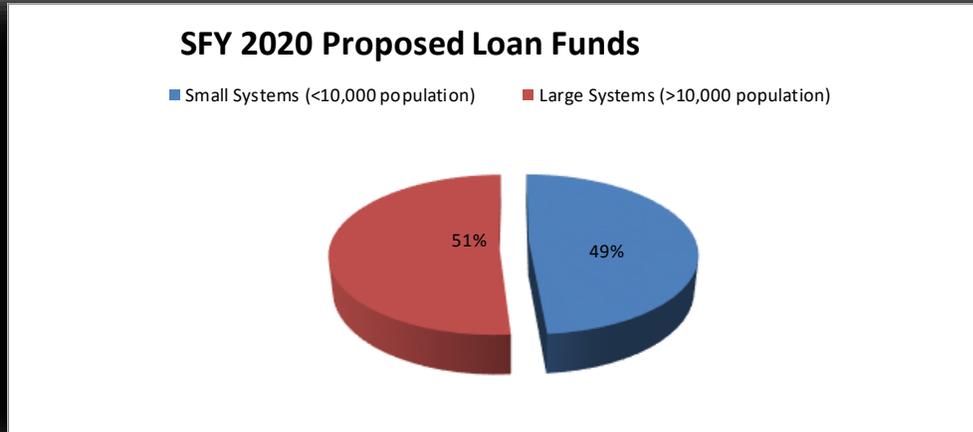


Exhibit 1 – DWSRF Proposed Loans to Small Systems SFY 2020

V. ASSURANCES AND SPECIFIC PROPOSALS

DEQ provides the necessary assurances and certifications as a part of the Operating Agreement between DEQ and EPA. The DEQ/EPA Operating Agreement includes the requirements of the SDWA, as follows:

1. The State has the authority to establish a DWSRF project loan fund and to operate the DWSRF program in accordance with the SDWA.
2. The State will comply with its statutes and regulations.
3. The State has the technical capability to operate the program.
4. The State will accept capitalization grant funds in accordance with a payment schedule.
5. The State will deposit all capitalization grant funds in the DWSRF project fund or set-aside account.
6. The State will provide an amount at least equal to 20 percent of the capitalization grant (State match) in the DWSRF project fund.
7. The State will deposit interest earnings and repayments into the DWSRF project fund.
8. The State will match capitalization grant funds the State uses for 1452 (g)(2) set-asides.
9. The State will use Generally Accepted Accounting Principles.

10. The State will have the DWSRF project fund and set-aside account audited annually in accordance with General Accepted Government Auditing Standards.
11. The State will adopt policies and procedures to assure that borrowers have a dedicated source of revenue for repayments.
12. The State will commit and expend funds as efficiently as possible, and in an expeditious and timely manner.
13. The funds will be used in accordance with the IUP.
14. The State will provide EPA with an Annual Report.
15. The State will comply with all federal cross-cutting authorities.

The State agrees that binding commitments for DWSRF projects which receive loan funds made available from the capitalization grant will be made only after the State has conducted an environmental review according to DWSRF regulations (OAC 252:633) and a determination is executed and distributed using the EPA approved State Environmental Review Process (SERP).

The State agrees to submit Annual Reports to EPA on the actual use of funds and how the State has met the goals and objectives for the previous fiscal year as identified in the IUP for the previous year.

VI. CRITERIA FOR PROJECT SELECTION AND DISTRIBUTION OF FUNDS

A. DISTRIBUTION OF FUNDS

The following criteria were used to develop the proposed distribution of the DWSRF funds:

1. Utilize set-asides as authorized by the SDWA.
2. Identify all possible public drinking water systems eligible to receive DWSRF assistance.
3. Identify and rank public drinking water system projects requesting financial assistance that results in compliance with SDWA requirements on the DWSRF PPL.
4. Determine the readiness to proceed of each project ranked on the DWSRF PPL.
5. Identify the sources and spending limits of DWSRF.
6. Allocate funds to projects ready to proceed according to the Project Priority System, Appendix B.
7. Develop a grant payment schedule that will be used to make timely binding commitments to the projects selected for DWSRF assistance. The anticipated federal DWSRF loan fund payment schedule for the FFY 1997 through FFY 2019 capitalization grants is included as Appendix C.
8. Develop an outlay schedule to pay project costs as incurred.

All funds in the DWSRF will be used to provide direct construction loans, long-term small community loans, or to refinance existing debt obligations of eligible applicants, when such debt obligations were incurred, and the construction commenced after July 1, 1993, and all program requirements have been met.

Provisions for project bypass, assistance deadlines, and default are addressed in the DEQ DWSRF Regulations and/or State legislation implementing the DWSRF.

Set-aside funds are used for the administration of the DWSRF program, to provide small system technical assistance, to manage the State program, and to provide local assistance and fund other State programs for water systems. These activities have a direct impact on solving existing problems and preventing future problems. By implementing these programs, the costly need for infrastructure may be reduced. An example is the Small System Technical Assistance Program that provides a water system with training and assistance to operate a plant more efficiently. This will enable the water system to make operational changes to meet the new, more stringent levels for turbidity, trihalomethane and the five haloacetic acids, rather than spending funds on costly construction for upgrades that may be unnecessary.

Though using set-asides may take away from the amount of grant funds to be used for loans, the long term plan is to concomitantly implement the set-aside programs with the loan program to provide the best overall assistance to water systems.

DEQ decides each year on which programs are needed and prepares a budget for each of the programs. Based on the budgets and past history of the program, DEQ determined that 31 percent of the FFY 2019 grant for set-asides is needed to fund the programs for SFY 2020. DEQ will provide work plans for each set-aside to EPA describing how the specified FFY 2019 capitalization grant funds are to be expended during SFY 2020.

B. FUNDS AVAILABLE FOR DWSRF PROJECTS

As discussed in Section III. A. 1, and shown in Table 1, a total of \$97,187,100.00 will potentially be available during SFY 2020 to fund forty-one (41) projects listed on the PPL. There is a great need for funding drinking water infrastructure and the current demand for funds by projects that are ready to proceed will justify leveraging of funds. The OWRB estimates issuing \$75,000,000.00 in bonds in SFY 2020 to meet needed funding for DWSRF projects.

C. DWSRF LEVERAGED BOND ISSUE

Similar to previous years, substantial demand for drinking water funds exceeds capitalization grants and state match amounts. DEQ and OWRB are proposing to issue DWSRF Revenue Bonds in an estimated amount of \$75,000,000.00 (subject to change) to finance the additional demand. The Revenue Bonds will be sized based on the amount of identified need, and a portion of the proceeds may include funds for the purpose of providing the state matching funds for FFY 2019 capitalization grant. The Revenue Bonds may be issued in a single series, or multiple, smaller series as funds are required for eligible project costs. The series of Revenue Bonds will be issued as needed.

D. DESCRIPTION OF FINANCIAL STATUS OF DWSRF

During SFY 2020, the funds expected to be available to the DWSRF include past capitalization grants and state matches, FFY 2019 capitalization grant and state match, transfer of funds from the CWSRF, investment income, interest earnings, loan repayments, and leveraged revenue bond funds. The financial status of the DWSRF is further detailed in Table 1: DWSRF Sources and Uses.

E. DEVELOPMENT OF PAYMENT SCHEDULE

The total amount of loan funds and spending limits are identified in the grant payment schedule included as Appendix C. This chart shows the federal payment schedule for loan funds for FFY 2019 capitalization grant. This amount is summarized by quarter and the totals are shown.

All project loans scheduled for funding from the DWSRF will be reviewed for consistency with appropriate planning, design, and construction requirements. Evidence of this review and funding shall be documented in each DWSRF project file.

For any fiscal year, fifteen percent (15%) of a capitalization grant amount shall be available solely for providing loan assistance to public water systems which regularly serve fewer than 10,000 persons to the extent such funds can be obligated for eligible projects of public water systems.

To the extent Capitalization Grant funds are to be disbursed to loan recipients for direct project costs, those funds will be drawn from the EPA's Automated Clearing House (ACH). State match will be expended prior to the draw upon Capitalization Grant funds.

The FFY 2019 State Match requirement will be met as part of the SFY 2020 DWSRF Bond issue. Any overmatch will be claimed for credit to be used towards meeting match requirements associated with future capitalization grants.

Oklahoma's projected grant payment schedule is based on the time of the capitalization grant award, expenditure of the state match, the scheduled dates for binding commitments, projected construction schedules for projects as specified for a particular bond series, and the proposed budget for set-asides.

F. FINANCIAL PLANNING PROCESS AND MANAGEMENT OF FUNDS

The OWRB and Hilltop Securities, Inc., have developed the DWSRF cash flow analysis/capacity model to gauge the long-term health of the SRF. The model is continually monitored throughout each fiscal year to assure that the perpetuity of the DWSRF program is sustainable. Moreover, the model is used to aid in illustrating the overall impact to program capacity as a result of extended term financing, fluctuating federal funding levels, lending rate policies, market volatility, etc.

G. CASH DRAW RATIO

All state match funds will be drawn prior to capitalization grant draws to ensure the required cash draw ratio will be maintained.

VII. SAFE DRINKING WATER ACT AMENDMENT OPTIONS

A. PRIVATELY OWNED DRINKING WATER SYSTEMS

Although the SDWA provides for funding of privately owned drinking water systems, DEQ has determined that funding these systems is not in compliance with the state statutes and constitution. According to Oklahoma Annotated Code Title 82 Section 1085.72 and Article 10, Paragraph 39 of the Constitution of Oklahoma, the definition of eligible entity is limited to mean "any city, town, county or the State of Oklahoma,

and any rural water district, public trust, master conservancy district, any other political subdivision or any combination thereof.” By law, the funds established for the DWSRF are limited to those entities, precluding any privately owned entities from receiving monies.

B. DISADVANTAGED COMMUNITIES

The DWSRF program may provide up to 40-year loan terms that are only available to eligible disadvantaged communities and subject to the useful life of infrastructure to be constructed. A “disadvantaged community” means those communities with a median household income that is less than or equal to 85% of the national median household income according to the United States Census Bureau/American Community Survey. Also, DWSRF is mandated to provide a minimum of 6% and not to exceed 35% of the capitalization grant to disadvantaged communities. DWSRF will use \$936,000.00 for disadvantaged communities primarily serving 10,000 population or fewer. The amount of subsidy per project will be \$100,000.00 or 25%, whichever is less for a project costing \$300,000.00 or more. For a project costing less than \$300,000.00, the amount of subsidy will be decided on a case-by-case basis. Further, the DWSRF project priority system provides for priority points to be given to projects that benefit disadvantaged communities.

C. TRANSFER OF FUNDS

Under the SDWA, the state is allowed to transfer and/or cross-collateralize fund assets of the DWSRF program and the CWSRF program. Oklahoma may take advantage of funding flexibility between the Clean Water and Drinking Water SRF programs, provided by EPA, in order to assure adequate capacity to meet all funding demands. In accordance with the Safe Drinking Water Act-SRF funds transfer provisions (Section 302), the State hereby reserves the authority "to transfer an amount up to 33 percent of the [FFY 2019] Drinking Water SRF program capitalization grant to the Clean Water SRF program or an equivalent amount from the Clean Water SRF program to the Drinking Water SRF program." With this IUP, Oklahoma requests the ability to transfer funds as necessary between the DWSRF and CWSRF during SFY 2020. The approval of the IUP will constitute the approval of the transfer request. It is understood that fund transfers between the programs during SFY 2020 or in future years may not be available for return to the SRF fund of origin if a permanent extension of transfer authority is granted.

VIII. PUBLIC REVIEW AND COMMENT

A public meeting was conducted in compliance with the Oklahoma State Administrative Procedures Act and DWSRF regulations, on June 17, 2019. To ensure that interested parties were made aware of the public meeting, DEQ posted notice on the DEQ web-site and distributed announcements to a mailing list of public water systems, state and federal agencies, environmental organizations, public health officials, consulting engineers, financial consultants, and interested citizens. The agenda was posted at the meeting site and on the DEQ website. A copy of this public notice is included as Appendix D. The public meeting was held to review this IUP, the Project Priority System, and the Funding and Contingency PPL. A thirty (30) day comment period followed and ended on July 17, 2019. No comments were received during the public comment period.

IX. AMENDMENTS TO THE PLAN

Revisions to this plan determined to be insignificant and/or minor revisions required for administrative purposes, shall be made by DEQ without notification to the public, and will be reported to EPA in the Annual Report.

APPENDIX A PROJECT PRIORITY SYSTEM

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY DRINKING WATER STATE REVOLVING FUND

Statutory References: **OAC 252:633-1-5,**
 OAC 252:633-3-4, and
 OAC 252:633 Appendix A

PART I: DWSRF PROJECT PRIORITY SYSTEM

A. **Projects included.** The comprehensive PPL shall consist of all eligible projects requesting placement on the PPL. Projects which meet all requirements for funding shall be placed on a Fundable List and included in the current Intended Use Plan (IUP). Projects which rank below the available funding level shall be considered the contingency section of the Fundable List. Projects in this part of the list may receive loans due to bypass provision or due to additional funds becoming available.

B. **Project ranking.** The ranking factors are based on the relative impact of the project in achieving the objectives of the Safe Drinking Water Act Amendments of 1996. The ranking factors are listed in Part II of this Appendix.

C. Management of the Project Priority List.

1. **Tie breaking procedure.** A tie breaking procedure shall be used when two or more projects have equal points under the Project Priority System and are in competition for funds. Tied projects will be ranked with the first project which has the greatest value for the ranking factor for Violations of Maximum Contaminant Levels (Primary Standards).
2. **Project bypass.** A project on the fundable portion of the PPL may be bypassed for one year if it is not on schedule as indicated in the IUP or the project's specific consent/administrative order. The applicant whose project is affected shall be given a written notice that the project is to be bypassed. Bypassed projects may be reinstated on the funded portion of the list if sufficient funds are available, and the applicant completes the necessary tasks to proceed. Funds which become available due to the utilization of these bypass procedures will be applied to the next ranked project on the PPL.
3. **Project Priority List update.** The priority list shall be periodically reviewed by the DEQ Water Quality Division Director and changes (i.e., loan award dates, estimated construction assistance amounts, project bypass, addition of new projects, etc.) will be made as necessary.

PART II RANKING SYSTEM

A. **Formula.** The project priority points (P) are derived from the formula:

$P = A + B + C + D + E + F + G + H + I$, where the factors are defined as:

1. A = Violations of Maximum Contaminant Levels (Primary Standards).
2. B = Quantity Deficiencies.
3. C = Design Deficiencies.

4. D = Vulnerability to Potential Pollution.
5. E = Violation of Recommended Maximum Levels (Secondary Levels).
6. F = Consolidation.
7. G = Compliance Orders.
8. H = Source Water Protection.
9. I = Affordability.

Ranking factors one through eight are to address the risks to human health and compliance with the Safe Drinking Water Act Amendments of 1996. Ranking factor nine addresses the affordability requirements of the Safe Drinking Water Act Amendments of 1996.

B. Factors Descriptions.

1. Violations of Maximum Contaminant Levels (Primary Standards) (A).

Maximum contaminant levels are established for those parameters which may be detrimental to public health. Severity point values will be the sum of points for the violations of a contaminant during a 24 month period from the date of the request. Contaminants reported quarterly, such as nitrate, may include up to eight violations during this 24 month period. Those contaminants reported monthly, such as fecal coliform, may include up to twenty-four violations during this 24 month period. Violations of standards of contaminants based on a running annual average, such as total trihalomethanes, will be based on a 12 month reporting period and will include only severity value. Violations of more than one contaminant are additive. These violations are documented by inclusion in the Safe Drinking Water Information System (SDWIS). These values may be increased quarterly in the event that there are repeated violations.

Contaminant	Severity <u>(points per violation)</u>
Antimony	10
Arsenic	10
Asbestos	10
Barium	2
Beryllium	10
Bromate	10
Cadmium	10
Chlorates	10
Chlorine Dioxide	10
Chromium	10
Copper >1.3	5
Fecal Coliform	20
Fluoride > 4	5
Gross Alpha Radioactivity	5
Gross Beta Radioactivity	5
Lead	30
Contaminant	Severity <u>(points per violation)</u>
Mercury	10
Nitrate	30
Pesticides and other SOCs	10
Radium	10
Selenium	5

Thallium	10
Total Coliform (Significant Non-complier)	10
Total Haloacetic Acids	30
Total Organic Carbon	10
Total Trihalomethanes	30
Turbidity (Significant Non-complier)	10
Uranium	10
Volatile Organic Contaminants	10

2. **Quantity Deficiencies (B).** Quantity deficiencies are shortages of water due to source, treatment, or distribution problems. Deficiencies of only one condition will be allowed. These conditions are documented by inspection records, a comprehensive performance evaluation, or another system evaluation.

<u>Condition</u>	<u>Severity</u>
Continual shortage	60
Shortage during high use (seasonal)	60

3. **Design Deficiencies (C).** Design deficiencies are those which could be corrected by enlargement, repair, or replacement of a portion of the system. Deficiencies of more than one condition are additive. These conditions are documented by inspection records, a comprehensive performance evaluation, or another system evaluation.

<u>Condition</u>	<u>Severity</u>
Demand exceeds design capacity	30
Groundwater under the influence of surface water	120
Improper well construction	30
Inadequate chemical feed	25
Inadequate disinfection	30
Inadequate distribution (area not served)	25
Inadequate distribution (deterioration)	25
Inadequate distribution (low pressure)	25
Inadequate filtration (surface)	30
Inadequate intake structure	25
Inadequate laboratory equipment	20
Inadequate mixing	25
Inadequate settling	25
Inadequate storage	25
Inadequate water treatment wastewater disposal	10
Lack of generator	120

4. **Vulnerability to Potential Pollution (D).** Vulnerability describes a condition in which the source of supply for a system could potentially be contaminated and for which the project will address. Vulnerabilities to more than one condition are additive. These conditions are documented by vulnerability assessments for monitoring waivers or source water protection area assessments.

<u>Condition</u>	<u>Severity</u>
Point source discharge in delineated area	10
Subject to agricultural chemicals	5
Subject to industrial spills	5

Subject to oil/gas/coal/mineral operations	5
Unprotected watershed	3

5. **Violation of Recommended Maximum Levels (Secondary Standards) (E).** Recommended maximum levels are set for parameters which are not harmful to health, but make the water undesirable for use. Deficiencies of more than one condition are additive. These conditions are documented in the State Environmental Laboratory data base.

<u>Contaminant</u>	<u>Severity</u>
Chloride	3
Color	3
Corrosivity	3
Foaming Agents	3
Iron	20
Manganese	20
Odor	3
pH	3
Sulfate	3
TDS	3
Zinc	3

6. **Consolidation (F).** Projects which result in the consolidation, interconnection, or improvement of services for two or more water systems shall add twenty (20) for consolidation, ten (10) for interconnection, and ten (10) for improvement of services such as back-up or emergency supply. Projects may meet more than one of these conditions. The points awarded for this category are documented in the engineering report.
7. **Compliance Orders (G).** Projects that will result in the compliance with a formal enforcement action will receive one hundred fifty (150) points.
8. **Source water protection (H).** Water supply systems which have implemented source water protection programs such as watershed protection programs or wellhead protection programs will add one hundred (100) points to their total.
9. **Affordability (I).** This element is to assist systems most in need, on a per household basis. The points awarded for this category are documented by the latest census information.

<u>Median Household Income</u>	<u>Severity</u>
Less than \$28,400	60
Between \$28,400 and \$33,400	40
Greater than 33,400	0

OK DWSRF SFY 2021 Project Priority List (PPL)
for IUP starting 7/1/2020

PRIORITY POINTS	SYSTEM	LOAN AMOUNT	CUMULATIVE AMOUNT	POPULATION	Dis-advantaged Y or N	PROJECT DESCRIPTION	Anticipated Binding Commitment Date	Anticipated Construction Date	Project Number
<u>Funding List</u>									
1090	Barnsdall PWA	\$ 100,000.00	\$ 100,000.00	1,955	Y	Installation of aerators in both tanks to fight DBPs.	3/1/2021	5/1/2021	P40-1021304-01
1050	Beggs PWA	\$ 100,000.00	\$ 200,000.00	1,364	Y	Improvements to reduce Disinfection By-Products (DBPs).	11/1/2020	12/1/2020	P40-1020707-01
1005	Copan PWA	\$ 1,500,000.00	\$ 1,700,000.00	733	Y	Installation of approximately 60,000 feet of 6" water line to serve Osage County RWD #20 (Hulah). The rural water district has been on a boil order for several months due to high turbidity levels and a failure of the water treatment process.	9/1/2020	11/1/2020	P40-1021417-01
950	Fairfax PWA	\$ 100,000.00	\$ 1,800,000.00	1,655	Y	Improvements will address disinfection byproducts violations.	2/1/2021	4/1/2021	P40-1021204-01
940	Cleveland MA	\$ 100,000.00	\$ 1,900,000.00	4,870	Y	Installation of an aeration system and mixing system in the primary elevated water storage tanks and automated flushing hydrants.	6/1/2021	8/1/2021	P40-1021210-01
930	Waurika PWA	\$ 100,000.00	\$ 2,000,000.00	7,890	Y	Construction improvements will be made to correct DBP problems.	12/1/2020	3/1/2021	P40-1011201-01
810	Hominy PWA (II)	\$ 300,000.00	\$ 2,300,000.00	3,814	Y	Rehabilitation of the existing north water storage tank which would include design and installation of a water circulation system.	10/1/2020	12/1/2020	P40-1021306-02
780	Pushmataha Co. RWD #3	\$ 100,000.00	\$ 2,400,000.00	4,825	Y	Improvements for non-compliance with disinfection-by-product (DBP) issues.	2/1/2021	4/1/2021	P40-1010318-01
750	Muskogee Co. RWD #3	\$ 200,000.00	\$ 2,600,000.00	1,725	Y	Installing water lines to loop in dead end lines to help with water age and two (2) booster stations to help with pressure issues.	10/1/2020	12/1/2020	P40-1020710-01
710	Talihina PWA	\$ 275,000.00	\$ 2,875,000.00	4,981	Y	Improvements include clearwell modifications and tank aeration; rehailitation of the existing filters and repainting the steel components in Clarifier 3.	8/1/2020	12/1/2020	P40-1010304-01
690	Maysville MA	\$ 6,600,000.00	\$ 9,475,000.00	1,212	Y	Abandon the dilapidated surface water treatment plant, develop 2 new wells, construct a new water treatment plant, and replace the majority of our distribution system to meet ODEQ regulations.	1/1/2021	3/21/2021	P40-1010807-01
610	Stroud UA (II)	\$ 118,000.00	\$ 9,593,000.00	2,811	Y	Replacing the bottoms of two of the four filters.	7/1/2020	9/1/2020	P40-1020705-02
580	Pittsburg PWA	\$ 120,000.00	\$ 9,713,000.00	280	Y	Replacement of the filter media in the slow sand filter, additional chlorine feed point at the WTP, flushing hydrant, and booster chlorine station in the distribution system.	1/1/2020	3/1/2020	P40-1020604-01
510	Wetumka PWA	\$ 100,000.00	\$ 9,813,000.00	2,221	Y	Improvements to the raw water intake, treatment plant, and/or distribution system to address the DBP exceedances occurring within the system.	1/1/2021	3/1/2021	P40-1020508-01

OK DWSRF SFY 2021 Project Priority List (PPL)
for IUP starting 7/1/2020

480	McIntosh Co. RWD #8	\$	100,000.00	\$	9,913,000.00	3,874	Y	Install new chemical feeders, mixer in both towers, second line at Watts Tower, and permanganate at intake as a primary oxidant.	10/1/2020	12/1/2020	P40-1020529-01
470	Muskogee Co. RWD #7	\$	300,000.00	\$	10,213,000.00	710	Y	Improvements would include 25,500 LF of 8" line, 8,500 LF of 6" line, a water storage tank and a pump station to provide water to Cherokee Co. RWD #1. The Cherokee Co. RWD#1 water treatment plant would be abandoned.	8/1/2020	10/1/2020	P40-3005103-01
450	Wewoka PWA	\$	100,000.00	\$	10,313,000.00	4,257	Y	Installation of a tank mixing system in our existing elevated tank to assist in reduction of DBPs.	9/1/2020	10/1/2020	P40-1020510-01
450	Comanche PWA	\$	100,000.00	\$	10,413,000.00	7,364	Y	Treatment plant improvements consist of installing a chlorine dioxide system and appurtenances for the reduction of disinfection byproducts.	9/1/2020	10/1/2020	P40-1011101-01
443	Jet PWA	\$	846,999.00	\$	11,259,999.00	230	Y	Replace the water storage tank with a new tank and treat for lead and copper to meet ODEQ regulations.	6/1/2020	8/1/2020	P40-2000211-01
440	Cherokee Co. RWD #11	\$	1,575,000.00	\$	12,834,999.00	200	Y	Construction of an 8" water line to provide water to Cherokee Co. RWD #9. The Cherokee Co. RWD #9 water plant would be abandoned. Improvements to address pressure and water loss issues including but not limited to pipe replacement, a water loss survey, pressure reducing stations as well as adding standby power to the water treatment plant and Double spring intake.	10/1/2020	12/1/2020	P40-1221637-01
420	Taft PWA	\$	100,000.00	\$	12,934,999.00	250	Y	Installing a dedicated water line to the standpipe to ensure all customers receive aerated/recirculated water and DBP compliant water.	11/1/2020	1/1/2021	P40-3005118-01
413	Fairview UA	\$	3,500,000.00	\$	16,434,999.00	2,690	Y	Construct a new water treatment plant and appurtenances.	12/1/2020	2/1/2021	P40-2004404-01
340	Frederick PWA (II)	\$	130,000.00	\$	16,564,999.00	4,218	Y	Installation of a permanent Chlorine Dioxide Feed System and a separate chlorine gas storage/feed building.	8/1/2020	10/1/2020	P40-1011401-02
335	Holdenville PWA (II)	\$	100,000.00	\$	16,664,999.00	5,909	Y	Filter rehabilitation, chemical feed upgrades and aeration of distribution tank if budget allows.	10/1/2020	12/1/2020	P40-1020803-02
330	Checotah PWA (II)	\$	1,200,000.00	\$	17,864,999.00	8,250	Y	Water treatment plant improvements to reduce disinfection by-products.	10/1/2020	12/1/2020	P40-1020515-02
313	Kingfisher PWA	\$	100,000.00	\$	17,964,999.00	5,073	Y	Improvements for non-compliance with disinfection-by-product (DBP) issues.	8/1/2020	10/1/2020	P40-2003702-01
310	Foss Reservoir MCD (II)	\$	10,000,000.00	\$	27,964,999.00	17,888	Y	Construct a second, redundant, clarifier to allow for maintenance of the existing clarifier; construct a mixing basin along with additional bypass piping; and rehabilitation of the sand filter and reworking the piping to increase redundancy.	12/1/2020	2/1/2021	P40-1010829-02
295	Stillwater UA (V)	\$	16,000,000.00	\$	43,964,999.00	40,800	Y	Construction of a WTP Finished Water Pump Station and Clearwell Replacement.	2/1/2021	3/1/2021	P40-1021220-05

OK DWSRF SFY 2021 Project Priority List (PPL)
for IUP starting 7/1/2020

285	Town of Loyal	\$	150,000.00	\$	44,114,999.00	81	Y	Installation of an Ion Exchange Treatment Unit, Building and Wastewater Disposal Storage Facility.	2/1/2021	4/1/2021	P40-2003701-01
260	Garfield Co. RWD #6	\$	900,000.00	\$	45,014,999.00	1,430	Y	Install iron and manganese treatment system, line extension and booster station.	4/1/2021	6/1/2021	P40-2002415-01
250	Canadian Co. RWD #1	\$	2,000,000.00	\$	47,014,999.00	750	Y	Construct one new Ion Exchange nitrate reduction water treatment plant, two new distribution standpipes, and install eight new well pumps.	3/1/2021	5/1/2021	P40-2000908-01
240	Wynnewood UA	\$	100,000.00	\$	47,114,999.00	2,307	Y	Installation of a tank mixing system in the existing elevated tank to assist in reduction of DBPs.	1/1/2021	3/21/2021	P40-1010812-01
240	Shidler PWA	\$	100,000.00	\$	47,214,999.00	464	Y	Construction of a clearwell and aerator for distribution of elevated tank.	12/1/2020	2/1/2020	P40-1021203-01
220	Atoka Co. RWD #4	\$	110,000.00	\$	47,324,999.00	3,396	Y	Install equipment to add Chloramines to the treatment process.	11/1/2020	1/1/2021	P40-1010412-01
205	Tishomingo MA	\$	4,500,000.00	\$	51,824,999.00	3,000	Y	Construction of a new Water Treatment Plant at the site of the present plant. The present plant was built in the 1960's and has deficiencies both in capacity and operation that are becoming increasingly expensive to overcome. The plant also lacks redundancy in operation as required by State regulations.	6/1/2021	9/1/2021	P40-1010815-01
165	Ellis Co. RWD #1	\$	75,000.00	\$	51,899,999.00	43	Y	Install a water storage tank and pump station to provide adequate pressure to customers in the Town of May.	10/1/2020	1/1/2021	P40-2002318-01
150	Creek Co. RWD #2	\$	4,800,000.00	\$	56,699,999.00	13,051	Y	Construction of four (4) miles of 12" water line, a water tower and a pump station.	1/1/2021	3/1/2021	P40-3001902-01
140	Beckham Co. RWD #2	\$	850,000.00	\$	57,549,999.00	857	Y	Construct a waterline to supply water to the community of Delhi.	6/1/2021	9/1/2021	P40-2000510-01
135	Edmond PWA (V)	\$	20,000,000.00	\$	77,549,999.00	78,422	N	Project 1: Construction of a 24-inch water line project along W. Danforth Road from west of Kelly Avenue to N. Chowning Avenue, and along N. Chowning Avenue from W. Danforth Road to E. Ayers Street, and along E. Ayers Street to Bryant Avenue and a 18-inch water line. The water system improvements will increase distribution reliability, boost pressure and loop into other existing water lines. Project 2: Construction of a new 2MG Elevated Water Storage Tank (EST) on the same site as an existing storage tank located at the City of Edmond Police South Facility at 2816 Technology Drive. The project also includes 4,200 LF of new 24" water main along Centennial Blvd. and Technology Drive from Kelly Ave. to Broadway Extension to connect the new elevated storage tank to the existing water system, and demolition of three existing 0.5MG ESTs. These improvements increase distribution reliability, boost pressure and loop into existing water lines.	9/1/2020	11/1/2020	P40-1020723-05

Appendix B

OK DWSRF SFY 2021 Project Priority List (PPL)
for IUP starting 7/1/2020

7/1/2020

110	Grady Co. RWS & SWMD #6	\$	11,085,000.00	\$	88,634,999.00	3,930	Y	Refinancing of two Promissory Notes in favor of Rural Utilities Service issued in the respective original amounts of \$8,000,000 and \$4,539,000 dated August 17, 2012 to fund water system improvements.	8/1/2020	9/1/2020	P40-3002603-01
85	Hooker MA	\$	200,000.00	\$	88,834,999.00	1,788	Y	Repair a 55,000 gallon water tower that is in disrepair and non-usable.	8/1/2020	10/1/2020	P40-2007006-01
80	Nowata MA	\$	450,000.00	\$	89,284,999.00	5,566	Y	Rehabilitation of the water treatment plant consisting of new pumps, variable frequency drives, and installation of SCADA system for plant automation.	3/1/2021	4/1/2021	P40-1021503-01
73	Shawnee MA (III)	\$	19,500,000.00	\$	108,784,999.00	32,168	Y	Water Treatment Plant improvements.	6/1/2021	8/1/2021	P40-1020504-03
50	Bixby PWA (II)	\$	5,700,000.00	\$	114,484,999.00	20,475	N	Construction of the South Storage Tank and transmission line.	1/1/2021	3/1/2021	P40-3007243-02
40	Jones PWA	\$	3,200,000.00	\$	117,684,999.00	1,727	N	Replace the water storage tank with a new tank, rebuild the water wells, develop a new well and add a waterline, and install Automated Meter Reading (AMR) software and meters.	2/1/2021	4/1/2021	P40-2005507-01
Total:				\$	<u>117,684,999.00</u>						

Future Years**2022**

490	Hugo MA	\$	100,000.00	\$	100,000.00	5,786	Y	Installation of a tank mixing system in the existing elevated tank to assist in reduction of DBPs.	7/1/2021	9/1/2021	P40-1010314-01
125	Oklahoma City WUT (X)	\$	31,645,000.00	\$	31,745,000.00	1,114,000	Y	WT-00757II Atoka pipeline surge tank replacement for the McComb station due to end of useful life. \$8,000,000 WT-0224 Draper WTP clearwells (15 MG) replacement due to end of useful life. \$20,000,000 WC-0991 MacArthur water storage tank structural deterioration repairs and paint to prevent corrosion. \$850,000 WC-0992 South Hefner backwash tank structural deterioration repairs and paint to prevent corrosion. \$275,000 WC-0993 West Draper backwash repairs and paint to prevent corrosion. \$520,000 WC-0994 South Overholser tank structural deterioration repairs and paint to prevent corrosion, \$2,000,000			

2023

90	Stillwater UA (VI)	\$	60,000,000.00	\$	60,000,000.00	40,800	Y	WTP Rehabilitation and Improvements: New chemical building, new filters, new recarb., rehabilitation/expand chlorine system.	7/1/2022	9/1/2022	P40-1021220-06
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<u>2025</u>									
60	Stillwater UA (VII)	\$ 250,000,000.00	\$ 250,000,000.00	40,800	Y	Rehabilitate existing 36" Raw WL, add new 42" parallel Raw WL, involves major river crossings.	7/1/2024	9/1/2024	P40-1021220-07
60	Stillwater UA (VIII)	\$ 25,000,000.00	\$ 275,000,000.00	40,800	Y	Expand Raw Water Supply PS to 25 MGD.	7/1/2024	9/1/2024	P40-1021220-08
60	Stillwater UA (IX)	\$ 50,000,000.00	\$ 325,000,000.00	40,800	Y	Terminal Storage Reservoir.	7/1/2024	9/1/2024	P40-1021220-09
<u>2030</u>									
60	Stillwater UA (X)	\$ 40,000,000.00	\$ 40,000,000.00	40,800	Y	Water line from WTP to 6th Street.	7/1/2029	9/1/2029	P40-1021220-10

Requests in-house

- Being Ranked

APPENDIX C
FEDERAL DISBURSEMENT SCHEDULE

FFY	Cumulative Disbursements	FFY 2019				FFY 2020				FFY 2021			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
1997-2018 Grants	\$ 215,266,651.00												
2019 Grant	\$ 10,764,000.00				\$ 5,382,000.00	\$ 5,382,000.00							
2020 Grant *	\$ 10,770,900.00								\$ 5,385,450.00	\$ 5,385,450.00			
Total Grants	\$ 236,801,551.00												

* Estimated Grant Amount minus Set-Asides



707 North Robinson, P.O. Box 1677, Oklahoma City, Oklahoma 73101-1677

News Release

For Immediate Release: April 30, 2020
Contact: Erin Hatfield, (405) 437.8468

DEQ to Hold Public Meeting on the Drinking Water State Revolving Fund State Fiscal Year 2021 Intended Use Plan

A joint public meeting will be held by the Oklahoma Water Resources Board and the Oklahoma Department of Environmental Quality (DEQ) to receive comments on the draft state fiscal year 2021 Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) Intended Use Plans and Project Priority Lists. The CWSRF Public Meeting will be held on Tuesday, June 2, at 10 a.m. with the DWSRF Public Meeting immediately following. The public is welcome to attend by joining the following link, <https://bit.ly/3cXR0E>. The CWSRF and DWSRF Public Meetings will be recorded and available, after the event, through Facebook at <https://www.facebook.com/okwaterboard> and <https://www.facebook.com/DEQOklahoma>.

A copy of the draft plan will be available on the DEQ website at: <https://www.deq.ok.gov/wp-content/uploads/water-division/Draft-IUP-SFY21.pdf>. A copy may also be obtained by contacting Vicki Reed by phone at (405) 702-8128, or by E-mail at Vicki.Reed@deq.ok.gov, or by mail at Water Quality Division, DWSRF Section, Department of Environmental Quality, P.O. Box 1677, Oklahoma City, OK 73101-1677. The comment period will remain open until July 3, 2020. For more information on this public meeting call Vicki Reed at: (405) 702-8128.

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Attachment 3

Capacity Model For SFY 2020

Oklahoma Water Resources Board
Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
Projected Future Program Cashflows

Summary of Assumed Drinking Water Funding Capacity

Fiscal Year	(1) Bonds Sold	Costs of Issuance @ 1.00%	Net Bond Funded Loans	(2) Recycling Federal Cap Grants	(3) Assumed State Match	Transfer from Clean Water	Total Direct Loans	(4) Recycled Loans	Total Loans Funded in Program	Principal Forgiveness Loans	Total Annual Loan Funding	Cumulative Program Loans Originated Since FY2010
2010	94,460,000	721,697	87,330,040	10,305,033	2,630,200	4,339,830	17,275,063	34,500,000	139,105,103	32,219,168	171,324,271	171,324,271
2011	57,910,000	592,313	55,425,946	12,549,363	3,372,600	4,339,830	20,261,793	27,462,694	103,150,433	5,058,900	108,209,333	279,533,604
2012	49,395,000	455,652	53,776,570	7,651,933	2,340,200	2,500,000	12,492,133	6,789,719	73,058,422	3,454,500	76,512,922	356,046,526
2013	76,915,000	709,247	44,345,175	6,522,668	2,230,200	-	8,752,868	-	53,098,042	2,230,200	55,328,242	411,374,769
2014	-	-	-	6,746,910	2,092,600	-	8,839,510	-	8,839,510	2,092,600	10,932,110	422,306,879
2015	-	-	-	6,982,990	2,850,200	-	9,833,190	-	9,833,190	2,850,200	12,683,390	434,990,269
2016	-	-	-	7,386,930	2,831,400	-	10,218,330	-	10,218,330	2,381,400	12,599,730	447,589,999
2017	-	-	-	6,483,910	2,655,800	-	9,139,710	-	9,139,710	2,678,600	11,818,310	459,408,309
2018	80,055,000	656,397	87,344,200	6,506,710	2,655,800	-	9,162,510	-	96,506,710	2,655,800	99,162,510	558,570,819
2019	-	-	-	7,716,030	3,149,400	-	10,865,430	-	10,865,430	3,149,400	14,014,830	572,585,649
2020	-	-	-	7,644,000	3,120,000	30,000,000	40,764,000	-	40,764,000	3,120,000	43,884,000	616,469,649
2021	95,000,000	950,000	90,928,000	7,648,900	3,122,000	-	10,770,900	31,309,600	133,008,500	3,122,000	136,130,500	752,600,149
2022	95,000,000	950,000	90,928,000	7,648,900	3,122,000	-	10,770,900	12,581,400	114,280,300	3,122,000	117,402,300	870,002,449
2023	90,000,000	900,000	89,100,000	-	-	-	-	14,713,100	103,813,100	-	103,813,100	973,815,549
2024	90,000,000	900,000	89,100,000	-	-	-	-	16,007,300	105,107,300	-	105,107,300	1,078,922,849
2025	50,000,000	500,000	49,500,000	-	-	-	-	22,806,100	72,306,100	-	72,306,100	1,151,228,949
2026	50,000,000	500,000	49,500,000	-	-	-	-	14,944,600	64,444,600	-	64,444,600	1,215,673,549
2027	40,000,000	400,000	39,600,000	-	-	-	-	15,919,600	55,519,600	-	55,519,600	1,271,193,149
2028	35,000,000	350,000	34,650,000	-	-	-	-	16,723,700	51,373,700	-	51,373,700	1,322,566,849
2029	35,000,000	350,000	34,650,000	-	-	-	-	17,324,600	51,974,600	-	51,974,600	1,374,541,449
2030	21,665,000	216,650	21,448,350	-	-	-	-	17,499,100	38,947,450	-	38,947,450	1,413,488,899
	960,400,000	9,151,957	917,626,281	101,794,277	36,172,400	41,179,660	179,146,337	248,581,513	1,345,354,131	68,134,768	1,413,488,899	

- (1) All Bonds assumed to be 30 yr w/ approx. level debt service & structured to reflect an average coverage of 1.40x. See underlying schedules for detailed bond rates and amorts.
- (2) Federal Cap Grants including transfers from Clean Water less Set-Asides and Principal Forgiveness funds. See additional schedules for details.
- (3) State Match funded with bond proceeds. Assumed at 20% of available Cap Grant.
- (4) Recycled loans are originated with existing cash balances and excess Revenue Funds, after bond debt service has been paid.

Note: All Future Loans assume 30% subsidy, 30 year level structure. See underlying schedules for detailed cash flow analysis.

Proof of Perpetuity:	
To-Date Capitalization to Preserve:	323,893,658
Future Grant Transfers from CWSRF	-
Assumed Future DW Capitalization:	27,785,800
Total Preservation Requirement:	351,679,458
Equity Fund Balance 4/1/2062:	435,574,392
Perpetuity Excess/(Shortfall):	83,894,934

Historical Bond Issuances:		
Series	Delivery	Par Sold
2003	10/29/03	122,910,000
2004	10/26/04	83,405,000
2010	01/13/10	94,460,000
2011	04/03/11	57,910,000
2012	06/12/12	49,395,000
2013A	09/19/13	41,410,000
2013B (Ref)	09/19/13	35,505,000
2016	10/19/16	90,000,000
2018	03/22/18	80,055,000
2019 (Ref)	12/19/19	28,210,000
	Total:	683,260,000

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

Projected Cashflow & Coverage Schedule

Date	Existing DW Debt Service	Plus: FUTURE DS	Total Net Debt Service	DSRF Earnings	Revenue Fund Earnings	Total Earnings	Existing & Projected DW Loan P&I	FUTURE Loans	Total Loan P& I	Total Annual Revenues	Excess Annual Revenues	Transfer (to)/from Program Equity	DSRF Release	Total Funds To Pay Debt Service	Annual Coverage
04/01/20															
04/01/21	24,594,484	-	24,594,484	558,660	-	558,660	34,159,957	-	34,159,957	34,718,617	10,124,133	(10,124,133)	2,361,565	37,080,182	1.51x
04/01/22	24,665,728	1,603,125	26,268,853	444,013	0	444,014	34,900,660	1,132,263	36,032,922	36,476,936	10,208,083	(10,208,083)	2,373,350	38,850,286	1.48x
04/01/23	24,789,425	5,776,875	30,566,300	322,753	0	322,753	35,670,189	6,801,045	42,471,234	42,793,988	12,227,688	(12,227,688)	2,485,334	45,279,322	1.48x
04/01/24	24,186,540	9,527,550	33,714,090	198,080	0	198,080	35,177,491	11,828,437	47,005,929	47,204,008	13,489,918	(13,489,918)	2,517,461	49,721,469	1.47x
04/01/25	22,809,522	13,029,575	35,839,097	75,449	0	75,449	33,266,132	16,839,444	50,105,576	50,181,026	14,341,929	(14,341,929)	8,464,176	58,645,201	1.64x
04/01/26	17,953,858	19,397,463	37,351,320	-	1	1	30,654,549	21,641,314	52,295,863	52,295,863	14,944,543	(14,944,543)	-	52,295,863	1.40x
04/01/27	17,243,905	22,543,225	39,787,130	-	0	0	30,392,476	25,314,244	55,706,720	55,706,720	15,919,590	(15,919,590)	-	55,706,720	1.40x
04/01/28	16,808,111	24,984,738	41,792,849	-	0	0	29,874,553	28,641,982	58,516,534	58,516,534	16,723,686	(16,723,686)	-	58,516,534	1.40x
04/01/29	16,526,128	27,199,425	43,725,553	-	0	0	29,462,102	31,588,103	61,050,205	61,050,205	17,324,652	(17,324,652)	-	61,050,205	1.40x
04/01/30	15,882,878	29,465,325	45,348,203	-	0	0	28,455,412	34,391,875	62,847,287	62,847,287	17,499,084	(17,499,084)	-	62,847,287	1.39x
04/01/31	14,973,063	31,295,563	46,268,625	-	0	0	27,204,262	36,989,828	64,194,654	64,194,655	17,926,030	(17,926,030)	-	64,194,655	1.39x
04/01/32	13,929,328	32,176,250	46,105,578	-	89,630	89,630	26,014,083	38,425,873	64,439,955	64,529,586	18,424,007	(18,424,007)	-	64,529,586	1.40x
04/01/33	12,708,937	32,957,200	45,666,137	-	182,199	182,199	25,307,223	38,425,873	63,733,095	63,915,294	18,249,157	(18,249,157)	-	63,915,294	1.40x
04/01/34	12,350,672	33,008,950	45,359,622	-	274,355	274,355	24,785,089	38,425,873	63,210,961	63,485,316	18,125,694	(18,125,694)	-	63,485,316	1.40x
04/01/35	10,404,410	32,956,413	43,360,823	-	366,356	366,356	21,890,381	38,425,873	60,316,253	60,682,609	17,321,786	(17,321,786)	-	60,682,609	1.40x
04/01/36	10,051,577	32,492,338	42,543,915	-	454,796	454,796	20,663,067	38,425,873	59,088,939	59,543,736	16,999,821	(16,999,821)	-	59,543,736	1.40x
04/01/37	9,787,215	32,726,438	42,513,652	-	542,069	542,069	20,533,249	38,425,873	58,959,122	59,501,191	16,987,539	(16,987,539)	-	59,501,191	1.40x
04/01/38	9,457,115	33,134,725	42,591,840	-	629,717	629,717	20,552,930	38,425,873	58,978,803	59,608,520	17,016,681	(17,016,681)	-	59,608,520	1.40x
04/01/39	4,745,406	37,751,838	42,497,243	-	717,949	717,949	20,330,159	38,425,873	58,756,031	59,473,981	16,976,738	(16,976,738)	-	59,473,981	1.40x
04/01/40	4,354,817	36,493,138	40,847,954	-	806,423	806,423	17,934,200	38,425,873	56,360,073	57,166,496	16,318,541	(16,318,541)	-	57,166,496	1.40x
04/01/41	4,831,900	35,567,800	40,399,700	-	892,048	892,048	17,221,228	38,425,873	55,647,101	56,539,148	16,139,449	(16,139,449)	-	56,539,148	1.40x
04/01/42	1,028,887	37,808,863	38,837,750	-	977,205	977,205	14,951,461	38,425,873	53,377,333	54,354,538	15,516,789	(15,516,789)	-	54,354,538	1.40x
04/01/43	1,964,063	36,754,113	38,718,175	-	1,059,675	1,059,675	14,701,290	38,425,873	53,127,163	54,186,838	15,468,663	(15,468,663)	-	54,186,838	1.40x
04/01/44	-	38,435,163	38,435,163	-	1,142,317	1,142,317	14,219,625	38,425,873	52,645,498	53,787,815	15,352,652	(15,352,652)	-	53,787,815	1.40x
04/01/45	-	38,135,800	38,135,800	-	1,224,792	1,224,792	13,716,412	38,425,873	52,142,284	53,367,076	15,231,276	(15,231,276)	-	53,367,076	1.40x
04/01/46	-	38,173,513	38,173,513	-	1,307,072	1,307,072	13,692,539	38,425,873	52,118,412	53,425,484	15,251,971	(15,251,971)	-	53,425,484	1.40x
04/01/47	-	37,548,700	37,548,700	-	1,389,867	1,389,867	12,735,536	38,425,873	51,161,408	52,551,275	15,002,575	(15,002,575)	-	52,551,275	1.40x
04/01/48	-	35,607,225	35,607,225	-	1,471,829	1,471,829	9,936,354	38,425,873	48,362,227	49,834,056	14,226,831	(14,226,831)	-	49,834,056	1.40x
04/01/49	-	34,332,600	34,332,600	-	1,550,323	1,550,323	8,067,824	38,425,873	46,493,697	48,044,020	13,711,420	(13,711,420)	-	48,044,020	1.40x
04/01/50	-	32,437,025	32,437,025	-	1,626,632	1,626,632	5,341,118	38,425,873	43,766,991	45,393,622	12,956,597	(12,956,597)	-	45,393,622	1.40x
04/01/51	-	29,384,275	29,384,275	-	1,699,548	1,699,548	998,647	38,425,873	39,424,519	41,124,067	11,739,792	(11,739,792)	-	41,124,067	1.40x
04/01/52	-	29,241,213	29,241,213	-	1,766,744	1,766,744	730,949	38,425,873	39,156,822	40,923,566	11,682,354	(11,682,354)	-	40,923,566	1.40x
04/01/53	-	24,906,813	24,906,813	-	1,833,990	1,833,990	192,369	38,425,873	33,020,814	34,854,804	9,947,992	(9,947,992)	-	34,854,804	1.40x
04/01/54	-	21,203,963	21,203,963	-	1,892,900	1,892,900	-	27,778,309	27,778,309	29,671,209	8,467,246	(8,467,246)	-	29,671,209	1.40x
04/01/55	-	17,802,613	17,802,613	-	1,944,700	1,944,700	-	22,965,962	22,965,962	24,910,662	7,108,050	(7,108,050)	-	24,910,662	1.40x
04/01/56	-	14,189,413	14,189,413	-	1,989,964	1,989,964	-	17,860,112	17,860,112	19,850,076	5,660,664	(5,660,664)	-	19,850,076	1.40x
04/01/57	-	11,588,750	11,588,750	-	2,028,217	2,028,217	-	14,183,020	14,183,020	16,211,237	4,622,487	(4,622,487)	-	16,211,237	1.40x
04/01/58	-	9,163,250	9,163,250	-	2,061,471	2,061,471	-	10,755,484	10,755,484	12,816,955	3,653,705	(3,653,705)	-	12,816,955	1.40x
04/01/59	-	7,028,750	7,028,750	-	2,090,047	2,090,047	-	7,736,809	7,736,809	9,826,856	2,798,106	(2,798,106)	-	9,826,856	1.40x
04/01/60	-	5,050,500	5,050,500	-	2,114,488	2,114,488	-	4,943,553	4,943,553	7,058,040	2,007,540	(2,007,540)	-	7,058,040	1.40x
04/01/61	-	-	-	-	2,135,098	2,135,098	-	2,117,625	2,117,625	4,252,722	4,252,722	-	-	4,252,722	1.40x
	316,047,968	1,023,401,688	1,339,449,655	1,598,954	25,843,141	27,442,095	673,734,081	1,123,653,422	1,797,387,503	1,824,829,598	494,907,493	(501,923,382)	18,201,886	1,856,061,059	

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

Program Equity Fund

Date	Beginning Balance	Interest @ 0.50%	DSRF Release	Max Amount Available for D/S If Defaults Occur	Transfer From/(To) Revenue Fund	New Loan Origination	Ending Balance
04/01/20							18,823,963
04/01/21	18,823,963	-	2,361,565	21,185,528	10,124,133	(31,309,600)	60
04/01/22	60	0	2,373,350	2,373,411	10,208,083	(12,581,400)	94
04/01/23	94	0	2,485,334	2,485,428	12,227,688	(14,713,100)	16
04/01/24	16	0	2,517,461	2,517,477	13,489,918	(16,007,300)	95
04/01/25	95	0	8,464,176	8,464,271	14,341,929	(22,806,100)	100
04/01/26	100	1	-	101	14,944,543	(14,944,600)	44
04/01/27	44	0		44	15,919,590	(15,919,600)	34
04/01/28	34	0		34	16,723,686	(16,723,700)	20
04/01/29	20	0		20	17,324,652	(17,324,600)	72
04/01/30	72	0		72	17,499,084	(17,499,100)	56
04/01/31	56	0		56	17,926,030	-	17,926,086
04/01/32	17,926,086	89,630		18,015,717	18,424,007	-	36,439,724
04/01/33	36,439,724	182,199		36,621,923	18,249,157	-	54,871,080
04/01/34	54,871,080	274,355		55,145,435	18,125,694	-	73,271,129
04/01/35	73,271,129	366,356		73,637,485	17,321,786	-	90,959,271
04/01/36	90,959,271	454,796		91,414,068	16,999,821	-	108,413,888
04/01/37	108,413,888	542,069		108,955,958	16,987,539	-	125,943,497
04/01/38	125,943,497	629,717		126,573,215	17,016,681	-	143,589,895
04/01/39	143,589,895	717,949		144,307,845	16,976,738	-	161,284,582
04/01/40	161,284,582	806,423		162,091,005	16,318,541	-	178,409,547
04/01/41	178,409,547	892,048		179,301,595	16,139,449	-	195,441,043
04/01/42	195,441,043	977,205		196,418,248	15,516,789	-	211,935,037
04/01/43	211,935,037	1,059,675		212,994,712	15,468,663	-	228,463,375
04/01/44	228,463,375	1,142,317		229,605,692	15,352,652	-	244,958,344
04/01/45	244,958,344	1,224,792		246,183,136	15,231,276	-	261,414,412
04/01/46	261,414,412	1,307,072		262,721,484	15,251,971	-	277,973,456
04/01/47	277,973,456	1,389,867		279,363,323	15,002,575	-	294,365,898
04/01/48	294,365,898	1,471,829		295,837,728	14,226,831	-	310,064,559
04/01/49	310,064,559	1,550,323		311,614,882	13,711,420	-	325,326,302
04/01/50	325,326,302	1,626,632		326,952,933	12,956,597	-	339,909,531
04/01/51	339,909,531	1,699,548		341,609,078	11,739,792	-	353,348,870
04/01/52	353,348,870	1,766,744		355,115,615	11,682,354	-	366,797,968
04/01/53	366,797,968	1,833,990		368,631,958	9,947,992	-	378,579,950
04/01/54	378,579,950	1,892,900		380,472,849	8,467,246	-	388,940,096
04/01/55	388,940,096	1,944,700		390,884,796	7,108,050	-	397,992,846
04/01/56	397,992,846	1,989,964		399,982,810	5,660,664	-	405,643,474
04/01/57	405,643,474	2,028,217		407,671,691	4,622,487	-	412,294,178
04/01/58	412,294,178	2,061,471		414,355,649	3,653,705	-	418,009,354
04/01/59	418,009,354	2,090,047		420,099,401	2,798,106	-	422,897,507
04/01/60	422,897,507	2,114,488		425,011,995	2,007,540	-	427,019,535
04/01/61	427,019,535	2,135,098		429,154,633	4,252,722	-	433,407,355
04/01/62	433,407,355	2,167,037		435,574,392	-	-	435,574,392
		22,005,540	18,201,886		499,377,661	(179,829,100)	

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Recycled Loans

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
	1	2	3	4	5	6	7	8	9	10	
Principal:	\$31,309,600	\$12,581,400	\$14,713,100	\$16,007,300	\$22,806,100	\$14,944,600	\$15,919,600	\$16,723,700	\$17,324,600	\$17,499,100	179,829,100
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%	Projected
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30	Drinking Water
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/30	04/01/31	04/01/32	Recycled
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/59	04/01/60	04/01/61	Loans
Pmt Periods	32	32	32	32	32	32	32	32	32	32	

Date	Debt Service	Total Debt Service										
04/01/22	246,563	-	-	-	-	-	-	-	-	-	-	246,563
04/01/23	1,317,609	121,096	-	-	-	-	-	-	-	-	-	1,438,705
04/01/24	1,317,609	555,982	167,362	-	-	-	-	-	-	-	-	2,040,953
04/01/25	1,317,609	555,982	682,039	210,096	-	-	-	-	-	-	-	2,765,726
04/01/26	1,317,609	555,982	682,039	777,595	339,241	-	-	-	-	-	-	3,672,465
04/01/27	1,317,609	555,982	682,039	777,595	1,159,793	248,454	-	-	-	-	-	4,741,472
04/01/28	1,317,609	555,982	682,039	777,595	1,159,793	794,840	278,593	-	-	-	-	5,566,451
04/01/29	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	292,665	-	-	-	6,446,092
04/01/30	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	303,181	-	-	7,365,898
04/01/31	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	306,234	-	8,310,913
04/01/32	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/33	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/34	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/35	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/36	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/37	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/38	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/39	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/40	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/41	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/42	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/43	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/44	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/45	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/46	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/47	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/48	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/49	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/50	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/51	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/52	1,317,609	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	8,956,128
04/01/53	-	555,982	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	7,638,519
04/01/54	-	-	682,039	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	7,082,537
04/01/55	-	-	-	777,595	1,159,793	794,840	865,570	909,290	941,962	951,449	-	6,400,499
04/01/56	-	-	-	-	1,159,793	794,840	865,570	909,290	941,962	951,449	-	5,622,904
04/01/57	-	-	-	-	-	794,840	865,570	909,290	941,962	951,449	-	4,463,111
04/01/58	-	-	-	-	-	-	865,570	909,290	941,962	951,449	-	3,668,271
04/01/59	-	-	-	-	-	-	-	909,290	941,962	951,449	-	2,802,701
04/01/60	-	-	-	-	-	-	-	-	941,962	951,449	-	1,893,411
04/01/61	-	-	-	-	-	-	-	-	-	951,449	-	951,449
	39,774,837	16,800,554	20,628,522	23,537,932	35,133,042	24,093,656	26,245,689	27,571,360	28,562,028	28,849,715		271,197,335

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Recycled Loans

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Projected Drinking Water Recycled Loans
	1	2	3	4	5	6	7	8	9	10	
Principal:	31,309,600	12,581,400	14,713,100	16,007,300	22,806,100	14,944,600	15,919,600	16,723,700	17,324,600	17,499,100	
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%	
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30	
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/30	04/01/31	04/01/32	
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/59	04/01/60	04/01/61	
Pmt Periods	32	32	32	32	32	32	32	32	32	32	

Date	Principal	Total Principal									
04/01/22	-	-	-	-	-	-	-	-	-	-	-
04/01/23	824,483	-	-	-	-	-	-	-	-	-	824,483
04/01/24	837,469	313,790	-	-	-	-	-	-	-	-	1,151,259
04/01/25	850,659	319,830	347,316	-	-	-	-	-	-	-	1,517,805
04/01/26	864,057	325,987	355,217	357,403	-	-	-	-	-	-	1,902,664
04/01/27	877,665	332,262	363,298	366,785	481,312	-	-	-	-	-	2,421,323
04/01/28	891,489	338,658	371,563	376,413	495,631	297,932	-	-	-	-	2,771,686
04/01/29	905,530	345,178	380,016	386,294	510,376	307,838	308,384	-	-	-	3,143,615
04/01/30	919,792	351,822	388,662	396,434	525,560	318,074	319,177	323,960	-	-	3,543,481
04/01/31	934,278	358,595	397,504	406,840	541,195	328,650	330,348	335,299	335,601	-	3,968,310
04/01/32	948,993	365,498	406,547	417,520	557,296	339,578	341,911	347,034	347,347	338,981	4,410,704
04/01/33	963,940	372,534	415,796	428,480	573,875	350,869	353,878	359,181	359,504	350,845	4,528,900
04/01/34	979,122	379,705	425,255	439,727	590,948	362,535	366,263	371,752	372,086	363,125	4,650,519
04/01/35	994,543	387,014	434,930	451,270	608,529	374,589	379,082	384,763	385,109	375,834	4,775,665
04/01/36	1,010,207	394,464	444,825	463,116	626,632	387,044	392,350	398,230	398,588	388,988	4,904,446
04/01/37	1,026,118	402,058	454,944	475,273	645,275	399,913	406,083	412,168	412,539	402,603	5,036,973
04/01/38	1,042,279	409,797	465,294	487,749	664,472	413,211	420,296	426,594	426,978	416,694	5,173,363
04/01/39	1,058,695	417,686	475,880	500,552	684,240	426,950	435,006	441,525	441,922	431,278	5,313,733
04/01/40	1,075,370	425,726	486,706	513,692	704,596	441,146	450,231	456,978	457,389	446,373	5,458,207
04/01/41	1,092,307	433,922	497,779	527,176	725,557	455,814	465,989	472,972	473,398	461,996	5,606,910
04/01/42	1,109,511	442,275	509,103	541,014	747,143	470,970	482,299	489,526	489,967	478,166	5,759,973
04/01/43	1,126,985	450,788	520,685	555,216	769,370	486,630	499,179	506,660	507,116	494,902	5,917,531
04/01/44	1,144,735	459,466	532,531	569,790	792,259	502,810	516,651	524,393	524,865	512,223	6,079,723
04/01/45	1,162,765	468,311	544,646	584,747	815,829	519,528	534,733	542,747	543,235	530,151	6,246,692
04/01/46	1,181,079	477,326	557,036	600,097	840,100	536,803	553,449	561,743	562,248	548,706	6,418,587
04/01/47	1,199,681	486,514	569,709	615,850	865,093	554,652	572,820	581,404	581,927	567,911	6,595,559
04/01/48	1,218,575	495,880	582,670	632,016	890,829	573,094	592,868	601,753	602,294	587,788	6,777,767
04/01/49	1,237,768	505,425	595,926	648,606	917,331	592,149	613,619	622,814	623,374	608,361	6,965,374
04/01/50	1,257,263	515,155	609,483	665,632	944,622	611,838	635,095	644,613	645,193	629,653	7,158,547
04/01/51	1,277,065	525,072	623,349	683,105	972,724	632,182	657,324	667,174	667,774	651,691	7,357,459
04/01/52	1,297,179	535,179	637,530	701,036	1,001,663	653,202	680,330	690,525	691,146	674,500	7,562,291
04/01/53	-	545,481	652,034	719,439	1,031,462	674,921	704,142	714,694	715,337	698,108	6,455,616
04/01/54	-	-	666,867	738,324	1,062,148	697,362	728,787	739,708	740,373	722,542	6,096,111
04/01/55	-	-	-	757,705	1,093,747	720,549	754,294	765,598	766,286	747,831	5,606,010
04/01/56	-	-	-	-	1,126,286	744,507	780,694	792,394	793,106	774,005	5,010,993
04/01/57	-	-	-	-	-	769,262	808,019	820,127	820,865	801,095	4,019,368
04/01/58	-	-	-	-	-	-	836,299	848,832	849,595	829,133	3,363,860
04/01/59	-	-	-	-	-	-	-	878,541	879,331	858,153	2,616,025
04/01/60	-	-	-	-	-	-	-	-	910,108	888,188	1,798,296
04/01/61	-	-	-	-	-	-	-	-	-	919,275	919,275
	31,309,600	12,581,400	14,713,100	16,007,300	22,806,100	14,944,600	15,919,600	16,723,700	17,324,600	17,499,100	179,829,100

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Recycled Loans

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	1	2	3	4	5	6	7	8	9	10
Principal:	31,309,600	12,581,400	14,713,100	16,007,300	22,806,100	14,944,600	15,919,600	16,723,700	17,324,600	17,499,100
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/30	04/01/31	04/01/32
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/59	04/01/60	04/01/61
Pmt Periods	32	32	32	32	32	32	32	32	32	32

Projected
 Drinking Water
 Recycled
 Loans

Date	Interest	Interest	Interest	Interest	Interest	Interest	Interest	Interest	Interest	Interest	Total Interest
04/01/22	246,563	-	-	-	-	-	-	-	-	-	246,563
04/01/23	493,126	121,096	-	-	-	-	-	-	-	-	614,222
04/01/24	480,141	242,192	167,362	-	-	-	-	-	-	-	889,694
04/01/25	466,950	236,151	334,723	210,096	-	-	-	-	-	-	1,247,921
04/01/26	453,553	229,995	326,822	420,192	339,241	-	-	-	-	-	1,769,801
04/01/27	439,944	223,720	318,740	410,810	678,481	248,454	-	-	-	-	2,320,149
04/01/28	426,120	217,323	310,475	401,182	664,162	496,908	278,593	-	-	-	2,794,764
04/01/29	412,080	210,804	302,022	391,301	649,417	487,002	557,186	292,665	-	-	3,302,477
04/01/30	397,817	204,160	293,377	381,161	634,234	476,766	546,393	585,330	303,181	-	3,822,417
04/01/31	383,331	197,387	284,535	370,754	618,598	466,190	535,221	573,991	606,361	306,234	4,342,603
04/01/32	368,616	190,484	275,492	360,075	602,498	455,263	523,659	562,255	594,615	612,469	4,545,425
04/01/33	353,669	183,448	266,243	349,115	585,918	443,972	511,692	550,109	582,458	600,604	4,427,228
04/01/34	338,487	176,277	256,783	337,867	568,845	432,305	499,307	537,538	569,875	588,325	4,305,610
04/01/35	323,066	168,968	247,109	326,324	551,265	420,251	486,487	524,527	556,852	575,615	4,180,464
04/01/36	307,402	161,518	237,214	314,479	533,161	407,796	473,219	511,060	543,373	562,461	4,051,683
04/01/37	291,491	153,924	227,094	302,322	514,519	394,927	459,487	497,122	529,423	548,846	3,919,155
04/01/38	275,330	146,185	216,744	289,846	495,322	381,629	445,274	482,696	514,984	534,755	3,782,765
04/01/39	258,914	138,296	206,159	277,042	475,554	367,890	430,564	467,765	500,040	520,171	3,642,395
04/01/40	242,239	130,256	195,333	263,903	455,198	353,694	415,339	452,312	484,572	505,076	3,497,922
04/01/41	225,302	122,060	184,260	250,419	434,236	339,026	399,581	436,318	468,564	489,453	3,349,219
04/01/42	208,099	113,707	172,936	236,580	412,651	323,870	383,271	419,764	451,995	473,283	3,196,155
04/01/43	190,624	105,194	161,354	222,379	390,423	308,210	366,391	402,630	434,846	456,548	3,038,597
04/01/44	172,874	96,516	149,508	207,804	367,534	292,030	348,919	384,897	417,097	439,226	2,876,405
04/01/45	154,844	87,671	137,393	192,847	343,965	275,312	330,837	366,543	398,727	421,298	2,709,436
04/01/46	136,531	78,656	125,002	177,497	319,694	258,037	312,121	347,547	379,714	402,743	2,537,542
04/01/47	117,929	69,468	112,330	161,745	294,701	240,189	292,750	327,886	360,035	383,538	2,360,569
04/01/48	99,034	60,102	99,369	145,579	268,964	221,746	272,701	307,537	339,667	363,661	2,178,361
04/01/49	79,841	50,557	86,113	128,988	242,462	202,691	251,951	286,476	318,587	343,089	1,990,755
04/01/50	60,346	40,827	72,556	111,963	215,171	183,002	230,474	264,677	296,769	321,796	1,797,582
04/01/51	40,544	30,910	58,690	94,490	187,069	162,658	208,246	242,116	274,187	299,758	1,598,669
04/01/52	20,431	20,803	44,509	76,558	158,130	141,638	185,240	218,765	250,815	276,949	1,393,838
04/01/53	-	10,501	30,005	58,156	128,331	119,919	161,428	194,596	226,625	253,341	1,182,903
04/01/54	-	-	15,171	39,271	97,645	97,478	136,783	169,582	201,588	228,908	986,427
04/01/55	-	-	-	19,890	66,046	74,291	111,276	143,692	175,675	203,619	794,489
04/01/56	-	-	-	-	33,507	50,333	84,875	116,896	148,855	177,445	611,911
04/01/57	-	-	-	-	-	25,578	57,551	89,163	121,096	150,355	443,743
04/01/58	-	-	-	-	-	-	29,270	60,458	92,366	122,316	304,411
04/01/59	-	-	-	-	-	-	-	30,749	62,630	93,297	186,676
04/01/60	-	-	-	-	-	-	-	-	31,854	63,261	95,115
04/01/61	-	-	-	-	-	-	-	-	-	32,175	32,175
	8,465,237	4,219,154	5,915,422	7,530,632	12,326,942	9,149,056	10,326,089	10,847,660	11,237,428	11,350,615	91,368,235

Oklahoma Water Resources Board
Clean Water Program

Projected Future Clean Water Direct Loans

Funded Date:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
	1	2	3	4	5	6	7	8	9	10	
Principal:	\$10,770,900	\$10,770,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%	
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30	
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/29	04/01/30	04/01/31	
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/58	04/01/59	04/01/60	
Pmt Periods	32	32	32	32	32	32	32	32	32	32	

Date	Debt Service	Total Debt Service										
04/01/20	-	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-	-
04/01/22	169,642	-	-	-	-	-	-	-	-	-	-	169,642
04/01/23	453,274	207,340	-	-	-	-	-	-	-	-	-	660,614
04/01/24	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/25	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/26	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/27	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/28	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/29	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/30	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/31	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/32	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/33	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/34	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/35	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/36	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/37	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/38	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/39	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/40	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/41	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/42	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/43	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/44	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/45	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/46	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/47	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/48	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/49	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/50	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/51	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/52	453,274	475,975	-	-	-	-	-	-	-	-	-	929,249
04/01/53	-	475,975	-	-	-	-	-	-	-	-	-	475,975
	13,767,870	14,486,575	0	0	0	0	0	0	0	0	0	28,254,445

Projected
Drinking Water
Direct
Loans

Oklahoma Water Resources Board
Clean Water Program

Projected Future Clean Water Direct Loans

Funded Date:	2021	2022	2023	
	1	2	3	
Principal:	10,770,900	10,770,900	0	Projected Drinking Water Direct Loans
Rate:	1.575%	1.925%	2.275%	
First Interest	10/01/21	10/01/22	10/01/23	
First Principal	04/01/23	04/01/24	04/01/25	
Last Payment:	04/01/52	04/01/53	04/01/54	
Pmt Periods	32	32	32	

Date	Principal	Principal	Principal	Total Principal
04/01/20	-	-	-	-
04/01/21	-	-	-	-
04/01/22	-	-	-	-
04/01/23	283,633	-	-	283,633
04/01/24	288,100	268,635	-	556,734
04/01/25	292,637	273,806	-	566,443
04/01/26	297,246	279,077	-	576,323
04/01/27	301,928	284,449	-	586,377
04/01/28	306,683	289,925	-	596,608
04/01/29	311,514	295,506	-	607,019
04/01/30	316,420	301,194	-	617,614
04/01/31	321,404	306,992	-	628,396
04/01/32	326,466	312,902	-	639,367
04/01/33	331,608	318,925	-	650,533
04/01/34	336,830	325,064	-	661,895
04/01/35	342,135	331,322	-	673,457
04/01/36	347,524	337,700	-	685,224
04/01/37	352,998	344,200	-	697,198
04/01/38	358,557	350,826	-	709,384
04/01/39	364,205	357,580	-	721,784
04/01/40	369,941	364,463	-	734,404
04/01/41	375,767	371,479	-	747,246
04/01/42	381,686	378,630	-	760,316
04/01/43	387,697	385,919	-	773,616
04/01/44	393,804	393,348	-	787,151
04/01/45	400,006	400,920	-	800,925
04/01/46	406,306	408,637	-	814,943
04/01/47	412,705	416,504	-	829,209
04/01/48	419,205	424,521	-	843,727
04/01/49	425,808	432,693	-	858,501
04/01/50	432,514	441,023	-	873,537
04/01/51	439,327	449,512	-	888,839
04/01/52	446,246	458,165	-	904,411
04/01/53	-	466,985	-	466,985
	<u>10,770,900</u>	<u>10,770,900</u>	<u>0</u>	<u>21,541,800</u>

Oklahoma Water Resources Board
Clean Water Program

Projected Future Clean Water Direct Loans

Funded Date:	2021	2022	2023	
	1	2	3	
Principal:	10,770,900	10,770,900	0	Projected Drinking Water Direct Loans
Rate:	1.575%	1.925%	2.275%	
First Interest	10/01/21	10/01/22	10/01/23	
First Principal	04/01/23	04/01/24	04/01/25	
Last Payment:	04/01/52	04/01/53	04/01/54	
Pmt Periods	32	32	32	

Date	Interest	Interest	Interest	Total Interest
04/01/20	-	-	-	-
04/01/21	-	-	-	-
04/01/22	169,642	-	-	169,642
04/01/23	169,642	207,340	-	376,982
04/01/24	165,174	207,340	-	372,514
04/01/25	160,637	202,169	-	362,805
04/01/26	156,028	196,898	-	352,926
04/01/27	151,346	191,526	-	342,872
04/01/28	146,591	186,050	-	332,641
04/01/29	141,761	180,469	-	322,230
04/01/30	136,854	174,780	-	311,635
04/01/31	131,871	168,982	-	300,853
04/01/32	126,809	163,073	-	289,881
04/01/33	121,667	157,050	-	278,716
04/01/34	116,444	150,910	-	267,354
04/01/35	111,139	144,653	-	255,792
04/01/36	105,750	138,275	-	244,025
04/01/37	100,277	131,774	-	232,051
04/01/38	94,717	125,148	-	219,865
04/01/39	89,070	118,395	-	207,464
04/01/40	83,333	111,511	-	194,845
04/01/41	77,507	104,495	-	182,002
04/01/42	71,589	97,344	-	168,933
04/01/43	65,577	90,056	-	155,633
04/01/44	59,471	82,627	-	142,098
04/01/45	53,268	75,055	-	128,323
04/01/46	46,968	67,337	-	114,306
04/01/47	40,569	59,471	-	100,040
04/01/48	34,069	51,453	-	85,522
04/01/49	27,466	43,281	-	70,748
04/01/50	20,760	34,952	-	55,712
04/01/51	13,948	26,462	-	40,410
04/01/52	7,028	17,809	-	24,838
04/01/53	-	8,989	-	8,989
	2,996,970	3,715,675	0	6,712,645

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Leveraged Loans

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
	1	2	3	4	5	6	7	8	9	10	
Principal:	90,928,000	90,928,000	89,100,000	89,100,000	49,500,000	49,500,000	39,600,000	34,650,000	34,650,000	21,448,350	589,404,350
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%	Projected
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30	Drinking Water
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/30	04/01/31	04/01/32	Leveraged
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/59	04/01/60	04/01/61	Loans
Date	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date	Date
04/01/20	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-
04/01/22	716,058	-	-	-	-	-	-	-	-	-	716,058
04/01/23	3,826,544	875,182	-	-	-	-	-	-	-	-	4,701,726
04/01/24	3,826,544	4,018,180	1,013,513	-	-	-	-	-	-	-	8,858,236
04/01/25	3,826,544	4,018,180	4,130,309	1,169,438	-	-	-	-	-	-	13,144,470
04/01/26	3,826,544	4,018,180	4,130,309	4,328,255	736,313	-	-	-	-	-	17,039,600
04/01/27	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	822,938	-	-	-	-	19,643,524
04/01/28	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	693,000	-	-	-	22,146,282
04/01/29	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	606,375	-	-	24,212,762
04/01/30	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	606,375	-	26,096,728
04/01/31	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	375,346	27,749,666
04/01/32	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/33	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/34	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/35	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/36	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/37	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/38	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/39	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/40	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/41	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/42	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/43	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/44	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/45	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/46	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/47	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/48	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/49	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/50	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/51	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/52	3,826,544	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	28,540,495
04/01/53	-	4,018,180	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	24,713,951
04/01/54	-	-	4,130,309	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	20,695,772
04/01/55	-	-	-	4,328,255	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	16,565,463
04/01/56	-	-	-	-	2,517,299	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	12,237,208
04/01/57	-	-	-	-	-	2,632,696	2,153,105	1,883,967	1,883,967	1,166,175	9,719,909
04/01/58	-	-	-	-	-	-	2,153,105	1,883,967	1,883,967	1,166,175	7,087,213
04/01/59	-	-	-	-	-	-	-	1,883,967	1,883,967	1,166,175	4,934,109
04/01/60	-	-	-	-	-	-	-	-	1,883,967	1,166,175	3,050,142
04/01/61	-	-	-	-	-	-	-	-	-	1,166,175	1,166,175
	115,512,378	121,420,571	124,922,777	131,017,084	76,255,282	79,803,808	65,286,142	57,125,374	57,125,374	35,360,607	863,829,397

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Leveraged Loans

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
	1	2	3	4	5	6	7	8	9	10	
Principal:	90,928,000	90,928,000	89,100,000	89,100,000	49,500,000	49,500,000	39,600,000	34,650,000	34,650,000	21,448,350	Projected Drinking Water Leveraged Loans
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%	
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30	
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/30	04/01/31	04/01/32	
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/59	04/01/60	04/01/61	
Date	Principal*	Principal*	Principal								
04/01/20	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-
04/01/22	-	-	-	-	-	-	-	-	-	-	-
04/01/23	2,394,428	-	-	-	-	-	-	-	-	-	2,394,428
04/01/24	2,432,140	2,267,816	-	-	-	-	-	-	-	-	4,699,956
04/01/25	2,470,446	2,311,471	2,103,284	-	-	-	-	-	-	-	6,885,201
04/01/26	2,509,356	2,355,967	2,151,134	1,989,380	-	-	-	-	-	-	9,005,836
04/01/27	2,548,878	2,401,319	2,200,072	2,041,601	1,044,674	-	-	-	-	-	10,236,544
04/01/28	2,589,023	2,447,545	2,250,123	2,095,193	1,075,753	986,821	-	-	-	-	11,444,458
04/01/29	2,629,800	2,494,660	2,301,314	2,150,192	1,107,757	1,019,632	767,105	-	-	-	12,470,460
04/01/30	2,671,220	2,542,682	2,353,669	2,206,635	1,140,712	1,053,535	793,953	671,217	-	-	13,433,623
04/01/31	2,713,291	2,591,629	2,407,215	2,264,559	1,174,649	1,088,565	821,742	694,709	671,217	-	14,427,575
04/01/32	2,756,026	2,641,518	2,461,979	2,324,003	1,209,594	1,124,760	850,503	719,024	694,709	415,483	15,197,599
04/01/33	2,799,433	2,692,367	2,517,989	2,385,008	1,245,580	1,162,158	880,270	744,190	719,024	430,025	15,576,045
04/01/34	2,843,524	2,744,195	2,575,273	2,447,615	1,282,636	1,200,800	911,080	770,237	744,190	445,076	15,964,625
04/01/35	2,888,310	2,797,021	2,633,860	2,511,865	1,320,794	1,240,727	942,968	797,195	770,237	460,654	16,363,629
04/01/36	2,933,801	2,850,863	2,693,781	2,577,801	1,360,088	1,281,981	975,971	825,097	797,195	476,776	16,773,354
04/01/37	2,980,008	2,905,742	2,755,064	2,645,469	1,400,551	1,324,607	1,010,130	853,975	825,097	493,464	17,194,106
04/01/38	3,026,943	2,961,678	2,817,742	2,714,912	1,442,217	1,368,650	1,045,485	883,864	853,975	510,735	17,626,201
04/01/39	3,074,617	3,018,690	2,881,846	2,786,179	1,485,123	1,414,158	1,082,077	914,799	883,864	528,611	18,069,963
04/01/40	3,123,043	3,076,800	2,947,408	2,859,316	1,529,305	1,461,178	1,119,950	946,817	914,799	547,112	18,525,728
04/01/41	3,172,231	3,136,028	3,014,461	2,934,373	1,574,802	1,509,762	1,159,148	979,956	946,817	566,261	18,993,839
04/01/42	3,222,193	3,196,397	3,083,040	3,011,400	1,621,652	1,559,962	1,199,718	1,014,254	979,956	586,080	19,474,653
04/01/43	3,272,943	3,257,928	3,153,179	3,090,449	1,669,897	1,611,831	1,241,708	1,049,753	1,014,254	606,593	19,968,535
04/01/44	3,324,492	3,320,643	3,224,914	3,171,574	1,719,576	1,665,424	1,285,168	1,086,495	1,049,753	627,823	20,475,862
04/01/45	3,376,852	3,384,565	3,298,281	3,254,827	1,770,733	1,720,800	1,330,149	1,124,522	1,086,495	649,797	20,997,022
04/01/46	3,430,038	3,449,718	3,373,317	3,340,267	1,823,413	1,778,016	1,376,704	1,163,880	1,124,522	672,540	21,532,415
04/01/47	3,484,061	3,516,125	3,450,060	3,427,949	1,877,659	1,837,135	1,424,889	1,204,616	1,163,880	696,079	22,082,453
04/01/48	3,538,935	3,583,810	3,528,549	3,517,932	1,933,520	1,898,220	1,474,760	1,246,778	1,204,616	720,442	22,647,561
04/01/49	3,594,673	3,652,799	3,608,823	3,610,278	1,991,042	1,961,336	1,526,376	1,290,415	1,246,778	745,657	23,228,177
04/01/50	3,651,289	3,723,115	3,690,924	3,705,048	2,050,275	2,026,550	1,579,800	1,335,579	1,290,415	771,755	23,824,751
04/01/51	3,708,797	3,794,785	3,774,892	3,802,305	2,111,271	2,093,933	1,635,093	1,382,325	1,335,579	798,767	24,437,747
04/01/52	3,767,210	3,867,835	3,860,771	3,902,116	2,174,081	2,163,556	1,692,321	1,430,706	1,382,325	826,724	25,067,645
04/01/53	-	3,942,291	3,948,604	4,004,546	2,238,760	2,235,494	1,751,552	1,480,781	1,430,706	855,659	21,888,393
04/01/54	-	-	4,038,434	4,109,666	2,305,363	2,309,825	1,812,856	1,532,608	1,480,781	885,607	18,475,140
04/01/55	-	-	-	4,217,544	2,373,948	2,386,626	1,876,306	1,586,249	1,532,608	916,603	14,889,886
04/01/56	-	-	-	-	2,444,573	2,465,982	1,941,977	1,641,768	1,586,249	948,684	11,029,234
04/01/57	-	-	-	-	-	2,547,975	2,009,946	1,699,230	1,641,768	981,888	8,880,808
04/01/58	-	-	-	-	-	-	2,080,294	1,758,703	1,699,230	1,016,254	6,554,482
04/01/59	-	-	-	-	-	-	-	1,820,258	1,758,703	1,051,823	4,630,784
04/01/60	-	-	-	-	-	-	-	-	1,820,258	1,088,637	2,908,895
04/01/61	-	-	-	-	-	-	-	-	-	1,126,739	1,126,739
	90,928,000	90,928,000	89,100,000	89,100,000	49,500,000	49,500,000	39,600,000	34,650,000	34,650,000	21,448,350	589,404,350

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Oklahoma Water Resources Board
Drinking Water Program

Projected Future Leveraged Loans

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
	1	2	3	4	5	6	7	8	9	10	
Principal:	90,928,000	90,928,000	89,100,000	89,100,000	49,500,000	49,500,000	39,600,000	34,650,000	34,650,000	21,448,350	Projected Drinking Water Leveraged Loans
Rate:	1.575%	1.925%	2.275%	2.625%	2.975%	3.325%	3.500%	3.500%	3.500%	3.500%	
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30	
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/30	04/01/31	04/01/32	
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/59	04/01/60	04/01/61	
Date	Interest*	Interest									
04/01/20	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-
04/01/22	716,058	-	-	-	-	-	-	-	-	-	716,058
04/01/23	1,432,116	875,182	-	-	-	-	-	-	-	-	2,307,298
04/01/24	1,394,404	1,750,364	1,013,513	-	-	-	-	-	-	-	4,158,280
04/01/25	1,356,098	1,706,709	2,027,025	1,169,438	-	-	-	-	-	-	6,259,269
04/01/26	1,317,188	1,662,213	1,979,175	2,338,875	736,313	-	-	-	-	-	8,033,764
04/01/27	1,277,666	1,616,860	1,930,237	2,286,654	1,472,625	822,938	-	-	-	-	9,406,979
04/01/28	1,237,521	1,570,635	1,880,185	2,233,062	1,441,546	1,645,875	693,000	-	-	-	10,701,824
04/01/29	1,196,744	1,523,520	1,828,995	2,178,063	1,409,542	1,613,063	1,386,000	606,375	-	-	11,742,302
04/01/30	1,155,324	1,475,498	1,776,640	2,121,620	1,376,587	1,579,160	1,359,151	1,212,750	606,375	-	12,663,106
04/01/31	1,113,253	1,426,551	1,723,094	2,063,696	1,342,650	1,544,130	1,331,363	1,189,257	1,212,750	375,346	13,322,091
04/01/32	1,070,518	1,376,662	1,668,330	2,004,252	1,307,705	1,507,936	1,302,602	1,164,943	1,189,257	750,692	13,342,896
04/01/33	1,027,111	1,325,813	1,612,320	1,943,246	1,271,719	1,470,537	1,272,834	1,139,777	1,164,943	736,150	12,964,451
04/01/34	983,020	1,273,985	1,555,036	1,880,640	1,234,663	1,431,896	1,242,025	1,113,730	1,139,777	721,099	12,575,870
04/01/35	938,234	1,221,159	1,496,448	1,816,390	1,196,505	1,391,969	1,210,137	1,086,772	1,113,730	705,522	12,176,866
04/01/36	892,743	1,167,316	1,436,528	1,750,454	1,157,211	1,350,715	1,177,133	1,058,870	1,086,772	689,399	11,767,141
04/01/37	846,536	1,112,437	1,375,245	1,682,786	1,116,748	1,308,089	1,142,974	1,029,992	1,058,870	672,712	11,346,389
04/01/38	799,601	1,056,502	1,312,567	1,613,343	1,075,082	1,264,046	1,107,620	1,000,103	1,029,992	655,441	10,914,295
04/01/39	751,927	999,489	1,248,463	1,542,076	1,032,176	1,218,538	1,071,028	969,167	1,000,103	637,565	10,470,532
04/01/40	703,501	941,380	1,182,901	1,468,939	987,994	1,171,517	1,033,155	937,149	969,167	619,063	10,014,768
04/01/41	654,313	882,151	1,115,848	1,393,882	942,497	1,122,933	993,957	904,011	937,149	599,915	9,546,656
04/01/42	604,351	821,783	1,047,269	1,316,855	895,647	1,072,734	953,387	869,712	904,011	580,095	9,065,842
04/01/43	553,601	760,252	977,130	1,237,806	847,402	1,020,865	911,397	834,213	869,712	559,583	8,571,960
04/01/44	502,052	697,537	905,395	1,156,681	797,723	967,272	867,937	797,472	834,213	538,352	8,064,634
04/01/45	449,692	633,615	832,028	1,073,428	746,566	911,896	822,956	759,445	797,472	516,378	7,543,474
04/01/46	396,506	568,462	756,992	987,988	693,886	854,680	776,401	720,086	759,445	493,635	7,008,081
04/01/47	342,483	502,055	680,249	900,306	639,640	795,561	728,216	679,351	720,086	470,096	6,458,043
04/01/48	287,609	434,369	601,760	810,323	583,779	734,476	678,345	637,189	679,351	445,733	5,892,934
04/01/49	231,871	365,381	521,486	717,977	526,257	671,360	626,728	593,552	637,189	420,518	5,312,319
04/01/50	175,255	295,064	439,385	623,207	467,024	606,146	573,305	548,387	593,552	394,420	4,715,745
04/01/51	117,747	223,395	355,416	525,950	406,028	538,763	518,012	501,642	548,387	367,409	4,102,748
04/01/52	59,334	150,345	269,538	426,139	343,218	469,139	460,784	453,261	501,642	339,452	3,472,851
04/01/53	-	75,889	181,705	323,709	278,539	397,201	401,553	403,186	453,261	310,516	2,825,558
04/01/54	-	-	91,874	218,589	211,936	322,871	340,248	351,359	403,186	280,568	2,220,631
04/01/55	-	-	-	110,711	143,351	246,069	276,798	297,717	351,359	249,572	1,675,577
04/01/56	-	-	-	-	72,726	166,714	211,128	242,199	297,717	217,491	1,207,975
04/01/57	-	-	-	-	-	84,720	143,158	184,737	242,199	184,287	839,101
04/01/58	-	-	-	-	-	-	72,810	125,264	184,737	149,921	532,732
04/01/59	-	-	-	-	-	-	-	63,709	125,264	114,352	303,325
04/01/60	-	-	-	-	-	-	-	-	63,709	77,538	141,247
04/01/61	-	-	-	-	-	-	-	-	-	39,436	39,436
	24,584,378	30,492,571	35,822,777	41,917,084	26,755,282	30,303,808	25,686,142	22,475,374	22,475,374	13,912,257	274,425,047

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Oklahoma Water Resources Board
Drinking Water Program

Projected Future Drinking Water Bonds

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Principal:	\$95,000,000	\$95,000,000	\$90,000,000	\$90,000,000	\$50,000,000	\$50,000,000	\$40,000,000	\$35,000,000	\$35,000,000	\$21,665,000
Rate:	2.250%	2.750%	3.250%	3.750%	4.250%	4.750%	5.000%	5.000%	5.000%	5.000%
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/29	04/01/30	04/01/31
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/58	04/01/59	04/01/60

Projected
Future
Drinking Water
Bonds

Date	Debt Service	Total Debt Service										
04/01/20	-	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-	-
04/01/22	1,603,125	-	-	-	-	-	-	-	-	-	-	1,603,125
04/01/23	2,137,500	3,639,375	-	-	-	-	-	-	-	-	-	5,776,875
04/01/24	2,137,500	2,566,300	4,823,750	-	-	-	-	-	-	-	-	9,527,550
04/01/25	2,137,500	2,566,300	3,079,525	5,246,250	-	-	-	-	-	-	-	13,029,575
04/01/26	2,137,500	3,636,300	5,251,725	5,333,188	3,038,750	-	-	-	-	-	-	19,397,463
04/01/27	2,137,500	4,211,875	5,223,075	5,325,938	2,958,588	2,686,250	-	-	-	-	-	22,543,225
04/01/28	2,137,500	4,355,813	5,301,063	5,192,800	2,955,550	3,267,013	1,775,000	-	-	-	-	24,984,738
04/01/29	2,137,500	4,404,525	5,170,900	5,284,125	2,951,025	3,257,600	2,681,250	1,312,500	-	-	-	27,199,425
04/01/30	2,137,500	4,470,488	5,117,050	5,244,750	2,940,013	3,241,525	2,671,500	1,312,500	-	-	-	29,465,325
04/01/31	2,137,500	4,673,150	5,042,225	5,188,688	2,927,725	3,224,025	2,660,500	1,312,500	1,312,500	810,750	-	31,295,563
04/01/32	2,137,500	5,103,663	4,972,075	5,146,500	2,914,163	3,205,100	2,648,250	1,311,000	2,307,000	1,431,000	-	32,176,250
04/01/33	3,027,500	5,090,563	4,941,438	5,117,625	2,909,325	3,194,750	2,639,750	2,310,000	2,302,750	1,423,500	-	32,957,200
04/01/34	3,167,475	5,070,675	4,919,013	5,101,500	2,897,788	3,192,500	2,634,750	2,307,500	2,302,250	1,415,500	-	33,008,950
04/01/35	3,698,850	4,879,138	4,774,475	4,982,563	2,874,763	3,142,875	2,608,000	2,288,500	2,290,250	1,417,000	-	32,956,413
04/01/36	3,467,738	4,815,625	4,716,725	4,934,563	2,860,675	3,128,013	2,595,500	2,283,750	2,282,250	1,407,500	-	32,492,338
04/01/37	3,716,013	4,816,700	4,713,000	4,934,875	2,860,100	3,126,250	2,591,500	2,282,500	2,283,000	1,402,500	-	32,726,438
04/01/38	4,107,988	4,820,575	4,721,513	4,941,625	2,857,400	3,126,875	2,600,500	2,279,500	2,282,000	1,396,750	-	33,134,725
04/01/39	8,855,288	4,712,113	4,721,775	4,934,438	2,852,575	3,129,650	2,591,750	2,279,750	2,284,250	1,390,250	-	37,751,838
04/01/40	8,069,700	4,569,338	4,598,950	4,838,688	2,835,625	3,084,338	2,576,000	2,263,000	2,274,500	1,383,000	-	36,493,138
04/01/41	7,268,288	4,538,213	4,566,938	4,812,563	2,826,975	3,083,075	2,563,500	2,260,000	2,273,250	1,375,000	-	35,567,800
04/01/42	10,031,725	4,325,713	4,452,813	4,723,438	2,811,200	3,038,725	2,544,000	2,250,000	2,260,000	1,371,250	-	37,808,863
04/01/43	9,000,138	4,326,788	4,454,175	4,713,563	2,803,513	3,043,188	2,542,750	2,248,250	2,260,250	1,361,500	-	36,754,113
04/01/44	10,817,450	4,245,663	4,437,288	4,699,938	2,798,488	3,039,088	2,538,750	2,244,250	2,258,250	1,356,000	-	38,435,163
04/01/45	10,614,988	4,209,538	4,417,638	4,682,563	2,795,913	3,031,663	2,532,000	2,243,000	2,259,000	1,349,500	-	38,135,800
04/01/46	10,662,188	4,197,175	4,425,225	4,691,438	2,795,575	3,030,913	2,532,500	2,244,250	2,252,250	1,342,000	-	38,173,513
04/01/47	10,223,425	4,137,888	4,379,075	4,655,438	2,787,263	3,021,363	2,524,750	2,237,750	2,248,250	1,333,500	-	37,548,700
04/01/48	8,829,500	3,967,913	4,245,813	4,541,063	2,761,188	2,978,250	2,494,000	2,223,750	2,236,750	1,329,000	-	35,607,225
04/01/49	3,727,013	8,160,275	4,033,200	4,471,125	2,747,988	2,948,000	2,476,250	2,212,500	2,233,000	1,323,250	-	34,332,600
04/01/50	-	10,445,075	3,808,838	4,368,938	2,722,025	2,904,900	2,455,750	2,193,750	2,221,500	1,316,250	-	32,437,025
04/01/51	-	7,951,538	3,623,213	4,195,625	2,683,725	2,834,425	2,417,500	2,167,750	2,197,500	1,313,000	-	29,384,275
04/01/52	-	7,629,188	3,825,188	4,183,813	2,688,513	2,832,763	2,412,250	2,169,750	2,196,500	1,303,250	-	29,241,213
04/01/53	-	-	7,537,250	4,042,500	2,629,475	2,736,588	2,353,250	2,138,250	2,167,250	1,302,250	-	24,906,813
04/01/54	-	-	-	7,646,375	3,074,163	2,630,175	2,303,000	2,104,750	2,146,000	1,299,500	-	21,203,963
04/01/55	-	-	-	-	7,386,113	2,664,000	2,256,000	2,079,250	2,122,250	1,295,000	-	17,802,613
04/01/56	-	-	-	-	-	6,426,413	2,322,000	2,046,250	2,093,750	1,293,750	-	14,189,413
04/01/57	-	-	-	-	-	-	6,095,250	2,126,000	2,082,000	1,285,500	-	11,588,750
04/01/58	-	-	-	-	-	-	-	5,727,750	2,160,000	1,275,500	-	9,163,250
04/01/59	-	-	-	-	-	-	-	-	5,670,000	1,358,750	-	7,028,750
04/01/60	-	-	-	-	-	-	-	-	-	5,050,500	-	5,050,500
	142,263,388	146,537,475	140,186,663	148,284,750	89,946,175	94,250,288	78,637,750	69,486,250	69,575,750	43,712,000		1,022,880,488

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Drinking Water Bonds

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Principal:	\$95,000,000	\$95,000,000	\$90,000,000	\$90,000,000	\$50,000,000	\$50,000,000	\$40,000,000	\$35,000,000	\$35,000,000	\$21,665,000
Rate:	2.250%	2.750%	3.250%	3.750%	4.250%	4.750%	5.000%	5.000%	5.000%	5.000%
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/29	04/01/30	04/01/31
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/58	04/01/59	04/01/60

Projected
Future
Drinking Water
Bonds

Date	Principal	Principal	Total Principal									
04/01/20	-	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-	-
04/01/22	-	-	-	-	-	-	-	-	-	-	-	-
04/01/23	-	1,680,000	-	-	-	-	-	-	-	-	-	1,680,000
04/01/24	-	-	2,630,000	-	-	-	-	-	-	-	-	2,630,000
04/01/25	-	-	240,000	2,715,000	-	-	-	-	-	-	-	2,955,000
04/01/26	-	1,070,000	2,420,000	2,060,000	1,445,000	-	-	-	-	-	-	6,995,000
04/01/27	-	1,675,000	2,470,000	2,130,000	895,000	905,000	-	-	-	-	-	8,075,000
04/01/28	-	1,865,000	2,520,000	2,185,000	930,000	935,000	275,000	-	-	-	-	8,710,000
04/01/29	-	1,965,000	2,580,000	2,250,000	965,000	970,000	695,000	-	-	-	-	9,425,000
04/01/30	-	2,085,000	2,610,000	2,295,000	995,000	1,000,000	720,000	580,000	-	-	-	10,285,000
04/01/31	-	2,345,000	2,620,000	2,325,000	1,025,000	1,030,000	745,000	600,000	560,000	-	-	11,250,000
04/01/32	-	2,840,000	2,635,000	2,370,000	1,055,000	1,060,000	770,000	620,000	585,000	350,000	-	12,285,000
04/01/33	890,000	2,905,000	2,690,000	2,430,000	1,095,000	1,100,000	800,000	650,000	610,000	360,000	-	13,530,000
04/01/34	1,050,000	2,965,000	2,755,000	2,505,000	1,130,000	1,150,000	835,000	680,000	640,000	370,000	-	14,080,000
04/01/35	1,605,000	2,855,000	2,700,000	2,480,000	1,155,000	1,155,000	850,000	695,000	660,000	390,000	-	14,545,000
04/01/36	1,410,000	2,870,000	2,730,000	2,525,000	1,190,000	1,195,000	880,000	725,000	685,000	400,000	-	14,610,000
04/01/37	1,690,000	2,950,000	2,815,000	2,620,000	1,240,000	1,250,000	920,000	760,000	720,000	415,000	-	15,380,000
04/01/38	2,120,000	3,035,000	2,915,000	2,725,000	1,290,000	1,310,000	975,000	795,000	755,000	430,000	-	16,350,000
04/01/39	6,915,000	3,010,000	3,010,000	2,820,000	1,340,000	1,375,000	1,015,000	835,000	795,000	445,000	-	21,560,000
04/01/40	6,285,000	2,950,000	2,985,000	2,830,000	1,380,000	1,395,000	1,050,000	860,000	825,000	460,000	-	21,020,000
04/01/41	5,625,000	3,000,000	3,050,000	2,910,000	1,430,000	1,460,000	1,090,000	900,000	865,000	475,000	-	20,805,000
04/01/42	8,515,000	2,870,000	3,035,000	2,930,000	1,475,000	1,485,000	1,125,000	935,000	895,000	495,000	-	23,760,000
04/01/43	7,675,000	2,950,000	3,135,000	3,030,000	1,530,000	1,560,000	1,180,000	980,000	940,000	510,000	-	23,490,000
04/01/44	9,665,000	2,950,000	3,220,000	3,130,000	1,590,000	1,630,000	1,235,000	1,025,000	985,000	530,000	-	25,960,000
04/01/45	9,680,000	2,995,000	3,305,000	3,230,000	1,655,000	1,700,000	1,290,000	1,075,000	1,035,000	550,000	-	26,515,000
04/01/46	9,945,000	3,065,000	3,420,000	3,360,000	1,725,000	1,780,000	1,355,000	1,130,000	1,080,000	570,000	-	27,430,000
04/01/47	9,730,000	3,090,000	3,485,000	3,450,000	1,790,000	1,855,000	1,415,000	1,180,000	1,130,000	590,000	-	27,715,000
04/01/48	8,555,000	3,005,000	3,465,000	3,465,000	1,840,000	1,900,000	1,455,000	1,225,000	1,175,000	615,000	-	26,700,000
04/01/49	3,645,000	7,280,000	3,365,000	3,525,000	1,905,000	1,960,000	1,510,000	1,275,000	1,230,000	640,000	-	26,335,000
04/01/50	-	9,765,000	3,250,000	3,555,000	1,960,000	2,010,000	1,565,000	1,320,000	1,280,000	665,000	-	25,370,000
04/01/51	-	7,540,000	3,170,000	3,515,000	2,005,000	2,035,000	1,605,000	1,360,000	1,320,000	695,000	-	23,245,000
04/01/52	-	7,425,000	3,475,000	3,635,000	2,095,000	2,130,000	1,680,000	1,430,000	1,385,000	720,000	-	23,975,000
04/01/53	-	-	7,300,000	3,630,000	2,125,000	2,135,000	1,705,000	1,470,000	1,425,000	755,000	-	20,545,000
04/01/54	-	-	-	7,370,000	2,660,000	2,130,000	1,740,000	1,510,000	1,475,000	790,000	-	17,675,000
04/01/55	-	-	-	-	7,085,000	2,265,000	1,780,000	1,560,000	1,525,000	825,000	-	15,040,000
04/01/56	-	-	-	-	-	6,135,000	1,935,000	1,605,000	1,580,000	865,000	-	12,120,000
04/01/57	-	-	-	-	-	-	5,805,000	1,765,000	1,640,000	900,000	-	10,110,000
04/01/58	-	-	-	-	-	-	-	5,455,000	1,800,000	935,000	-	8,190,000
04/01/59	-	-	-	-	-	-	-	-	5,400,000	1,065,000	-	6,465,000
04/01/60	-	-	-	-	-	-	-	-	-	4,810,000	-	4,810,000
	95,000,000	95,000,000	90,000,000	90,000,000	50,000,000	50,000,000	40,000,000	35,000,000	35,000,000	21,620,000		601,620,000

Oklahoma Water Resources Board
Drinking Water Program

Projected Future Drinking Water Bonds

Fiscal Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Principal:	\$95,000,000	\$95,000,000	\$90,000,000	\$90,000,000	\$50,000,000	\$50,000,000	\$40,000,000	\$35,000,000	\$35,000,000	\$21,665,000
Rate:	2.250%	2.750%	3.250%	3.750%	4.250%	4.750%	5.000%	5.000%	5.000%	5.000%
First Interest	10/01/21	10/01/22	10/01/23	10/01/24	10/01/25	10/01/26	10/01/27	10/01/28	10/01/29	10/01/30
First Principal	04/01/23	04/01/24	04/01/25	04/01/26	04/01/27	04/01/28	04/01/29	04/01/29	04/01/30	04/01/31
Last Payment:	04/01/52	04/01/53	04/01/54	04/01/55	04/01/56	04/01/57	04/01/58	04/01/58	04/01/59	04/01/60

Projected
Future
Drinking Water
Bonds

Date	Interest	Interest	Total Interest									
04/01/20	-	-	-	-	-	-	-	-	-	-	-	-
04/01/21	-	-	-	-	-	-	-	-	-	-	-	-
04/01/22	1,603,125	-	-	-	-	-	-	-	-	-	-	1,603,125
04/01/23	2,137,500	1,959,375	-	-	-	-	-	-	-	-	-	4,096,875
04/01/24	2,137,500	2,566,300	2,193,750	-	-	-	-	-	-	-	-	6,897,550
04/01/25	1,078,256	2,566,300	2,839,525	2,531,250	-	-	-	-	-	-	-	9,015,331
04/01/26	1,078,256	2,566,300	2,831,725	3,273,188	1,593,750	-	-	-	-	-	-	11,343,219
04/01/27	1,078,256	2,536,875	2,753,075	3,195,938	2,063,588	1,781,250	-	-	-	-	-	13,408,981
04/01/28	1,078,256	2,490,813	2,672,800	3,116,063	2,025,550	2,332,013	1,500,000	-	-	-	-	15,215,494
04/01/29	1,078,256	2,439,525	2,590,900	3,034,125	1,986,025	2,287,600	1,986,250	1,312,500	-	-	-	16,715,181
04/01/30	1,078,256	2,385,488	2,507,050	2,949,750	1,945,013	2,241,525	1,951,500	1,750,000	1,312,500	-	-	18,121,081
04/01/31	1,078,256	2,328,150	2,422,225	2,863,688	1,902,725	2,194,025	1,915,500	1,721,000	1,750,000	810,750	-	18,986,319
04/01/32	1,078,256	2,263,663	2,337,075	2,776,500	1,859,163	2,145,100	1,878,250	1,691,000	1,722,000	1,081,000	-	18,832,006
04/01/33	1,078,256	2,185,563	2,251,438	2,687,625	1,814,325	2,094,750	1,839,750	1,660,000	1,692,750	1,063,500	-	18,367,956
04/01/34	1,068,019	2,105,675	2,164,013	2,596,500	1,767,788	2,042,500	1,799,750	1,627,500	1,662,250	1,045,500	-	17,879,494
04/01/35	1,055,925	2,024,138	2,074,475	2,502,563	1,719,763	1,987,875	1,758,000	1,593,500	1,630,250	1,027,000	-	17,373,488
04/01/36	1,037,588	1,945,625	1,986,725	2,409,563	1,670,675	1,933,013	1,715,500	1,558,750	1,597,250	1,007,500	-	16,862,188
04/01/37	1,021,444	1,866,700	1,898,000	2,314,875	1,620,100	1,876,250	1,671,500	1,522,500	1,563,000	987,500	-	16,341,869
04/01/38	1,002,150	1,785,575	1,806,513	2,216,625	1,567,400	1,816,875	1,625,500	1,484,500	1,527,000	966,750	-	15,798,888
04/01/39	977,963	1,702,113	1,711,775	2,114,438	1,512,575	1,754,650	1,576,750	1,444,750	1,489,250	945,250	-	15,229,513
04/01/40	899,775	1,619,338	1,613,950	2,008,688	1,455,625	1,689,338	1,526,000	1,403,000	1,449,500	923,000	-	14,588,213
04/01/41	828,844	1,538,213	1,516,938	1,902,563	1,396,975	1,623,075	1,473,500	1,360,000	1,408,250	900,000	-	13,948,356
04/01/42	765,450	1,455,713	1,417,813	1,793,438	1,336,200	1,553,725	1,419,000	1,315,000	1,365,000	876,250	-	13,297,588
04/01/43	669,600	1,376,788	1,319,175	1,683,563	1,273,513	1,483,188	1,362,750	1,268,250	1,320,250	851,500	-	12,608,575
04/01/44	583,313	1,295,663	1,217,288	1,569,938	1,208,488	1,409,088	1,303,750	1,219,250	1,273,250	826,000	-	11,906,025
04/01/45	474,750	1,214,538	1,112,638	1,452,563	1,140,913	1,331,663	1,242,000	1,168,000	1,224,000	799,500	-	11,160,563
04/01/46	366,131	1,132,175	1,005,225	1,331,438	1,070,575	1,250,913	1,177,500	1,114,250	1,172,250	772,000	-	10,392,456
04/01/47	254,700	1,047,888	894,075	1,205,438	997,263	1,166,363	1,109,750	1,057,750	1,118,250	743,500	-	9,594,975
04/01/48	145,800	962,913	780,813	1,076,063	921,188	1,078,250	1,039,000	998,750	1,061,750	714,000	-	8,778,525
04/01/49	50,344	880,275	668,200	946,125	842,988	988,000	966,250	937,500	1,003,000	683,250	-	7,965,931
04/01/50	-	680,075	558,838	813,938	762,025	894,900	890,750	873,750	941,500	651,250	-	7,067,025
04/01/51	-	411,538	453,213	680,625	678,725	799,425	812,500	807,750	877,500	618,000	-	6,139,275
04/01/52	-	204,188	350,188	548,813	593,513	702,763	732,250	739,750	811,500	583,250	-	5,266,213
04/01/53	-	-	237,250	412,500	504,475	601,588	648,250	668,250	742,250	547,250	-	4,361,813
04/01/54	-	-	-	276,375	414,163	500,175	563,000	594,750	671,000	509,500	-	3,528,963
04/01/55	-	-	-	-	301,113	399,000	476,000	519,250	597,250	470,000	-	2,762,613
04/01/56	-	-	-	-	-	291,413	387,000	441,250	521,000	428,750	-	2,069,413
04/01/57	-	-	-	-	-	-	290,250	361,000	442,000	385,500	-	1,478,750
04/01/58	-	-	-	-	-	-	-	272,750	360,000	340,500	-	973,250
04/01/59	-	-	-	-	-	-	-	-	270,000	293,750	-	563,750
04/01/60	-	-	-	-	-	-	-	-	-	240,500	-	240,500
	26,784,225	51,537,475	50,186,663	58,284,750	39,946,175	44,250,288	38,637,750	34,486,250	34,575,750	22,092,000		400,781,325

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2021 Future Bond Issue

Date	Principal	2.25% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/21			-	
10/01/21		534,375	534,375	
04/01/22	-	1,068,750	1,068,750	1,603,125
10/01/22	-	1,068,750	1,068,750	-
04/01/23	-	1,068,750	1,068,750	2,137,500
10/01/23	-	1,068,750	1,068,750	-
04/01/24	-	1,068,750	1,068,750	2,137,500
10/01/24	-	1,068,750	1,068,750	-
04/01/25	-	1,068,750	1,068,750	2,137,500
10/01/25	-	1,068,750	1,068,750	-
04/01/26	-	1,068,750	1,068,750	2,137,500
10/01/26	-	1,068,750	1,068,750	-
04/01/27	-	1,068,750	1,068,750	2,137,500
10/01/27	-	1,068,750	1,068,750	-
04/01/28	-	1,068,750	1,068,750	2,137,500
10/01/28	-	1,068,750	1,068,750	-
04/01/29	-	1,068,750	1,068,750	2,137,500
10/01/29	-	1,068,750	1,068,750	-
04/01/30	-	1,068,750	1,068,750	2,137,500
10/01/30	-	1,068,750	1,068,750	-
04/01/31	-	1,068,750	1,068,750	2,137,500
10/01/31	-	1,068,750	1,068,750	-
04/01/32	-	1,068,750	1,068,750	2,137,500
10/01/32	-	1,068,750	1,068,750	-
04/01/33	890,000	1,068,750	1,958,750	3,027,500
10/01/33	-	1,058,738	1,058,738	-
04/01/34	1,050,000	1,058,738	2,108,738	3,167,475
10/01/34	-	1,046,925	1,046,925	-
04/01/35	1,605,000	1,046,925	2,651,925	3,698,850
10/01/35	-	1,028,869	1,028,869	-
04/01/36	1,410,000	1,028,869	2,438,869	3,467,738
10/01/36	-	1,013,006	1,013,006	-
04/01/37	1,690,000	1,013,006	2,703,006	3,716,013
10/01/37	-	993,994	993,994	-
04/01/38	2,120,000	993,994	3,113,994	4,107,988
10/01/38	-	970,144	970,144	-
04/01/39	6,915,000	970,144	7,885,144	8,855,288
10/01/39	-	892,350	892,350	-
04/01/40	6,285,000	892,350	7,177,350	8,069,700
10/01/40	-	821,644	821,644	-
04/01/41	5,625,000	821,644	6,446,644	7,268,288
10/01/41	-	758,363	758,363	-
04/01/42	8,515,000	758,363	9,273,363	10,031,725
10/01/42	-	662,569	662,569	-
04/01/43	7,675,000	662,569	8,337,569	9,000,138
10/01/43	-	576,225	576,225	-
04/01/44	9,665,000	576,225	10,241,225	10,817,450
10/01/44	-	467,494	467,494	-
04/01/45	9,680,000	467,494	10,147,494	10,614,988
10/01/45	-	358,594	358,594	-
04/01/46	9,945,000	358,594	10,303,594	10,662,188
10/01/46	-	246,713	246,713	-
04/01/47	9,730,000	246,713	9,976,713	10,223,425
10/01/47	-	137,250	137,250	-
04/01/48	8,555,000	137,250	8,692,250	8,829,500
10/01/48	-	41,006	41,006	-
04/01/49	3,645,000	41,006	3,686,006	3,727,013
10/01/49	-	-	-	-
04/01/50	-	-	-	-
10/01/50	-	-	-	-
04/01/51	-	-	-	-
	95,000,000	47,263,388	142,263,388	142,263,388

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2023 Future Bond Issue

Date	Principal	3.25% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/23	-	-	-	-
10/01/23	-	731,250	731,250	-
04/01/24	2,630,000	1,462,500	4,092,500	4,823,750
10/01/24	-	1,419,763	1,419,763	-
04/01/25	240,000	1,419,763	1,659,763	3,079,525
10/01/25	-	1,415,863	1,415,863	-
04/01/26	2,420,000	1,415,863	3,835,863	5,251,725
10/01/26	-	1,376,538	1,376,538	-
04/01/27	2,470,000	1,376,538	3,846,538	5,223,075
10/01/27	-	1,336,400	1,336,400	-
04/01/28	2,520,000	1,336,400	3,856,400	5,192,800
10/01/28	-	1,295,450	1,295,450	-
04/01/29	2,580,000	1,295,450	3,875,450	5,170,900
10/01/29	-	1,253,525	1,253,525	-
04/01/30	2,610,000	1,253,525	3,863,525	5,117,050
10/01/30	-	1,211,113	1,211,113	-
04/01/31	2,620,000	1,211,113	3,831,113	5,042,225
10/01/31	-	1,168,538	1,168,538	-
04/01/32	2,635,000	1,168,538	3,803,538	4,972,075
10/01/32	-	1,125,719	1,125,719	-
04/01/33	2,690,000	1,125,719	3,815,719	4,941,438
10/01/33	-	1,082,006	1,082,006	-
04/01/34	2,755,000	1,082,006	3,837,006	4,919,013
10/01/34	-	1,037,238	1,037,238	-
04/01/35	2,700,000	1,037,238	3,737,238	4,774,475
10/01/35	-	993,363	993,363	-
04/01/36	2,730,000	993,363	3,723,363	4,716,725
10/01/36	-	949,000	949,000	-
04/01/37	2,815,000	949,000	3,764,000	4,713,000
10/01/37	-	903,256	903,256	-
04/01/38	2,915,000	903,256	3,818,256	4,721,513
10/01/38	-	855,888	855,888	-
04/01/39	3,010,000	855,888	3,865,888	4,721,775
10/01/39	-	806,975	806,975	-
04/01/40	2,985,000	806,975	3,791,975	4,598,950
10/01/40	-	758,469	758,469	-
04/01/41	3,050,000	758,469	3,808,469	4,566,938
10/01/41	-	708,906	708,906	-
04/01/42	3,035,000	708,906	3,743,906	4,452,813
10/01/42	-	659,588	659,588	-
04/01/43	3,135,000	659,588	3,794,588	4,454,175
10/01/43	-	608,644	608,644	-
04/01/44	3,220,000	608,644	3,828,644	4,437,288
10/01/44	-	556,319	556,319	-
04/01/45	3,305,000	556,319	3,861,319	4,417,638
10/01/45	-	502,613	502,613	-
04/01/46	3,420,000	502,613	3,922,613	4,425,225
10/01/46	-	447,038	447,038	-
04/01/47	3,485,000	447,038	3,932,038	4,379,075
10/01/47	-	390,406	390,406	-
04/01/48	3,465,000	390,406	3,855,406	4,245,813
10/01/48	-	334,100	334,100	-
04/01/49	3,365,000	334,100	3,699,100	4,033,200
10/01/49	-	279,419	279,419	-
04/01/50	3,250,000	279,419	3,529,419	3,808,838
10/01/50	-	226,606	226,606	-
04/01/51	3,170,000	226,606	3,396,606	3,623,213
10/01/51	-	175,094	175,094	-
04/01/52	3,475,000	175,094	3,650,094	3,825,188
10/01/52	-	118,625	118,625	-
04/01/53	7,300,000	118,625	7,418,625	7,537,250
90,000,000	50,186,663	140,186,663	140,186,663	

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2024 Future Bond Issue

Date	Principal	3.75% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/24	-	-	-	-
10/01/24	-	843,750	843,750	-
04/01/25	2,715,000	1,687,500	4,402,500	5,246,250
10/01/25	-	1,636,594	1,636,594	-
04/01/26	2,060,000	1,636,594	3,696,594	5,333,188
10/01/26	-	1,597,969	1,597,969	-
04/01/27	2,130,000	1,597,969	3,727,969	5,325,938
10/01/27	-	1,558,031	1,558,031	-
04/01/28	2,185,000	1,558,031	3,743,031	5,301,063
10/01/28	-	1,517,063	1,517,063	-
04/01/29	2,250,000	1,517,063	3,767,063	5,284,125
10/01/29	-	1,474,875	1,474,875	-
04/01/30	2,295,000	1,474,875	3,769,875	5,244,750
10/01/30	-	1,431,844	1,431,844	-
04/01/31	2,325,000	1,431,844	3,756,844	5,188,688
10/01/31	-	1,388,250	1,388,250	-
04/01/32	2,370,000	1,388,250	3,758,250	5,146,500
10/01/32	-	1,343,813	1,343,813	-
04/01/33	2,430,000	1,343,813	3,773,813	5,117,625
10/01/33	-	1,298,250	1,298,250	-
04/01/34	2,505,000	1,298,250	3,803,250	5,101,500
10/01/34	-	1,251,281	1,251,281	-
04/01/35	2,480,000	1,251,281	3,731,281	4,982,563
10/01/35	-	1,204,781	1,204,781	-
04/01/36	2,525,000	1,204,781	3,729,781	4,934,563
10/01/36	-	1,157,438	1,157,438	-
04/01/37	2,620,000	1,157,438	3,777,438	4,934,875
10/01/37	-	1,108,313	1,108,313	-
04/01/38	2,725,000	1,108,313	3,833,313	4,941,625
10/01/38	-	1,057,219	1,057,219	-
04/01/39	2,820,000	1,057,219	3,877,219	4,934,438
10/01/39	-	1,004,344	1,004,344	-
04/01/40	2,830,000	1,004,344	3,834,344	4,838,688
10/01/40	-	951,281	951,281	-
04/01/41	2,910,000	951,281	3,861,281	4,812,563
10/01/41	-	896,719	896,719	-
04/01/42	2,930,000	896,719	3,826,719	4,723,438
10/01/42	-	841,781	841,781	-
04/01/43	3,030,000	841,781	3,871,781	4,713,563
10/01/43	-	784,969	784,969	-
04/01/44	3,130,000	784,969	3,914,969	4,699,938
10/01/44	-	726,281	726,281	-
04/01/45	3,230,000	726,281	3,956,281	4,682,563
10/01/45	-	665,719	665,719	-
04/01/46	3,360,000	665,719	4,025,719	4,691,438
10/01/46	-	602,719	602,719	-
04/01/47	3,450,000	602,719	4,052,719	4,655,438
10/01/47	-	538,031	538,031	-
04/01/48	3,465,000	538,031	4,003,031	4,541,063
10/01/48	-	473,063	473,063	-
04/01/49	3,525,000	473,063	3,998,063	4,471,125
10/01/49	-	406,969	406,969	-
04/01/50	3,555,000	406,969	3,961,969	4,368,938
10/01/50	-	340,313	340,313	-
04/01/51	3,515,000	340,313	3,855,313	4,195,625
10/01/51	-	274,406	274,406	-
04/01/52	3,635,000	274,406	3,909,406	4,183,813
10/01/52	-	206,250	206,250	-
04/01/53	3,630,000	206,250	3,836,250	4,042,500
10/01/53	-	138,188	138,188	-
04/01/54	7,370,000	138,188	7,508,188	7,646,375
90,000,000	58,284,750	148,284,750	148,284,750	

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2025 Future Bond Issue

Date	Principal	4.25% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/25	-	-	-	-
10/01/25	-	531,250	531,250	-
04/01/26	1,445,000	1,062,500	2,507,500	3,038,750
10/01/26	-	1,031,794	1,031,794	-
04/01/27	895,000	1,031,794	1,926,794	2,958,588
10/01/27	-	1,012,775	1,012,775	-
04/01/28	930,000	1,012,775	1,942,775	2,955,550
10/01/28	-	993,013	993,013	-
04/01/29	965,000	993,013	1,958,013	2,951,025
10/01/29	-	972,506	972,506	-
04/01/30	995,000	972,506	1,967,506	2,940,013
10/01/30	-	951,363	951,363	-
04/01/31	1,025,000	951,363	1,976,363	2,927,725
10/01/31	-	929,581	929,581	-
04/01/32	1,055,000	929,581	1,984,581	2,914,163
10/01/32	-	907,163	907,163	-
04/01/33	1,095,000	907,163	2,002,163	2,909,325
10/01/33	-	883,894	883,894	-
04/01/34	1,130,000	883,894	2,013,894	2,897,788
10/01/34	-	859,881	859,881	-
04/01/35	1,155,000	859,881	2,014,881	2,874,763
10/01/35	-	835,338	835,338	-
04/01/36	1,190,000	835,338	2,025,338	2,860,675
10/01/36	-	810,050	810,050	-
04/01/37	1,240,000	810,050	2,050,050	2,860,100
10/01/37	-	783,700	783,700	-
04/01/38	1,290,000	783,700	2,073,700	2,857,400
10/01/38	-	756,288	756,288	-
04/01/39	1,340,000	756,288	2,096,288	2,852,575
10/01/39	-	727,813	727,813	-
04/01/40	1,380,000	727,813	2,107,813	2,835,625
10/01/40	-	698,488	698,488	-
04/01/41	1,430,000	698,488	2,128,488	2,826,975
10/01/41	-	668,100	668,100	-
04/01/42	1,475,000	668,100	2,143,100	2,811,200
10/01/42	-	636,756	636,756	-
04/01/43	1,530,000	636,756	2,166,756	2,803,513
10/01/43	-	604,244	604,244	-
04/01/44	1,590,000	604,244	2,194,244	2,798,488
10/01/44	-	570,456	570,456	-
04/01/45	1,655,000	570,456	2,225,456	2,795,913
10/01/45	-	535,288	535,288	-
04/01/46	1,725,000	535,288	2,260,288	2,795,575
10/01/46	-	498,631	498,631	-
04/01/47	1,790,000	498,631	2,288,631	2,787,263
10/01/47	-	460,594	460,594	-
04/01/48	1,840,000	460,594	2,300,594	2,761,188
10/01/48	-	421,494	421,494	-
04/01/49	1,905,000	421,494	2,326,494	2,747,988
10/01/49	-	381,013	381,013	-
04/01/50	1,960,000	381,013	2,341,013	2,722,025
10/01/50	-	339,363	339,363	-
04/01/51	2,005,000	339,363	2,344,363	2,683,725
10/01/51	-	296,756	296,756	-
04/01/52	2,095,000	296,756	2,391,756	2,688,513
10/01/52	-	252,238	252,238	-
04/01/53	2,125,000	252,238	2,377,238	2,629,475
10/01/53	-	207,081	207,081	-
04/01/54	2,660,000	207,081	2,867,081	3,074,163
10/01/54	-	150,556	150,556	-
04/01/55	7,085,000	150,556	7,235,556	7,386,113
50,000,000	39,946,175	89,946,175	89,946,175	

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2026 Future Bond Issue

Date	Principal	4.75% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/26	-	-	-	-
10/01/26	-	593,750	593,750	-
04/01/27	905,000	1,187,500	2,092,500	2,686,250
10/01/27	-	1,166,006	1,166,006	-
04/01/28	935,000	1,166,006	2,101,006	3,267,013
10/01/28	-	1,143,800	1,143,800	-
04/01/29	970,000	1,143,800	2,113,800	3,257,600
10/01/29	-	1,120,763	1,120,763	-
04/01/30	1,000,000	1,120,763	2,120,763	3,241,525
10/01/30	-	1,097,013	1,097,013	-
04/01/31	1,030,000	1,097,013	2,127,013	3,224,025
10/01/31	-	1,072,550	1,072,550	-
04/01/32	1,060,000	1,072,550	2,132,550	3,205,100
10/01/32	-	1,047,375	1,047,375	-
04/01/33	1,100,000	1,047,375	2,147,375	3,194,750
10/01/33	-	1,021,250	1,021,250	-
04/01/34	1,150,000	1,021,250	2,171,250	3,192,500
10/01/34	-	993,938	993,938	-
04/01/35	1,155,000	993,938	2,148,938	3,142,875
10/01/35	-	966,506	966,506	-
04/01/36	1,195,000	966,506	2,161,506	3,128,013
10/01/36	-	938,125	938,125	-
04/01/37	1,250,000	938,125	2,188,125	3,126,250
10/01/37	-	908,438	908,438	-
04/01/38	1,310,000	908,438	2,218,438	3,126,875
10/01/38	-	877,325	877,325	-
04/01/39	1,375,000	877,325	2,252,325	3,129,650
10/01/39	-	844,669	844,669	-
04/01/40	1,395,000	844,669	2,239,669	3,084,338
10/01/40	-	811,538	811,538	-
04/01/41	1,460,000	811,538	2,271,538	3,083,075
10/01/41	-	776,863	776,863	-
04/01/42	1,485,000	776,863	2,261,863	3,038,725
10/01/42	-	741,594	741,594	-
04/01/43	1,560,000	741,594	2,301,594	3,043,188
10/01/43	-	704,544	704,544	-
04/01/44	1,630,000	704,544	2,334,544	3,039,088
10/01/44	-	665,831	665,831	-
04/01/45	1,700,000	665,831	2,365,831	3,031,663
10/01/45	-	625,456	625,456	-
04/01/46	1,780,000	625,456	2,405,456	3,030,913
10/01/46	-	583,181	583,181	-
04/01/47	1,855,000	583,181	2,438,181	3,021,363
10/01/47	-	539,125	539,125	-
04/01/48	1,900,000	539,125	2,439,125	2,978,250
10/01/48	-	494,000	494,000	-
04/01/49	1,960,000	494,000	2,454,000	2,948,000
10/01/49	-	447,450	447,450	-
04/01/50	2,010,000	447,450	2,457,450	2,904,900
10/01/50	-	399,713	399,713	-
04/01/51	2,035,000	399,713	2,434,713	2,834,425
10/01/51	-	351,381	351,381	-
04/01/52	2,130,000	351,381	2,481,381	2,832,763
10/01/52	-	300,794	300,794	-
04/01/53	2,135,000	300,794	2,435,794	2,736,588
10/01/53	-	250,088	250,088	-
04/01/54	2,130,000	250,088	2,380,088	2,630,175
10/01/54	-	199,500	199,500	-
04/01/55	2,265,000	199,500	2,464,500	2,664,000
10/01/55	-	145,706	145,706	-
04/01/56	6,135,000	145,706	6,280,706	6,426,413
	50,000,000	44,250,288	94,250,288	94,250,288

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2027 Future Bond Issue

Date	Principal	5.00% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/27	-	-	-	-
10/01/27	-	500,000	500,000	-
04/01/28	275,000	1,000,000	1,275,000	1,775,000
10/01/28	-	993,125	993,125	-
04/01/29	695,000	993,125	1,688,125	2,681,250
10/01/29	-	975,750	975,750	-
04/01/30	720,000	975,750	1,695,750	2,671,500
10/01/30	-	957,750	957,750	-
04/01/31	745,000	957,750	1,702,750	2,660,500
10/01/31	-	939,125	939,125	-
04/01/32	770,000	939,125	1,709,125	2,648,250
10/01/32	-	919,875	919,875	-
04/01/33	800,000	919,875	1,719,875	2,639,750
10/01/33	-	899,875	899,875	-
04/01/34	835,000	899,875	1,734,875	2,634,750
10/01/34	-	879,000	879,000	-
04/01/35	850,000	879,000	1,729,000	2,608,000
10/01/35	-	857,750	857,750	-
04/01/36	880,000	857,750	1,737,750	2,595,500
10/01/36	-	835,750	835,750	-
04/01/37	920,000	835,750	1,755,750	2,591,500
10/01/37	-	812,750	812,750	-
04/01/38	975,000	812,750	1,787,750	2,600,500
10/01/38	-	788,375	788,375	-
04/01/39	1,015,000	788,375	1,803,375	2,591,750
10/01/39	-	763,000	763,000	-
04/01/40	1,050,000	763,000	1,813,000	2,576,000
10/01/40	-	736,750	736,750	-
04/01/41	1,090,000	736,750	1,826,750	2,563,500
10/01/41	-	709,500	709,500	-
04/01/42	1,125,000	709,500	1,834,500	2,544,000
10/01/42	-	681,375	681,375	-
04/01/43	1,180,000	681,375	1,861,375	2,542,750
10/01/43	-	651,875	651,875	-
04/01/44	1,235,000	651,875	1,886,875	2,538,750
10/01/44	-	621,000	621,000	-
04/01/45	1,290,000	621,000	1,911,000	2,532,000
10/01/45	-	588,750	588,750	-
04/01/46	1,355,000	588,750	1,943,750	2,532,500
10/01/46	-	554,875	554,875	-
04/01/47	1,415,000	554,875	1,969,875	2,524,750
10/01/47	-	519,500	519,500	-
04/01/48	1,455,000	519,500	1,974,500	2,494,000
10/01/48	-	483,125	483,125	-
04/01/49	1,510,000	483,125	1,993,125	2,476,250
10/01/49	-	445,375	445,375	-
04/01/50	1,565,000	445,375	2,010,375	2,455,750
10/01/50	-	406,250	406,250	-
04/01/51	1,605,000	406,250	2,011,250	2,417,500
10/01/51	-	366,125	366,125	-
04/01/52	1,680,000	366,125	2,046,125	2,412,250
10/01/52	-	324,125	324,125	-
04/01/53	1,705,000	324,125	2,029,125	2,353,250
10/01/53	-	281,500	281,500	-
04/01/54	1,740,000	281,500	2,021,500	2,303,000
10/01/54	-	238,000	238,000	-
04/01/55	1,780,000	238,000	2,018,000	2,256,000
10/01/55	-	193,500	193,500	-
04/01/56	1,935,000	193,500	2,128,500	2,322,000
10/01/56	-	145,125	145,125	-
04/01/57	5,805,000	145,125	5,950,125	6,095,250
40,000,000	38,637,750	78,637,750	78,637,750	

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2028 Future Bond Issue

Date	Principal	5.00% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/28			-	
10/01/28	-	437,500	437,500	
04/01/29	-	875,000	875,000	1,312,500
10/01/29	-	875,000	875,000	-
04/01/30	580,000	875,000	1,455,000	2,330,000
10/01/30	-	860,500	860,500	-
04/01/31	600,000	860,500	1,460,500	2,321,000
10/01/31	-	845,500	845,500	-
04/01/32	620,000	845,500	1,465,500	2,311,000
10/01/32	-	830,000	830,000	-
04/01/33	650,000	830,000	1,480,000	2,310,000
10/01/33	-	813,750	813,750	-
04/01/34	680,000	813,750	1,493,750	2,307,500
10/01/34	-	796,750	796,750	-
04/01/35	695,000	796,750	1,491,750	2,288,500
10/01/35	-	779,375	779,375	-
04/01/36	725,000	779,375	1,504,375	2,283,750
10/01/36	-	761,250	761,250	-
04/01/37	760,000	761,250	1,521,250	2,282,500
10/01/37	-	742,250	742,250	-
04/01/38	795,000	742,250	1,537,250	2,279,500
10/01/38	-	722,375	722,375	-
04/01/39	835,000	722,375	1,557,375	2,279,750
10/01/39	-	701,500	701,500	-
04/01/40	860,000	701,500	1,561,500	2,263,000
10/01/40	-	680,000	680,000	-
04/01/41	900,000	680,000	1,580,000	2,260,000
10/01/41	-	657,500	657,500	-
04/01/42	935,000	657,500	1,592,500	2,250,000
10/01/42	-	634,125	634,125	-
04/01/43	980,000	634,125	1,614,125	2,248,250
10/01/43	-	609,625	609,625	-
04/01/44	1,025,000	609,625	1,634,625	2,244,250
10/01/44	-	584,000	584,000	-
04/01/45	1,075,000	584,000	1,659,000	2,243,000
10/01/45	-	557,125	557,125	-
04/01/46	1,130,000	557,125	1,687,125	2,244,250
10/01/46	-	528,875	528,875	-
04/01/47	1,180,000	528,875	1,708,875	2,237,750
10/01/47	-	499,375	499,375	-
04/01/48	1,225,000	499,375	1,724,375	2,223,750
10/01/48	-	468,750	468,750	-
04/01/49	1,275,000	468,750	1,743,750	2,212,500
10/01/49	-	436,875	436,875	-
04/01/50	1,320,000	436,875	1,756,875	2,193,750
10/01/50	-	403,875	403,875	-
04/01/51	1,360,000	403,875	1,763,875	2,167,750
10/01/51	-	369,875	369,875	-
04/01/52	1,430,000	369,875	1,799,875	2,169,750
10/01/52	-	334,125	334,125	-
04/01/53	1,470,000	334,125	1,804,125	2,138,250
10/01/53	-	297,375	297,375	-
04/01/54	1,510,000	297,375	1,807,375	2,104,750
10/01/54	-	259,625	259,625	-
04/01/55	1,560,000	259,625	1,819,625	2,079,250
10/01/55	-	220,625	220,625	-
04/01/56	1,605,000	220,625	1,825,625	2,046,250
10/01/56	-	180,500	180,500	-
04/01/57	1,765,000	180,500	1,945,500	2,126,000
10/01/57	-	136,375	136,375	-
04/01/58	5,455,000	136,375	5,591,375	5,727,750
	<u>35,000,000</u>	<u>34,486,250</u>	<u>69,486,250</u>	<u>69,486,250</u>

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2029 Future Bond Issue

Date	Principal	5.00% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/29	-	-	-	-
10/01/29	-	437,500	437,500	-
04/01/30	-	875,000	875,000	1,312,500
10/01/30	-	875,000	875,000	-
04/01/31	560,000	875,000	1,435,000	2,310,000
10/01/31	-	861,000	861,000	-
04/01/32	585,000	861,000	1,446,000	2,307,000
10/01/32	-	846,375	846,375	-
04/01/33	610,000	846,375	1,456,375	2,302,750
10/01/33	-	831,125	831,125	-
04/01/34	640,000	831,125	1,471,125	2,302,250
10/01/34	-	815,125	815,125	-
04/01/35	660,000	815,125	1,475,125	2,290,250
10/01/35	-	798,625	798,625	-
04/01/36	685,000	798,625	1,483,625	2,282,250
10/01/36	-	781,500	781,500	-
04/01/37	720,000	781,500	1,501,500	2,283,000
10/01/37	-	763,500	763,500	-
04/01/38	755,000	763,500	1,518,500	2,282,000
10/01/38	-	744,625	744,625	-
04/01/39	795,000	744,625	1,539,625	2,284,250
10/01/39	-	724,750	724,750	-
04/01/40	825,000	724,750	1,549,750	2,274,500
10/01/40	-	704,125	704,125	-
04/01/41	865,000	704,125	1,569,125	2,273,250
10/01/41	-	682,500	682,500	-
04/01/42	895,000	682,500	1,577,500	2,260,000
10/01/42	-	660,125	660,125	-
04/01/43	940,000	660,125	1,600,125	2,260,250
10/01/43	-	636,625	636,625	-
04/01/44	985,000	636,625	1,621,625	2,258,250
10/01/44	-	612,000	612,000	-
04/01/45	1,035,000	612,000	1,647,000	2,259,000
10/01/45	-	586,125	586,125	-
04/01/46	1,080,000	586,125	1,666,125	2,252,250
10/01/46	-	559,125	559,125	-
04/01/47	1,130,000	559,125	1,689,125	2,248,250
10/01/47	-	530,875	530,875	-
04/01/48	1,175,000	530,875	1,705,875	2,236,750
10/01/48	-	501,500	501,500	-
04/01/49	1,230,000	501,500	1,731,500	2,233,000
10/01/49	-	470,750	470,750	-
04/01/50	1,280,000	470,750	1,750,750	2,221,500
10/01/50	-	438,750	438,750	-
04/01/51	1,320,000	438,750	1,758,750	2,197,500
10/01/51	-	405,750	405,750	-
04/01/52	1,385,000	405,750	1,790,750	2,196,500
10/01/52	-	371,125	371,125	-
04/01/53	1,425,000	371,125	1,796,125	2,167,250
10/01/53	-	335,500	335,500	-
04/01/54	1,475,000	335,500	1,810,500	2,146,000
10/01/54	-	298,625	298,625	-
04/01/55	1,525,000	298,625	1,823,625	2,122,250
10/01/55	-	260,500	260,500	-
04/01/56	1,580,000	260,500	1,840,500	2,101,000
10/01/56	-	221,000	221,000	-
04/01/57	1,640,000	221,000	1,861,000	2,082,000
10/01/57	-	180,000	180,000	-
04/01/58	1,800,000	180,000	1,980,000	2,160,000
10/01/58	-	135,000	135,000	-
04/01/59	5,400,000	135,000	5,535,000	5,670,000
	<u>35,000,000</u>	<u>34,575,750</u>	<u>69,575,750</u>	<u>69,575,750</u>

Oklahoma Water Resources Board
 Drinking Water SRF - Cash Flow & Capacity Analysis (August 2020)
 Projected Future Program Cashflows

2030 Future Bond Issue

Date	Principal	5.00% Interest	Total Debt Service	Fiscal Year Debt Service
04/01/30			-	
10/01/30	-	270,250	270,250	
04/01/31	-	540,500	540,500	810,750
10/01/31	-	540,500	540,500	-
04/01/32	350,000	540,500	890,500	1,431,000
10/01/32	-	531,750	531,750	-
04/01/33	360,000	531,750	891,750	1,423,500
10/01/33	-	522,750	522,750	-
04/01/34	370,000	522,750	892,750	1,415,500
10/01/34	-	513,500	513,500	-
04/01/35	390,000	513,500	903,500	1,417,000
10/01/35	-	503,750	503,750	-
04/01/36	400,000	503,750	903,750	1,407,500
10/01/36	-	493,750	493,750	-
04/01/37	415,000	493,750	908,750	1,402,500
10/01/37	-	483,375	483,375	-
04/01/38	430,000	483,375	913,375	1,396,750
10/01/38	-	472,625	472,625	-
04/01/39	445,000	472,625	917,625	1,390,250
10/01/39	-	461,500	461,500	-
04/01/40	460,000	461,500	921,500	1,383,000
10/01/40	-	450,000	450,000	-
04/01/41	475,000	450,000	925,000	1,375,000
10/01/41	-	438,125	438,125	-
04/01/42	495,000	438,125	933,125	1,371,250
10/01/42	-	425,750	425,750	-
04/01/43	510,000	425,750	935,750	1,361,500
10/01/43	-	413,000	413,000	-
04/01/44	530,000	413,000	943,000	1,356,000
10/01/44	-	399,750	399,750	-
04/01/45	550,000	399,750	949,750	1,349,500
10/01/45	-	386,000	386,000	-
04/01/46	570,000	386,000	956,000	1,342,000
10/01/46	-	371,750	371,750	-
04/01/47	590,000	371,750	961,750	1,333,500
10/01/47	-	357,000	357,000	-
04/01/48	615,000	357,000	972,000	1,329,000
10/01/48	-	341,625	341,625	-
04/01/49	640,000	341,625	981,625	1,323,250
10/01/49	-	325,625	325,625	-
04/01/50	665,000	325,625	990,625	1,316,250
10/01/50	-	309,000	309,000	-
04/01/51	695,000	309,000	1,004,000	1,313,000
10/01/51	-	291,625	291,625	-
04/01/52	720,000	291,625	1,011,625	1,303,250
10/01/52	-	273,625	273,625	-
04/01/53	755,000	273,625	1,028,625	1,302,250
10/01/53	-	254,750	254,750	-
04/01/54	790,000	254,750	1,044,750	1,299,500
10/01/54	-	235,000	235,000	-
04/01/55	825,000	235,000	1,060,000	1,295,000
10/01/55	-	214,375	214,375	-
04/01/56	865,000	214,375	1,079,375	1,293,750
10/01/56	-	192,750	192,750	-
04/01/57	900,000	192,750	1,092,750	1,285,500
10/01/57	-	170,250	170,250	-
04/01/58	935,000	170,250	1,105,250	1,275,500
10/01/58	-	146,875	146,875	-
04/01/59	1,065,000	146,875	1,211,875	1,358,750
10/01/59	-	120,250	120,250	-
04/01/60	4,810,000	120,250	4,930,250	5,050,500
	21,620,000	22,092,000	43,712,000	43,712,000

Attachment 4

Oklahoma Drinking Water Treatment Loan Administrative Fund Audit Report For SFY 2020

State of Oklahoma



WATER RESOURCES BOARD
the water agency

**OKLAHOMA DRINKING WATER TREATMENT LOAN
ADMINISTRATIVE FUND**

**ANNUAL FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019
AND INDEPENDENT AUDITOR'S REPORTS**

**OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019**

TABLE OF CONTENTS

	Page
Independent Auditor’s Report on Financial Statements.....	3-4
Management’s Discussion and Analysis.....	5-9
The Basic Financial Statements	
Statements of Net Position.....	11
Statements of Revenues, Expenses, and Changes in Net Position	12
Statements of Cash Flows	13
Footnotes to Statements	14-17
Internal Control over Financial Reporting and Compliance.....	19-20
Independent Auditor’s Report on Internal Control and Compliance	



INDEPENDENT AUDITOR'S REPORT

To the Members of the
Oklahoma Water Resources Board

Report on the Financial Statements

We have audited the accompanying financial statements of the Oklahoma Water Resources Board/Oklahoma Drinking Water Treatment Loan Administrative Fund (the "Fund") as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2020 and 2019, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 5 to the financial statements, the prior year financial statements were restated to correct the administrative fee receivable. Our opinion is not modified with respect to that matter

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2020, on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Arledge & Associates, P.C.

Edmond, Oklahoma
September 21, 2020

**OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019**

MANAGEMENT'S DISCUSSION AND ANALYSIS

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

MANAGEMENT’S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Oklahoma Drinking Water Treatment Loan Administrative Fund's (the "Fund") financial performance provides an overview of the Fund's financial activities for the fiscal years ended June 30, 2020 and 2019. Please read it in conjunction with the Fund's financial statements, which begin on page 11. The Fund was created to account for the administrative fees and application fees received from loans made out of The Oklahoma Drinking Water State Revolving Fund Program (the "Program"). The Oklahoma Department of Environmental Quality manages the capitalization grant. The Oklahoma Water Resources Board (the "Board") handles certain financial functions including originating, approving and servicing loans made to qualifying recipients as well as maintaining the Fund.

Financial Highlights

- The Fund's net position decreased by approximately 9.39% and increased by 19.29% in FY 2020 and 2019, respectively. Ending net position decreased from \$9,559,772 in FY 2019 to \$8,662,280 in FY 2020. Ending net position increased from \$7,971,776 in FY 2018 to \$9,559,772 in FY 2019.
- During FY 2020, total operating income increased by \$209,391 or 11.41%. Total operating income increased \$406,839 or 16.86% in FY 2019. Operating revenues come from borrowers paying 0.5% administrative fees on their outstanding loan balance.

Using This Annual Report

This annual report is presented in a format that substantially meets the presentation requirements of the Governmental Accounting Standards Board (GASB) in accordance with generally accepted accounting principles. The Fund is accounted for and presented similar to, but not identical to, a special-purpose government engaged solely in business-type activities.

The financial statements for the Fund are presented after the Management’s Discussion and Analysis in this annual report and then followed by the footnotes in this order:

- Management’s Discussion and Analysis – that provides useful analysis that facilitates a better understanding of the Fund’s financial condition and changes therein.
- Basic Financial Statements
 - Statements of Net Position
 - Statements of Revenues, Expenses and Changes in Net Position
 - Statements of Cash Flows
- Footnotes - that elaborate on the accounting principles used in the preparation of the financial statements and further explain financial statement elements.

A Financial Analysis of the Fund

One of the most frequently asked questions about the Fund’s finances is, “Has the overall financial condition improved, declined or remained steady over the past year?”

(Unaudited. See accompanying auditor’s report.)

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the Fund as a whole and about its activities in a way that helps answer this question. The following tables present a condensed comparative presentation of net position and changes therein.

Oklahoma Water Resources Board
Drinking Water Treatment Loan Account Administrative Fund
Net Position

	Business-Type		
	Activities		
	June 30		
	2020	Restated, 2019	2018
Current assets	\$ 8,793,329	\$ 9,683,731	\$ 8,093,221
Capital assets, net	8,448	10,701	1,512
Total assets	8,801,777	9,694,432	8,094,733
Current liabilities	139,497	134,660	122,957
Total liabilities	139,497	134,660	122,957
Net position			
Investment in capital assets	8,448	10,701	1,512
Unrestricted	8,653,832	9,549,071	7,970,264
Total net position	\$ 8,662,280	\$ 9,559,772	\$ 7,971,776

In FY 2020, the decrease in net position is attributable to a decrease in cash related to the transfer to the DWSRF Loan Fund to provide the state match for the 2019 federal capitalization grant and a decrease in administrative fees receivable.

The increase in current assets and unrestricted net position in FY 2019 is attributable to an increase in cash and an increase in administrative fees receivable, due to a reduction in the transfer to the DSWRF loan fund and an increase in operating revenues.

(Unaudited. See accompanying auditor's report.)

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

	Business-Type		
	Activities		
	Years Ended June 30,		
	<u>2020</u>	Restated, <u>2019</u>	<u>2018</u>
Revenues			
Operating revenues	\$ 2,701,953	\$ 2,628,944	\$ 2,291,548
Non-operating revenues	173,979	190,475	121,032
Total revenues	<u>2,875,932</u>	<u>2,819,419</u>	<u>2,412,580</u>
Expenses			
Personnel expense	285,684	378,910	397,991
Indirect cost expense	108,365	103,540	89,628
Other administrative expenses	221,131	266,602	253,774
Trustee fees	39,972	42,659	36,059
Depreciation expense	2,253	2,076	6,936
Total expenses	<u>657,405</u>	<u>793,787</u>	<u>784,388</u>
Net income before transfers	2,218,527	2,025,632	1,628,192
Transfers (to) from other programs	<u>(3,116,019)</u>	<u>(437,636)</u>	<u>(2,509,986)</u>
Change in net position	(897,492)	1,587,996	(881,794)
Total net position - beginning	9,559,772	7,971,776	8,853,570
Total net position - ending	<u><u>\$ 8,662,280</u></u>	<u><u>\$ 9,559,772</u></u>	<u><u>\$ 7,971,776</u></u>

Operating revenues increased in FY 2020 due to a increase in program income. The decrease in net position is attributable to a large transfer out to the DWSRF Loan Fund to provide the state match requirement for the 2019 federal capitalization grant.

Operating revenues increased in FY 2019 due to an increase program income because of an increase in loans funded by the DWSRF Loan Fund.

(Unaudited. See accompanying auditor's report.)

**OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019**

Capital Assets

At the end of June 30, 2020, the capital assets net of accumulated depreciation were \$8,848.

**Oklahoma Water Resources Board
Drinking Water Treatment Loan Account Administrative Fund
Capital Assets
(Net of accumulated depreciation)**

	Years Ended June 30,		
	2020	2019	2018
Automobile	\$ 8,848	\$ 10,701	\$ 213
Printer	-	-	1,299
	\$ 8,848	\$ 10,701	\$ 1,512
Totals	\$ 8,848	\$ 10,701	\$ 1,512

During FY 2020, the program did not purchase any new capital assets. During FY 2019, the program purchased a new vehicle.

See Note 3 to the financial statements for more detailed information on the Fund's capital assets and changes therein.

Economic Factors and Next Year's Outlook

The Oklahoma DWSRF has been extremely popular with communities that borrow from the program. No additional staff is planned at this time. No change in the Oklahoma DWSRF financing strategy is anticipated for the next fiscal year.

Contacting the Fund's Financial Management

This financial report is designed to provide the Board's accountability of the Fund. If you have questions about this report or need additional financial information, contact the Financial Assistance Division of the Oklahoma Water Resources Board at 3800 N. Classen Blvd, Oklahoma City, OK 73118.

(Unaudited. See accompanying auditor's report.)

**OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019**

BASIC FINANCIAL STATEMENTS

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

Statements of Net Position – June 30, 2020 and 2019

	<u>2020</u>	<u>Restated, 2019</u>
ASSETS:		
Current Assets:		
Cash and cash equivalents	\$8,049,486	\$8,864,720
Administrative fee receivable	729,205	799,774
Interest receivable	14,638	19,237
Total current assets	<u>8,793,329</u>	<u>9,683,731</u>
Noncurrent Assets:		
Depreciable capital assets, net	8,448	10,701
Total noncurrent assets	<u>8,448</u>	<u>10,701</u>
Total assets	<u>8,801,777</u>	<u>9,694,432</u>
LIABILITIES:		
Current Liabilities:		
Accounts payable	139,497	134,660
Total current liabilities	<u>139,497</u>	<u>134,660</u>
NET POSITION:		
Investment in capital assets	8,448	10,701
Unrestricted	8,653,832	9,549,071
Total net position	<u>\$8,662,280</u>	<u>\$9,559,772</u>

See accompanying notes to the basic financial statements.

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

Statements of Revenues, Expenses and Changes in Net Position – Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>Restated, 2019</u>
OPERATING REVENUES		
Administrative fee income	\$ 2,697,586	\$ 2,625,027
Application fee income	4,367	3,917
Total operating revenues	<u>2,701,953</u>	<u>2,628,944</u>
OPERATING EXPENSES		
Personnel expense	285,684	378,910
Indirect cost expense	108,365	103,540
Other administrative expenses	221,131	266,602
Trustee fees	39,972	42,659
Depreciation expense	2,253	2,076
Total operating expenses	<u>657,405</u>	<u>793,787</u>
OPERATING INCOME	2,044,548	1,835,157
NON-OPERATING REVENUES		
Interest income	<u>173,979</u>	<u>190,475</u>
Total non-operating revenues	<u>173,979</u>	<u>190,475</u>
Net income before transfers	2,218,527	2,025,632
Transfer from Oklahoma Clean Water SRF Administrative Fund	3,981	-
Transfers to Oklahoma Drinking Water State Revolving Fund Loan Program	<u>(3,120,000)</u>	<u>(437,636)</u>
Change in net position	(897,492)	1,587,996
Total net position - beginning	<u>9,559,772</u>	<u>7,971,776</u>
Total net position - ending	<u><u>\$8,662,280</u></u>	<u><u>\$9,559,772</u></u>

See accompanying notes to the basic financial statements.

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

Statements of Cash Flows – Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>Restated, 2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Administrative fee income	\$2,768,155	\$2,503,241
Application fee income	4,367	3,917
Payments to employees	(285,684)	(378,910)
Payments to other suppliers	(364,631)	(401,098)
Net Cash Provided by Operating Activities	<u>2,122,207</u>	<u>1,727,150</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from Oklahoma Clean Water SRF Administrative Fund	3,981	-
Transfers to Oklahoma Drinking Water State Revolving Fund Loan Program	(3,120,000)	(437,636)
Net Cash Provided by (Used in) Noncapital Financing Activities	<u>(3,116,019)</u>	<u>(437,636)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of capital assets	-	(11,265)
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>-</u>	<u>(11,265)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	178,578	183,681
Net Cash Provided by Investing Activities	<u>178,578</u>	<u>183,681</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(815,234)	1,461,930
Balances - beginning of the year	<u>8,864,720</u>	<u>7,402,790</u>
Balances - end of the year	<u>\$8,049,486</u>	<u>\$8,864,720</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$2,044,548	\$1,835,157
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	2,253	2,076
Change in assets and liabilities:		
Decrease (Increase) in administration fee receivable	70,569	(121,786)
Decrease (Increase) in due to other funds	(10,168)	(386)
Increase (Decrease) in other accrued liabilities	15,005	12,089
Net Cash Provided by Operating Activities	<u>\$2,122,207</u>	<u>\$1,727,150</u>

See accompanying notes to the basic financial statements.

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

Footnotes to the Basic Financial Statements:

1. Summary of Significant Accounting Policies

Reporting Entity

The Oklahoma Drinking Water Treatment Revolving Loan Account (the "Program"), Title 82 Oklahoma Statutes, Sections 1085.71 et seq. was created pursuant to the 1996 Amendments (P.L. 104-182) to the Federal Safe Drinking Water Act set apart from all other Oklahoma Water Resources Board accounts and programs to be permanent and perpetual; not subject to fiscal year limitations. Title 82, Section 1085.84 created the Oklahoma Drinking Water Treatment Loan Administrative Fund (the "Fund") for the purpose of administering the Program, transferring monies into the Program and for other purposes authorized by the Federal Safe Drinking Water Act. The Fund consists of revenues primarily from loan administrative fees, Fund investment earnings, and loan application processing fees.

Administrative fees are assessed on loans made from the Program. Fees are assessed to each participating municipality at the rate of one-half of one percent (0.5%) per annum of the amount of each municipality's loan balance outstanding.

The significant accounting principles and practices followed by the Fund are presented below:

Basis of Accounting and Measurement Focus

The Fund is accounted for and presented similar to, but not identical to, a special-purpose government engaged solely in business type activities.

The Fund uses the accrual basis of accounting whereby expenses are recognized when the liability is incurred and revenues are recognized when earned.

The Fund uses the economic resources measurement focus where all assets, liabilities, net position, revenues, expenses and transfers relating to the Program and net income and capital maintenance are measured.

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB").

Cash and Cash Equivalents

The Fund considers all highly liquid debt instruments purchased with an original maturity of three months or less and money market funds to be cash equivalents.

Capital Assets

Capital assets are stated at cost, less accumulated depreciation. Depreciation is charged to operating expense and is computed using the straight-line method. The useful life of the software and printer has been estimated at 7 years. The useful life of automobiles has been estimated at 6 years. Maintenance and repairs are charged to operations when incurred and improvements are capitalized. The Fund's policy is to capitalize purchases in excess of \$5,000. When assets are retired or otherwise

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

1. Summary of Significant Accounting Policies (cont'd)

disposed of, the cost and related accumulated depreciation are removed from the respective accounts and the resulting gain or loss is reflected in operations.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Date of Management's Review of Subsequent Events

Management has evaluated subsequent events through September 21, 2020, the date the financial statements were available to be issued, and determined that no subsequent events have occurred that require adjustment to or disclosure in the financial statements.

2. Cash Deposits and Investment Risk

Cash of \$8,049,481 and \$8,807,712 at June 30, 2020 and 2019 respectively, was on deposit in the State Treasurer's office's internal investment pool – *OK Invest*. Short-term investments of \$5 and \$57,008 at June 30, 2020 and 2019, respectively, were on deposit with the Program's trustee. The deposits are invested in *Federated Treasury Obligations* money market mutual funds.

Custodial credit risk for deposits is the risk that in the event of a bank or other institution failure, the Fund's deposits may not be returned or the Fund will not be able to recover collateral securities in the possession of an outside party. The Fund deposits its funds with the Office of the State Treasurer (OST). Oklahoma statutes require OST to ensure that all state funds either be insured by Federal Deposit Insurance, collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. The Fund's deposits with the State Treasurer are pooled with the funds of other State agencies and then, in accordance with statutory limitations, placed in financial institutions or invested as the Treasurer may determine, in the State's name.

Of the \$8,049,481 and \$8,807,712 in cash and cash equivalents on deposit with the State Treasurer as of June 30, 2020 and June 30, 2019, respectively, 100%, represent amounts held within OK INVEST. Agencies and funds that are considered to be part of the State's reporting entity in the State's Comprehensive Annual Financial Report are allowed to participate in OK INVEST. Oklahoma statutes and the State Treasurer establish the primary objectives and guidelines governing the investment of funds in OK INVEST. Safety, liquidity, and return on investment are the objectives that establish the framework for the day to day OK INVEST management with an emphasis on safety of the capital and the probable income to be derived and meeting the State's daily cash flow requirements. Guidelines in the State Treasurer's Investment Policy address credit quality requirements, diversification percentages and the types and maturities of allowable investments. The specifics regarding these policies can be found on the State Treasurer's website at <http://www.ok.gov/treasurer/>. An evaluation of the use and purpose of the Funds participation in the internal investment pool determined that the amounts on deposit with OK INVEST are considered demand accounts and reported as cash equivalents.

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

2. Cash Deposits and Investment Risk (cont'd)

The Program categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical

assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2020, the Program's investments in obligations not directly guaranteed by the U.S. Government and investments in money market mutual funds were valued according to the following hierarchy and were rates as follows:

- OK Invest (State Treasurer) – not subject to credit ratings or fair value hierarchy
- Federated Treasury Obligation – credit rating AAAM and fair value hierarchy of Level 1

3. Capital Assets

A summary of equipment activity follows:

OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019

	Beginning Balance July 1, 2019	Additions	Deletions	Ending Balance June 30, 2020
Other capital assets:				
Computer software	\$ 113,156	-	-	\$ 113,156
Printer	2,000	-	-	2,000
Automobile	34,061	-	-	34,061
Total other capital assets, historical cost	<u>\$ 149,217</u>	<u>-</u>	<u>-</u>	<u>\$ 149,217</u>
Less: accumulated depreciation for:				
Computer software	\$ 113,156	-	-	\$ 113,156
Printer	2,000	-	-	2,000
Automobile	23,360	2,253	-	25,613
Total accumulated depreciation	<u>\$ 138,516</u>	<u>2,253</u>	<u>-</u>	<u>\$ 140,769</u>
Other capital assets, net	<u>\$ 10,701</u>	<u>(2,253)</u>	<u>-</u>	<u>\$ 8,448</u>

	Beginning Balance July 1, 2019	Additions	Deletions	Ending Balance June 30, 2019
Other capital assets:				
Computer software	\$ 113,156	-	-	\$ 113,156
Printer	2,000	-	-	2,000
Automobile	22,796	11,265	-	34,061
Total other capital assets, historical cost	<u>\$ 137,952</u>	<u>11,265</u>	<u>-</u>	<u>\$ 149,217</u>
Less: accumulated depreciation for:				
Computer software	\$ 113,156	-	-	\$ 113,156
Printer	1,787	213	-	2,000
Automobile	21,497	1,863	-	23,360
Total accumulated depreciation	<u>\$ 136,440</u>	<u>2,076</u>	<u>-</u>	<u>\$ 138,516</u>
Other capital assets, net	<u>\$ 1,512</u>	<u>9,189</u>	<u>-</u>	<u>\$ 10,701</u>

4. Indirect Costs

Indirect costs represent recoverable personnel costs charged to the Program by the Fund in connection with administering and accounting for activities of the Program. The amount allocated to the Program is based on a percentage of the Fund personnel costs as established in an indirect cost allocation plan. The indirect cost rate for the year ended June 30, 2020 and 2019 were 86.23% and 79.00%, respectively.

5. Net Position

Accounts receivable and related operating were restated in fiscal year 2019. Accounts receivable and operating revenues were decreased by \$412,379.

**OKLAHOMA WATER RESOURCES BOARD
OKLAHOMA DRINKING WATER TREATMENT LOAN ADMINISTRATIVE FUND
ANNUAL FINANCIAL REPORT
As of and for the Years Ended June 30, 2020 and 2019**

INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Members of the
Oklahoma Water Resources Board

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Oklahoma Water Resources Board/Oklahoma Drinking Water Treatment Loan Administrative Fund (the "Fund") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements, and have issued our report thereon dated September 21, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Fund's Response to Findings

The Fund's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Fund's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fund's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Arledge & Associates, P.C.
Edmond, Oklahoma
September 21, 2020

Attachment 5

SFY 2020 Financial Statements for the DWSRF Program



**OKLAHOMA DEPARTMENT OF
ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER
STATE REVOLVING FUND
LOAN PROGRAM**

**FINANCIAL STATEMENTS
AS OF
JUNE 30, 2020 AND 2019
AND INDEPENDENT AUDITOR'S REPORT**



OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

ANNUAL FINANCIAL STATEMENTS
FOR THE YEARS ENDED June 30, 2020 and 2019

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	3
FINANCIAL STATEMENTS:	
Statements of Net Position	5
Statements of Revenues, Expenses and Changes in Net Position	6
Statements of Cash Flows	7
Notes to Financial Statements	8
SUPPLEMENTAL SCHEDULE INFORMATION	
Supplemental Combining Statement of Net Position Information- By Program Component	22
Supplemental Combining Statement of Revenues, Expenses and Changes in Net Position Information- By Program Component	23
Supplemental Combining Statement of Cash Flows Information- By Program Component	24



INDEPENDENT AUDITOR'S REPORT

To the Directors of the
Oklahoma Department of Environmental Quality
Oklahoma Drinking Water State Revolving Fund Loan Program

Report on the Financial Statements

We have audited the accompanying financial statements of the Oklahoma Department of Environmental Quality/Oklahoma Drinking Water State Revolving Fund Loan Program (the "Program") as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Program as of June 30, 2020 and 2019, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Program's basic financial statements. The supplemental combining financial statement information, as listed in the table of contents under Supplemental Schedule Information, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Program.

The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental combining financial statement information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020 on our consideration of the Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Program's internal control over financial reporting and compliance.



Edmond, Oklahoma
September 25, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

(Unaudited)

Our discussion and analysis of the Oklahoma Drinking Water State Revolving Fund Program's (the "Program") financial performance provides an overview of the Program's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Program's financial statements, which begin on page 5. The Oklahoma Department of Environmental Quality ("ODEQ") administers the Program. ODEQ's primary activities include providing direct assistance and managing the coordination of the Program to meet the objectives of the Safe Drinking Water Act. Pursuant to an interagency agreement between ODEQ and the Oklahoma Water Resources Board (the "OWRB"), OWRB handles certain financial functions including originating, approving and servicing loans made to qualifying recipients.

FINANCIAL HIGHLIGHTS

- The Program's net position increased by over 7.8% from \$279,753,087 in FY-2019 to \$301,597,895 in FY-2020. The increase in net position is primarily attributable to an increase in federal grant revenue retained to fund loans.
- The Program experienced a decrease of \$41,748,085 in the amount of outstanding loans. At June 30, 2020, the Program had 145 outstanding loans with a principal balance of \$509,613,453. At June 30, 2019, the Program had 142 outstanding loans with a principal balance of \$551,361,538.

PROGRAM HIGHLIGHTS

- During FY 2020, fifteen (15) construction loans, totaling approximately \$171 million were made to correct deficiencies and achieve compliance with the national primary drinking water regulations or otherwise further public health protection objectives of the Safe Drinking Water Act (SWDA).
- Completed construction during the year on ten (10) projects totaling \$31.9 million.
- Made binding commitments for seventeen (17) new loans, totaling approximately \$167.4 million, in drinking water construction for communities to correct problems and achieve compliance with the SWDA.

ECONOMIC FACTORS AND NEXT YEAR'S OUTLOOK

The Oklahoma DWSRF has been extremely popular with communities that borrow from the program. The Program's financing strategy of providing long-term loans at 70% of market rate has been consistent for many years. No additional staff is planned at this time. The Program is expected to increase assets as well as operating income as more loans are approved and eligible draws are made from the federal capitalization grants and the bond issue.

CONTACTING THE PROGRAM'S FINANCIAL MANAGEMENT

This financial report is designed to provide the DEQ's accountability of the Program. If you have questions about this report or need additional financial information, contact the Administrative Services Division of the Oklahoma Department of Environmental Quality at 707 North Robinson, Oklahoma City, OK 73101.

**OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM**

**STATEMENTS OF NET POSITION
June 30, 2020 and 2019**

ASSETS	2020	2019
Current Assets:		
Cash	\$ 14,651,405	\$ 30,215,957
Federal letter of credit payments receivable	355,234	728,718
Accrued interest on loans receivable	3,201,085	3,765,484
Other interest receivable	91,863	146,845
Loans receivable	<u>26,206,722</u>	<u>23,461,333</u>
Total current assets	<u>44,506,309</u>	<u>58,318,337</u>
Noncurrent Assets:		
Restricted Cash	19,124,414	8,819,845
Restricted investments	19,203,579	21,299,855
Loans receivable, net of current portion and allowance for uncollectible loans of \$25,000 in 2020 and \$16,900 in 2019	483,406,731	527,900,205
Equipment, net	<u>551,896</u>	<u>478,083</u>
Total noncurrent assets	<u>522,286,620</u>	<u>558,497,988</u>
 Total assets	 <u>566,792,929</u>	 <u>616,816,325</u>
 LIABILITIES		
Current Liabilities:		
Accounts payable	51,870	44,778
Due to Oklahoma Department of Environmental Quality ("ODEQ")	875,361	683,940
Compensated absences	148,007	108,892
Interest Payable	2,444,871	3,426,983
Current maturities of long-term debt	<u>14,815,000</u>	<u>14,960,000</u>
Total current liabilities	<u>18,335,109</u>	<u>19,224,593</u>
Noncurrent Liabilities:		
Compensated absences	63,431	46,675
Long-term debt, net of current maturities	214,475,000	283,885,000
Unamortized (discount)/premium	<u>25,244,283</u>	<u>33,906,970</u>
Total noncurrent liabilities	<u>239,782,714</u>	<u>317,838,645</u>
 Total liabilities	 <u>258,117,823</u>	 <u>337,063,238</u>
 DEFERRED INFLOW OF RESOURCES		
Unamortized (gain/loss) on refunding	<u>7,088,591</u>	<u>-</u>
 NET POSITION		
Invested in capital assets, net of related debt	551,896	478,083
Restricted for loans and debt service	301,818,054	279,430,571
Unrestricted net position	<u>(783,435)</u>	<u>(155,567)</u>
 Total net position	 <u>\$ 301,586,515</u>	 <u>\$ 279,753,087</u>

See accompanying notes and independent auditors report.

**OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>
REVENUES		
Operating revenues:		
Federal grants	\$ 3,703,547	\$ 4,036,546
Loan program income (net of bad debt recovery of \$0 in 2020 and \$186,164, in 2019)	12,405,849	12,630,980
Total operating revenue	<u>16,109,396</u>	<u>16,667,526</u>
EXPENSES		
Operating expenses:		
Salaries and benefits	2,542,671	2,249,600
Professional services	595,389	665,915
Travel	93,892	100,578
Office	123,543	64,776
Equipment	20,101	18,654
Depreciation	172,310	142,093
Indirect costs	709,037	646,260
Other expense	659	101,362
Interest expense	9,278,006	13,504,150
Bad debt expense	8,101	-
Refunding Expense	20,906	-
Debt issuance costs	232,140	-
Total operating expenses	<u>13,796,755</u>	<u>17,493,388</u>
Operating income (loss)	<u>2,312,641</u>	<u>(825,862)</u>
NONOPERATING REVENUES (EXPENSES)		
Federal grants	5,341,551	10,422,351
Federal grants-Principal Forgiveness	(305,850)	(1,034,021)
Investment income	673,729	1,655,037
Interest income-invested cash balances	1,004,535	1,745,986
Net nonoperating revenues	<u>6,713,965</u>	<u>12,789,353</u>
Income (loss) before transfers	9,026,606	11,963,491
Transfers out - Oklahoma Water Resources Board	(5,313,178)	-
Transfers in - Clean Water State Revolving Fund	15,000,000	-
Transfers in - Drinking Water Treatment Loan Admin Fund	3,120,000	493,600
Total Transfers	<u>12,806,822</u>	<u>493,600</u>
Increase (decrease) in net position	21,833,428	12,457,091
NET POSITION		
Net position, beginning of year	<u>279,753,087</u>	<u>267,295,996</u>
Net position, end of year	<u>\$ 301,586,515</u>	<u>\$ 279,753,087</u>

See accompanying notes and independent auditors report.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Federal grant receipts	\$ 4,077,031	\$ 4,281,112
Collection of interest on loans to local governmental units	12,970,247	11,908,423
Payments to employees	(2,486,800)	(2,233,665)
Payments to suppliers	(1,344,108)	(1,842,111)
Interest paid on debt	(11,703,126)	(14,251,446)
Net cash provided (used by operating activities)	<u>1,513,244</u>	<u>(2,137,687)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from refunding of bonds	28,210,000	-
Bond Issuance Cost	(232,140)	-
Transfer to escrow agent	(85,129,150)	-
Principal paid on bonds	(12,330,000)	(11,530,000)
Federal grant receipts	5,035,701	9,388,330
Transfers in (out) - Oklahoma Water Resources Board	(5,313,178)	-
Transfers in (out) Clean Water State Revolving Fund	15,000,000	-
Transfers in (out) - Drinking Water Treatment Loan Administrative Fund	3,120,000	493,600
Net cash provided (used) by noncapital financing activities	<u>(51,638,767)</u>	<u>(1,648,070)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of equipment	(246,123)	(205,336)
Net cash provided (used) in capital and related financing activities	<u>(246,123)</u>	<u>(205,336)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Loans to local governmental units	(87,002,617)	(95,796,731)
Collection of principal on loans to local governmental units	23,551,154	21,797,681
Refundings on loans receivable	104,893,698	-
Collection of principal on loans to local governmental units from federal grant proceeds	305,850	1,034,021
Interest on investments	673,729	1,653,130
Interest on invested cash balances	1,059,517	1,811,966
Sale (Purchase) of investments	1,630,332	1,316,815
Net cash provided (used) by investing activities	<u>45,111,663</u>	<u>(68,183,118)</u>
Net increase (decrease in cash)	(5,259,983)	(72,174,211)
Cash and cash equivalents, beginning of year	<u>39,035,802</u>	<u>111,210,013</u>
Cash and cash equivalents, end of year	<u>\$ 33,775,819</u>	<u>\$ 39,035,802</u>
Reconciliation to Statement of Net Position:		
Cash	\$ 14,651,405	\$ 30,215,957
Restricted Cash	19,124,414	8,819,845
Total cash and cash equivalents	<u>\$ 33,775,819</u>	<u>\$ 39,035,802</u>

**RECONCILIATION OF NET OPERATING REVENUES (EXPENSES)
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

Operating income (loss)	2,312,641	(825,862)
Adjustment to reconcile net operating income (loss) to net cash provided by operating activities:		
Depreciation	172,310	142,093
Loan Savings	20,907	-
Amortization of bond premium and deferred amount on refunding	(1,443,009)	(538,796)
Bond issuance cost	232,140	-
Transfer to escrow agent	-	-
Provision (recovery) for uncollectable loans	8,100	(186,164)
Changes in operating assets and liabilities:		
Decrease (Increase) in letter of credit payments receivable	373,484	244,566
Decrease (Increase) in interest receivable	564,399	(536,393)
Increase (Decrease) in accounts payable	7,092	2,245
Increase (Decrease) in due to/from DEQ	191,421	(246,811)
Increase (Decrease) in compensated absences	55,871	15,935
Increase (Decrease) in due other accrued liabilities	-	-
Increase (Decrease) in interest payable	(982,112)	(208,500)
Net cash provided (used) by operating activities	<u>1,513,244</u>	<u>(2,137,687)</u>

See accompanying notes and independent auditors report.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Oklahoma Department of Environmental Quality/Oklahoma Drinking Water State Revolving Fund Loan Program (the "Program") was created pursuant to the Federal Safe Drinking Water Act Amendments of 1995 (the "Act"), Section 1452, to provide a perpetual fund for financing the construction of drinking water treatment facilities for municipalities and other entities. The program utilizes Federal Capitalization grants, required State matching funds equal to 20% of federal funds received, and interest income for drinking water loan assistance. Standard loans made by the Program must be repaid within 30 years from construction completion. All repayments, including interest and principal, must remain in the fund.

The Program consists of two program components: 1) set-aside funds and 2) loan fund. The set-aside funds are administered by the Oklahoma Department of Environmental Quality ("ODEQ"). ODEQ's primary activities include providing direct assistance and managing the coordination of the Program to meet its primary objective pursuant to the Act. The loan fund is administered by the Oklahoma Water Resources Board ("OWRB") pursuant to an interagency agreement between ODEQ and OWRB. The OWRB handles certain financial functions, including the originating, approving and servicing loans made to qualifying recipients.

Basis of Accounting and Measurement Focus

The Program prepares its financial statements in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board ("GASB"). The Program is accounted for and presented similar to a special-purpose government engaged solely in business type activities.

The financial statements of the Program are prepared under the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the liability is incurred. The Program uses the economic resources measurement focus where all assets, liabilities, net position, revenues, expenses and transfers relating to the Program and net income and capital maintenance are measured.

Federal Letter of Credit Payments

Funding from Federal grants is provided through a Federal letter of credit ("LOC"). The Program records revenue as qualifying expenditures are made or as expenses are incurred, as appropriate. Availability of funds under the LOC is specified by the terms of the grant. The Program draws on the available funds as necessary to fund operations and selected loans.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Federal Grants

Federal grants are recognized as operating revenue upon payment of allowable grant expenditures eligible for reimbursement from the EPA and not covered by state matching or program income.

Cash and Cash Equivalents

The Program considers all highly liquid debt instruments purchased with an original maturity of three months or less and money market funds to be cash equivalents.

Restricted Cash

Restricted cash represents the portion of the Program's cash balance at year-end that has been obligated for known future expenditures, such as loans, which have been approved and are complete as to all application requirements. The restricted portion fluctuates as obligated funds are used or as funds are de-obligated.

Restricted Investments

Restricted investments at June 30, 2020 represents a portion of the Series 2013B Revenue Bonds as well as the residual investment amounts related to the Series 2003 Revenue Bonds remaining after the retirement of the Series 2003 Revenue bonds during FY-2016. The amount has been set-aside into a Debt Service Reserve Fund. The Debt Service Reserve fund portion of restricted investments totals \$19,203,579 and \$21,299,855 at June 30, 2020 and June 30, 2019, respectively (See Note 5).

Equipment

Equipment is recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to nine years. The Program's policy is to capitalize individual asset purchases in excess of \$5,000.

Debt Issuance Costs

Debt issuance costs are expensed as incurred.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS
 June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Bond Issue Premium

The Program's State Revolving Fund Revenue Bonds Series 2018, Series 2016, Series 2013A, Series 2012A, and Series 2011, were initially sold at a premium of \$39,332,674. The bond premium is being amortized over the remaining life of the bonds. Net amortization expense of \$8,662,687 and \$1,605,065 was recorded in 2020 and 2019, respectively, and is included in interest expense in the accompanying statements of revenues, expenses, and changes in net position.

Loan Administration Fees

Loan administrative fees are assessed to each participating borrower by the OWRB at the rate of one-half of one percent per annum of the amount of each borrower's loan balance outstanding. Fees paid by the participating borrowers are remitted directly to OWRB and, therefore, are not included in the accompanying Program financial statements. These fees are deposited into the Drinking Water Loan Administration Fund, an account held outside the Program. The activity within this fund for the years ended June 30, 2020 and 2019 was as follows:

Balance, July 1, 2019	\$ <u>9,665,349</u>	Balance, July 1, 2018	\$ <u>7,971,776</u>
Fee income	2,596,376	Fee income	2,734,521
Interest income	173,978	Interest income	190,475
Operating expenses	(657,405)	Operating expenses	(793,787)
Transfers	<u>(3,116,019)</u>	Transfers	<u>(437,636)</u>
Balance, June 30, 2020	\$ <u>8,662,279</u>	Balance, June 30, 2019	\$ <u>9,665,349</u>

Unrestricted Net Liability

The unrestricted net liability at June 30, 2020 and 2019, is attributed to the accrual for compensated absences for financial reporting purposes in advance of reimbursement of such costs under the Program's federal funding arrangements.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. CASH DEPOSITS AND INVESTMENT RISK

Cash of \$14,651,405 and \$30,215,957 at June 30, 2020 and 2019 respectively, was on deposit in the State Treasurer's office's internal investment pool – *OK Invest*. Restricted cash of \$19,124,414 and \$8,819,845 at June 30, 2020 and 2019 respectively, was on deposit with the Program's trustee. Amounts on deposit with the Program's trustee bank are invested in the *Federated Treasury Obligations, Federated Government Obligation, Goldman Sachs Financial Square Treasury Obligations and the Goldman Sachs Financial Square Federal Funds* money market mutual funds.

Custodial credit risk for deposits is the risk that in the event of a bank or other institution failure, the Program's deposits may not be returned or the Program will not be able to recover collateral securities in the possession of an outside party. The Program deposits its funds with the Office of the State Treasurer (OST). Oklahoma statutes require OST to ensure that all state funds either be insured by Federal Deposit Insurance, collateralized by securities held by the cognizant Federal Reserve Bank, or invested in U.S. government obligations. The Program's deposits with the State Treasurer are pooled with the funds of other State agencies and then, in accordance with statutory limitations, placed in financial institutions or invested as the Treasurer may determine, in the State's name.

Of the \$14,651,405 and \$30,215,957 in cash and cash equivalents on deposit with the State Treasurer as of June 30, 2020 and June 30, 2019, 100% represent amounts held within OK INVEST, an internal investment pool. Agencies and funds that are considered to be part of the State's reporting entity in the State's Comprehensive Annual Financial Report are allowed to participate in OK INVEST. Oklahoma statutes and the State Treasurer establish the primary objectives and guidelines governing the investment of funds in OK INVEST. Safety, liquidity, and return on investment are the objectives that establish the framework for the day-to-day OK INVEST management with an emphasis on safety of the capital and the probable income to be derived and meeting the State's daily cash flow requirements. Guidelines in the State Treasurer's Investment Policy address credit quality requirements, diversification percentages and the types and maturities of allowable investments. The specifics regarding these policies can be found on the State Treasurer's website at <http://www.ok.gov/treasurer/>. An evaluation of the use and purpose of the Program's participation in the internal investment

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

2. CASH DEPOSITS AND INVESTMENT RISK (Cont'd)

pool determined that the amounts on deposit with OK INVEST are considered demand deposits and are reported as cash equivalents.

Investment Interest Rate Risk – the Program does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates as it relates to funds not directly associated with bond issue proceeds.

Investment Credit Risk- Non-Debt Proceeds – for non-debt proceeds, the Program has no investment policy that limits its investment choices other than the limitation of state law imposed on the State Treasurer as follows:

- a) U.S. Treasury Bills, Notes and Bonds and U.S. Government Agency Securities with certain ratings and maturity limitations.
- b) Collateralized or insured certificates of deposit and other evidences of deposit issued by a bank, savings bank, savings and loan association or credit union located in the state.
- c) With certain ratings and maturity limitations, negotiable certificates of deposit, bankers' acceptances and commercial paper.
- d) Obligations of state and local governments, including obligations of Oklahoma state public trusts, with certain ratings and maturity limitations.
- e) Collateralized repurchase agreements tri-party repurchase agreements.
- f) Money market mutual funds and short-term bond funds regulated by the Securities and Exchange Commission (SEC) and in which investments consist of obligations of the U.S. Government and its agencies and instrumentalities and repurchase agreements collateralized by obligations of the U.S. Government and its agencies and instrumentalities.

Investment Credit Risk - Debt Proceeds – for debt proceeds, the bond indenture provides for restrictions on the investment choices of the Program as follows:

- a) Obligations of the United States Government, its agencies and instrumentalities.
- b) Collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations or credit unions located in the State of Oklahoma.
- c) Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items specified in (a) and (b) above.
- d) Investment agreements with entities maintaining a rating in the top two categories by a nationally recognized municipal bond rating agency.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

2. CASH DEPOSITS AND INVESTMENT RISK (Cont'd)

The program categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At June 30, 2020 and 2019, the Program's investments in obligations not directly guaranteed by the U.S. Government and investments in money market mutual funds were valued according to the following hierarchy and were rated as follows:

Type	Maturities	Credit Rating	Fair Value Hierarchy	Carrying Value	
				2020	2019
OK Invest	On Demand	Not Rated	N/A	\$ 14,651,405	\$ 30,215,957
Federated Treasury Obligation Fund	16 days	AAA m	Level 1	-	1,067,185
Federated Government Obligations Fund	16 days	AAA m	Level 1	11,489,582	3,728,140
Goldman Sach Fin. Sq. Treasury Oblig. Fund		AAA m	Level 1	7,634,832	4,369,168
Federal Farm Credit Bank	2022/2025	AA+	Level 2	2,957,705	2,878,495
Federal Home Loan Bank	2023	AA+	Level 2	723,026	1,082,306
Federal Home Loan Mortgage Corp. Int. Strips	2025	AA+	Level 2	2,848,152	2,592,360
Federal National Mortgage Assoc. Int. Strips	2020/2022	AA+	Level 2	21,811	340,737
Tennessee Valley Authority	2021	AA+	Level 2	723,021	729,440
Tennessee Valley Authority Coupon Strips	2021/2025	AA+	Level 2	11,808,563	12,970,277
Sub-total				\$ 52,858,097	\$ 59,974,065
U.S. Treasury Notes	2020			121,301	361,592
				\$ 52,979,398	\$ 60,335,657
Reconciliation to Statement of Net Position					
			Cash	\$ 14,651,405	\$ 30,215,957
			Restricted cash	19,124,414	8,819,845
			Restricted investments	19,203,579	21,299,855
				\$ 52,979,398	\$ 60,335,657

Concentration of Investment Credit Risk – neither the Program nor the bond indenture place any limit on the amount the Program may invest in any one issuer. The Program has the following concentration of credit risk at June 30, 2020: 36% or \$19,124,414 is invested in government obligations money market mutual funds, 36% or \$19,203,579 is invested directly in fixed income securities, and 28% or \$14,651,405 is invested in OK Invest. A "pooled cash" concept is used by ODEQ in maintaining cash and equivalents for the Program's Set Aside accounts. Under this method, cash and equivalents are pooled and each ODEQ program has equity in the pooled amount. There were no pooled cash overdrafts included in Due to ODEQ in the current year.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS
 June 30, 2020 and 2019

3. FEDERAL LETTERS OF CREDIT

Federal letters of credit ("LOC") balances at June 30, 2020 and 2019 are as follows:

	Year Ended June 30, 2020					
	Administrative	Program Management & Reserve	Small Systems	Local Assistance	Loan	Totals
LOC Available for draw	\$ 11,331,912	22,792,777	4,743,702	26,696,768	251,049,841	316,615,000
Grant available in 2020	624,000	1,560,000	312,000	2,340,000	10,764,000	15,600,000
LOC reprogrammed	-	-	-	-	-	-
Cumulative cash draws	11,645,395	23,763,933	4,841,657	27,067,706	253,241,522	320,560,213
LOC balance available for draw at June 30, 2020	\$ 310,517	588,844	214,045	1,969,062	8,572,319	11,654,787

	Year Ended June 30, 2019					
	Administrative	Program Management & Reserve	Small Systems	Local Assistance	Loan	Totals
LOC Available for draw	\$ 10,702,032	21,218,077	4,428,762	24,334,718	240,184,411	300,868,000
Grant available in 2019	629,880	1,574,700	314,940	2,362,050	10,865,430	15,747,000
LOC reprogrammed	-	-	-	-	-	-
Cumulative cash draws	11,095,269	22,099,210	4,615,272	25,421,190	247,900,447	311,131,388
LOC balance available for draw at June 30, 2019	\$ 236,643	693,567	128,430	1,275,578	3,149,394	5,483,612

Due to the fact that the grants cover a period of more than 8 quarters, not all of the balances presented above are available for immediate drawdown.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

4. LOANS RECEIVABLE

The Program originates loans with Oklahoma municipalities and other entities for financing the construction of drinking water treatment facilities which are payable in semiannual installments at subsidized rates. Funded projects of the Program must meet established eligibility requirements. Effective interest rates on the outstanding loans vary from 0% to 3.50% at June 30, 2020 and from 0% to 3.50% at June 30, 2019.

Not less than 20% up to a maximum of 30% of the annual federal grant must be used for principal forgiveness for projects meeting regionalization and consolidation criteria. For the period ending June 30, 2020 the Program made 5 loan to a borrower in this category and 3 loans in the period ending June 30, 2019 that have or will receive principal forgiveness.

At least 6% of the 2019 federal grant must be used for principal forgiveness for projects meeting disadvantaged criteria. For the period ending June 30, 2020 the program made 6 loans to a borrower in this category.

The Program also provides for extended loan terms to borrowers meeting the “disadvantaged” criteria. Loan terms can be extended to up to thirty years and not to exceed the useful life of the proposed project. For the periods ending June 30, 2020 and 2019, the Program made 8 and 9 loans, respectively, under the “disadvantaged” criteria

Loans are collateralized by various revenue sources including, but not limited to, user charges and sales taxes collected by the borrowers. Principal payments must start within one year of construction completion or at an earlier date set in the loan agreement. Loan terms are available up to a maximum of twenty years, except for loans qualifying under the “disadvantaged” criteria for which the maximum term is thirty years. During the years ended June 30, 2020 and 2019, principal payments of \$128,767,603 and \$22,831,702, respectively, had been received.

The allowance for loan losses at June 30, 2020 of \$25,000 is based upon management's evaluation of the collectability of the loans. The evaluation takes into consideration such factors as size of the individual loans, overall quality, current economic conditions and trends that may affect the borrowers' ability to pay.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

4. LOANS RECEIVABLE (Cont'd)

Loans receivable activity from July 1, 2018 to June 30, 2020, is as follows:

Balance, June 30, 2018	\$ 478,210,345
Loan Disbursements	95,796,731
Loan Principal repayments and forgiveness	<u>(22,831,702)</u>
	551,175,374
Change in provision for uncollectable loans	<u>186,164</u>
Balance, June 30, 2019	\$ <u>551,361,538</u>
Loan Disbursements	87,002,617
Loan Principal repayments and forgiveness	<u>(128,767,603)</u>
	509,596,552
Change in provision for uncollectable loans	<u>16,901</u>
Balance, June 30, 2020	\$ <u><u>509,613,453</u></u>

5. RESTRICTED INVESTMENTS

A description of the restricted investments held at June 30, 2020 and 2019, is as follows:

	<u>2020</u>	<u>2019</u>
Federal Farm Credit Bank	\$ 2,957,705	\$ 2,878,495
Federal Home Loan Bank	723,026	1,082,306
Federal Home Loan Mortgage Corp. Int. Strips	2,848,152	2,592,360
Federal National Mortgage Assoc. Int. Strips	21,811	340,737
Tennessee Valley Authority	723,021	729,440
Tennessee Valley Authority Coupon Strips	11,808,563	12,970,277
U.S. Treasury Notes	121,301	361,592
Goldman Sach Fin. Sq. Treasury Oblig. Fund	-	344,648
	<u>\$ 19,203,579</u>	<u>\$ 21,299,855</u>

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

6. BINDING COMMITMENTS

The OWRB, pursuant to an interagency agreement entered into between ODEQ and OWRB, approves funding of various loan applications through the Program. These binding commitments will be funded by the Program provided that a loan agreement and promissory note are executed within one year from the date of original approval unless an extension is granted by the OWRB. Binding commitments approved by the OWRB for which a loan agreement and promissory note have not been executed totaled \$1,755,000 and \$11,000,000 at June 30, 2020 and 2019, respectively.

7. EQUIPMENT

A summary of changes to equipment is as follows:

	Year ended 2020			
	June 30, 2019	Additions	Disposals	June 30, 2020
Equipment	\$ 1,530,966	246,123	-	\$ 1,777,089
Accumulated depreciation	(1,052,883)	(172,310)	-	(1,225,193)
Net	\$ 478,083	73,813	-	\$ 551,896

	Year ended 2019			
	June 30, 2018	Additions	Disposals	June 30, 2019
Equipment	\$ 1,325,630	205,336	-	\$ 1,530,966
Accumulated depreciation	(910,790)	(142,093)	-	(1,052,883)
Net	\$ 414,840	63,243	-	\$ 478,083

8. LONG-TERM DEBT

Bonds Payable

On December 19, 2019 the Program issued State Revolving Fund Refunding Bonds, Series 2019 in the amount of \$154,420,000. A portion of the bonds, \$28,210,000, were issued together with certain other available moneys and investments to refund the \$48,545,000 of the State Revolving Fund Revenue Bonds, Series 2011A and \$36,890,000 of the State Revolving Fund Revenue Bonds, Series 2012B, and to pay the cost of issuance of the bonds. The remaining portion of the issue was used to refund bonds in the OWRB Clean Water Loan Program.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

8. LONG-TERM DEBT (Cont'd)

Bonds Payable (Cont'd)

On March 22, 2018, the Program issued State Revolving Fund Revenue Bonds, Series 2018 in the amount of \$80,055,000. The bonds are secured by the loans made to the local entities by the OWRB, investment income in the Drinking Water State Revolving Fund Account and monies held in the Debt Service Reserve Fund. These bonds were issued to provide low interest cost financing for Oklahoma Local governmental entities for acquiring, constructing, or improving their wastewater treatment systems, to reimburse the Program for amounts previously advanced to local governments, and to enable the Program to meet the State matching requirements in order to obtain Federal grants.

On October 19, 2016, the Program issued State Revolving Fund Revenue Bonds, Series 2016 in the amount of \$90,000,000. The bonds are secured by the loans made to the local entities by the OWRB, investment income in the Drinking Water State Revolving Fund Account and monies held in the Debt Service Reserve Fund. These bonds were issued to provide low interest cost financing for Oklahoma Local governmental entities for acquiring, constructing, or improving their wastewater treatment systems, to reimburse the Program for amounts previously advanced to local governments, and to enable the Program to meet the State matching requirements in order to obtain Federal grants.

On September 19, 2013, the Program issued State Revolving Fund Revenue Bonds, Series 2013A in the amount of \$41,410,000. The bonds are secured by the loans made to the local entities by the OWRB, investment income in the Drinking Water State Revolving Fund Account and monies held in the Debt Service Reserve Fund. These bonds were issued to provide low interest cost financing for Oklahoma Local governmental entities for acquiring, constructing, or improving their wastewater treatment systems, to reimburse the Program for amounts previously advanced to local governments, and to enable the Program to meet the State matching requirements in order to obtain Federal grants.

On September 19, 2013, the Program issued State Revolving Fund Revenue Bonds, Series 2013B in the amount of \$35,505,000. The bonds are secured by the loans made to the local entities by the OWRB, investment income in the Drinking Water State Revolving Fund Account and monies held in the Debt Service Reserve Fund. These bonds were issued to provide funds, together with certain other available moneys and investments, to retire the Program's Series 2003 Revenue Bonds, and to fund a debt service reserve fund.

On June 12, 2012, the Program issued State Revolving Fund Revenue Bonds, Series 2012A in the amount of \$49,395,000. The bonds are secured by the loans made to the local entities by the OWRB, investment income in the Drinking Water State Revolving Fund Account and monies held in the Debt Service Reserve Fund. These bonds were issued to provide low interest cost financing for Oklahoma Local governmental entities for acquiring, constructing,

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

8. LONG-TERM DEBT (Cont'd)

Bonds Payable (Cont'd)

or improving their wastewater treatment systems and to enable the Program to meet the State matching requirements in order to obtain Federal grants. The Bonds were refunded in December 2019 with the issuance of Series 2019, State Revolving Fund Revenue Refunding Bonds.

On April 13, 2011, the Program issued State Revolving Fund Revenue Bonds, Series 2011 in the amount of \$57,910,000. The bonds are secured by the loans made to the local entities by the OWRB, investment income in the Drinking Water State Revolving Fund Account and monies held in the Debt Service Reserve Fund. These bonds were issued to provide low interest cost financing for Oklahoma Local governmental entities for acquiring, constructing, or improving their wastewater treatment systems and to enable the Program to meet the State matching requirements in order to obtain Federal grants. The Bonds were refunded in December 2019 with the issuance of Series 2019, State Revolving Fund Revenue Refunding Bonds.

Future debt service payments required by the Program's serial bonds as of June 30, 2020 are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 14,815,000	9,634,358	\$ 24,449,358
2022	15,560,000	9,779,484	25,339,484
2023	16,395,000	9,099,370	25,494,370
2024	16,560,000	8,385,639	24,945,639
2025	15,945,000	7,621,312	23,566,312
2026-2029	58,440,000	28,462,296	86,902,296
2030-2035	50,470,000	16,061,168	66,531,168
2036-2040	33,760,000	6,111,846	39,871,846
2041-2043	7,345,000	778,814	8,123,814
Total	\$ <u>229,290,000</u>	<u>95,934,288</u>	\$ <u>325,224,288</u>

In addition to their normal scheduled maturity dates as shown above, the bonds may also be redeemed at the option of the Board, in whole or part, as such dates and for such prices, plus accrued interest as are set forth in the bond indenture.

In order for the interest on the Program's Series 2018, 2016, and 2013A bonds to be tax-exempt, the Board must comply with certain provisions of the Internal Revenue Code, as amended. One provision requires that the arbitrage earnings (defined as the excess of the amount earned on all nonpurpose investments over the amount which would have been earned if the nonpurpose investments were invested at a rate equal to the note/bond yield) be rebated to the Internal Revenue Service. This rebate is payable at the end of each five years during the term of the issues. Management has estimated the arbitrage rebate liability at June 30, 2020 to be immaterial for the Series 2018, 2016, and Series 2013A bonds.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS
 June 30, 2020 and 2019

8. LONG-TERM DEBT (Cont'd)

Bonds Payable (Cont'd)

Changes in long-term debt outstanding at June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Beginning Balance:		
Serial 2018 bonds due April 1, 2020 to April 1, 2038, interest at 3.38% to 5.00%	80,055,000	80,055,000
Serial 2016 bonds due April 1, 2020 to April 1, 2041, interest at 4.00% to 5.00%	88,500,000	89,500,000
Serial 2013B bonds due April 1, 2020 to April 1, 2025, interest at 2.71% to 4.12%	14,615,000	18,755,000
Series 2013A Bonds due April 1, 2020, to April 1, 2043, interest at 4.00% to 5.00%	30,240,000	32,995,000
Series 2012A Bonds due April 1, 2019 to April 1, 2042, interest at 3.00% to 5.00%	36,890,000	39,050,000
Series 2011 bonds due April 1, 2020 to April 1, 2042, interest at 3.00% to 5.25%	48,545,000	50,020,000
Unamortized premium	33,906,970	35,512,035
	<u>\$ 332,751,970</u>	<u>\$ 345,887,035</u>
Add: Serial 2019 bonds due April 1, 2020 to April 1, 2042, interest at 1.73% to 3.17%	28,210,000	-
Add:		-
Less: Debt Repayments, inclusive of \$7,219,678 of unamortized premium for 2020 and \$0 for 2019	(12,330,000)	(11,530,000)
Less: Bond refundings	(92,654,678)	-
Less: Current Amortization of premium	(1,443,009)	(1,605,065)
Ending Balances:	<u>\$ 254,534,283</u>	<u>\$ 332,751,970</u>
Amounts due in our year	<u>\$ 14,815,000</u>	<u>\$ 14,960,000</u>

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

NOTES TO FINANCIAL STATEMENTS

June 30, 2020 and 2019

9. COMMITMENTS AND CONTINGENCIES

The Program is exposed to various risks of loss related to torts, thefts of assets, efforts and omissions, injuries to employees while performing Program business, or acts of God. The Program maintains insurance through the State of Oklahoma Risk Management Division, which is included in the indirect costs charged to the Program. There have not been any claims against the Program since its inception in 1998.

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

SUPPLEMENT COMBINING STATEMENT OF NET POSITION INFORMATION - BY PROGRAM COMPONENT
June 30, 2020

	Set Aside Funds				Loan Fund	Totals
	Administrative	Program Management	Small Systems	Local Assistance and Other State Programs		
ASSETS						
Current Assets:						
Cash	\$ -	-	-	-	14,651,405	14,651,405
Federal letter of credit payments receivable (payable)	12,044	864,420	83,419	-	-	959,883
Due from Oklahoma Department of Environmental Quality ("ODEQ")	-	-	-	314,388	-	314,388
Accrued interest on loans receivable	-	-	-	-	3,201,085	3,201,085
Other interest receivable	-	-	-	-	91,863	91,863
Loans receivable	-	-	-	-	26,206,722	26,206,722
Total current assets	12,044	864,420	83,419	314,388	44,151,075	45,425,346
Noncurrent Assets:						
Restricted Cash	-	-	-	-	19,124,414	19,124,414
Restricted investments	-	-	-	-	19,203,579	19,203,579
Loans receivable, net of current portion and allowance for uncollectible loans of \$25,000 in 2020 and \$16,900 in 2019	-	-	-	-	483,406,731	483,406,731
Equipment, net	-	225,288	-	326,608	-	551,896
Total noncurrent assets	-	225,288	-	326,608	521,734,724	522,286,620
Total assets	12,044	1,089,708	83,419	640,996	565,885,799	567,711,966
LIABILITIES						
Current Liabilities:						
Accounts payable	-	1,078	-	50,792	-	51,870
Federal letter of credit payments payable	-	-	-	604,649	-	604,649
Due to Oklahoma Department of Environmental Quality ("ODEQ")	12,045	1,094,285	83,419	-	-	1,189,749
Compensated absences	20,368	71,645	14,913	41,081	-	148,007
Interest Payable	-	-	-	-	2,444,871	2,444,871
Current maturities of long-term debt	-	-	-	-	14,815,000	14,815,000
Total current liabilities	32,413	1,167,008	98,332	696,522	17,259,871	19,254,146
Noncurrent Liabilities:						
Compensated absences	8,729	30,705	6,391	17,606	-	63,431
Long-term debt, net of current maturities	-	-	-	-	214,475,000	214,475,000
Unamortized (discount)/premium	-	-	-	-	25,244,283	25,244,283
Total noncurrent liabilities	8,729	30,705	6,391	17,606	239,719,283	239,782,714
Total liabilities	41,142	1,197,713	104,723	714,128	256,979,154	259,036,860
DEFERRED INFLOW OF RESOURCES						
Unamortized (gain/loss) on refunding	-	-	-	-	7,088,591	7,088,591
NET POSITION						
Invested in capital assets, net of related debt	-	225,288	-	326,608	-	551,896
Restricted for loans and debt service	-	-	-	-	301,818,054	301,818,054
Unrestricted net liability	(29,098)	(333,293)	(21,304)	(399,740)	-	(783,435)
Total net position	\$ (29,098)	(108,005)	(21,304)	(73,132)	301,818,054	301,586,515

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

SUPPLEMENTAL COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN
NET POSITION INFORMATION - BY PROGRAM COMPONENT
For the Year Ended June 30, 2020

	Set Aside Funds					
	Administrative	Program Management	Small Systems	Local Assistance and Other State Programs	Loan Fund	Totals
REVENUES						
Operating revenues:						
Federal grants	\$ 563,346	1,642,820	238,021	1,259,360	-	3,703,547
Loan program income	-	-	-	-	12,405,849	12,405,849
Total operating revenue	<u>563,346</u>	<u>1,642,820</u>	<u>238,021</u>	<u>1,259,360</u>	<u>12,405,849</u>	<u>16,109,396</u>
EXPENSES						
Operating expenses:						
Salaries and benefits	281,124	1,276,978	190,078	794,491	-	2,542,671
Professional services	215,875	3,800	-	375,714	-	595,389
Travel	6,353	34,255	2,541	50,743	-	93,892
Office	867	42,420	41	80,215	-	123,543
Equipment	-	5,656	-	14,445	-	20,101
Depreciation	-	36,332	-	135,978	-	172,310
Indirect costs	74,648	358,319	51,640	224,430	-	709,037
Other expense	-	1,073	-	(414)	-	659
Interest expense	-	-	-	-	9,278,006	9,278,006
Bad debt expense	-	-	-	-	8,101	8,101
Refunding Expense	-	-	-	-	20,906	20,906
Debt issuance costs	-	-	-	-	232,140	232,140
Total operating expenses	<u>578,867</u>	<u>1,758,833</u>	<u>244,300</u>	<u>1,675,602</u>	<u>9,539,153</u>	<u>13,796,755</u>
Operating income (loss)	<u>(15,521)</u>	<u>(116,013)</u>	<u>(6,279)</u>	<u>(416,242)</u>	<u>2,866,696</u>	<u>2,312,641</u>
NONOPERATING REVENUES (EXPENSES)						
Federal grants	-	-	-	-	5,341,551	5,341,551
Federal grants-Principal Forgiveness	-	-	-	-	(305,850)	(305,850)
Investment income	-	-	-	-	673,729	673,729
Interest income-invested cash balances	-	-	-	-	1,004,535	1,004,535
Net nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,713,965</u>	<u>6,713,965</u>
Income (loss) before transfers	(15,521)	(116,013)	(6,279)	(416,242)	9,580,661	9,026,606
Transfers out - Oklahoma Water Resources Board	-	-	-	-	(5,313,178)	(5,313,178)
Transfers in - Clean Water State Revolving Fund	-	-	-	-	15,000,000	15,000,000
Transfers in - Drinking Water Treatment Loan Admin Fund	-	-	-	-	3,120,000	3,120,000
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,806,822</u>	<u>12,806,822</u>
Increase (decrease) in net position	(15,521)	(116,013)	(6,279)	(416,242)	22,387,483	21,833,428
NET POSITION						
Net position, beginning of year	<u>(13,577)</u>	<u>8,008</u>	<u>(15,025)</u>	<u>343,110</u>	<u>279,430,571</u>	<u>279,753,087</u>
Net position, end of year	<u>\$ (29,098)</u>	<u>(108,005)</u>	<u>(21,304)</u>	<u>(73,132)</u>	<u>301,818,054</u>	<u>301,586,515</u>

OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
 OKLAHOMA DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM

STATEMENTS OF CASH FLOWS - BY PROGRAM COMPONENT
 For the Year Ended June 30, 2020

	Set Aside Funds				Loan Fund	Totals
	Administrative	Program Management	Small Systems	Local Assistance and Other State Programs		
CASH FLOWS FROM OPERATING ACTIVITIES						
Federal grant receipts	\$ 550,126	1,664,718	226,385	1,635,802	-	4,077,031
Collection of interest on loans to local governmental units	-	-	-	-	12,970,247	12,970,247
Payments to employees	(265,604)	(1,249,830)	(183,799)	(787,567)	-	(2,486,800)
Payments to suppliers	(284,522)	(236,478)	(42,586)	(780,522)	-	(1,344,108)
Interest paid on debt	-	-	-	-	(11,703,126)	(11,703,126)
Net cash provided (used by operating activities)	-	178,410	-	67,713	1,267,121	1,513,244
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Proceeds from refunding of bonds	-	-	-	-	28,210,000	28,210,000
Bond Issuance Cost	-	-	-	-	(232,140)	(232,140)
Transfer to escrow agent	-	-	-	-	(85,129,150)	(85,129,150)
Principal paid on bonds	-	-	-	-	(12,330,000)	(12,330,000)
Federal grant receipts	-	-	-	-	5,035,701	5,035,701
Transfers in (out) - Oklahoma Water Resources Board	-	-	-	-	(5,313,178)	(5,313,178)
Transfers in (out) Clean Water State Revolving Fund	-	-	-	-	15,000,000	15,000,000
Transfers in (out) - Drinking Water Treatment Loan Administrative Fund	-	-	-	-	3,120,000	3,120,000
Net cash provided (used) by noncapital financing activities	-	-	-	-	(51,638,767)	(51,638,767)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchase of equipment	-	(178,410)	-	(67,713)	-	(246,123)
Net cash provided (used) in capital and related financing activities	-	(178,410)	-	(67,713)	-	(246,123)
CASH FLOWS FROM INVESTING ACTIVITIES						
Loans to local governmental units	-	-	-	-	(87,002,617)	(87,002,617)
Collection of principal on loans to local governmental units	-	-	-	-	23,551,154	23,551,154
Refundings on loans receivable	-	-	-	-	104,893,698	104,893,698
Collection of principal on loans to local governmental units from federal grant proceeds	-	-	-	-	305,850	305,850
Interest on investments	-	-	-	-	673,729	673,729
Interest on invested cash balances	-	-	-	-	1,059,517	1,059,517
Sale (Purchase) of investments	-	-	-	-	1,630,332	1,630,332
Net cash provided (used) by investing activities	-	-	-	-	45,111,663	45,111,663
Net increase (decrease in cash)	-	-	-	-	(5,259,983)	(5,259,983)
Cash and cash equivalents, beginning of year	-	-	-	-	39,035,802	39,035,802
Cash and cash equivalents, end of year	\$ -	\$ -	-	-	33,775,819	33,775,819

**RECONCILIATION OF NET OPERATING REVENUES (EXPENSES)
TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

	Set Aside Funds					Totals
	Administrative	Program Management	Small Systems	Local Assistance and Other State Programs	Loan Fund	
Operating income (loss)	\$ (15,521)	\$ (116,013)	\$ (6,279)	\$ (416,242)	\$ 2,866,696	\$ 2,312,641
Adjustment to reconcile net operating income (loss) to net cash provided by operating activities:						
Depreciation	-	36,332	-	135,978	-	172,310
Loan Savings	-	-	-	-	20,907	20,907
Amortization of bond premium and deferred amount on refunding	-	-	-	-	(1,443,009)	(1,443,009)
Bond issuance cost	-	-	-	-	232,140	232,140
Transfer to escrow agent	-	-	-	-	-	-
Provision (recovery) for uncollectable loans	-	-	-	-	8,100	8,100
Changes in operating assets and liabilities:						
Decrease (Increase) in letter of credit payments receivable	(13,220)	21,898	(11,636)	376,442	-	373,484
Decrease (Increase) in interest receivable	-	-	-	-	564,399	564,399
Increase (Decrease) in accounts payable	-	1,078	-	6,014	-	7,092
Increase(Decrease) in due to/from DEQ	13,221	207,967	11,636	(41,403)	-	191,421
Increase(Decrease) in compensated absences	15,520	27,148	6,279	6,924	-	55,871
Increase(Decrease) in due other accrued liabilities	-	-	-	-	-	-
Increase(Decrease) in interest payable	-	-	-	-	(982,112)	(982,112)
Net cash provided (used) by operating activities	\$ -	\$ 178,410	\$ -	\$ 67,713	\$ 1,267,121	\$ 1,513,244

Attachment 6

Capacity Development Annual Report for SFY 2020

Oklahoma Department of Environmental Quality

Capacity Development Program
Annual Progress Report to EPA
State Fiscal Year 2020

September 29, 2020

1. Introduction

With the Safe Drinking Water Act (SDWA) Amendments of 1996, Congress put in place a variety of initiatives designed to assist public water systems in providing safe drinking water and complying with the terms of the Act. One of these was the Capacity Development (CD) Initiative, established with the intent of focusing on those systems most in need of assistance, primarily very small systems serving populations of 3,300 or less. CD is the process by which the State of Oklahoma assures that drinking water systems acquire and maintain the *technical, managerial, and financial* (TMF) capabilities to successfully operate.

All states are currently implementing state-specific CD programs tailored to meet water systems' needs. As required in Section 1420 of the Safe Drinking Water Act Amendments of 1996, the Oklahoma Department of Environmental Quality (DEQ) must submit an annual report of CD activities to the United States Environmental Protection Agency (EPA). This report reflects the efficacy of the State's CD Strategy by detailing improvements in the TMF capabilities of the State's public water systems. The annual CD progress report is available on the DEQ's website, at <https://www.deq.ok.gov/water-quality-division/public-water-supply/capacity-development/>.

A *public water system* (PWS) is defined by the SDWA as a system that provides water via piping or other constructed conveyances for human consumption to at least 15 service connections or serves an average of at least 25 people for at least 60 days each year.

There are three types of PWSs:

1. Community Water Supplies (CWS) such as towns and rural water districts;
2. Non-transient non-community (NTNC) systems such as schools or factories; and
3. Non-community (NC) systems such as rest stops or parks.

Of the 1,357 PWSs in Oklahoma:

- 904 are community water systems;
- 78 are non-transient non-community;
- 375 are non-community water systems;
- 183 systems use surface water as their primary source;
- 735 systems use groundwater as their primary source;
- 345 systems purchase from surface water systems;
- 8 systems use groundwater under the direct influence of surface water as their primary source;
- 78 systems purchase from groundwater systems; and
- 8 systems purchase from groundwater under the direct influence of surface water systems.

DEQ has the statutory authority to ensure that all water supply systems will have adequate TMF capabilities prior to their construction in Oklahoma. For new systems, these capabilities are assessed via two DEQ regulatory directives. The first directive derives from Oklahoma Administrative Code (OAC) 252-626: Public Water Supply Construction Standards [<https://www.deq.ok.gov/asd/rules-and-regulations/attachment/626/>], which states that a PWS must receive a "Permit-to-Construct" from DEQ prior to initiating construction. The other directive requires all operators of a PWS to be licensed by DEQ,

according to OAC 252:710: Waterworks and Wastewater Works Operator Certification Regulations [<https://www.deq.ok.gov/asd/rules-and-regulations/attachment/710/>].

2. Enforcement and Compliance Mechanisms

DEQ's CD program relies on the success of its enforcement and compliance programs. These two programs are partially funded through the Drinking Water State Revolving Fund (DWSRF) 10% State Program Management Set-Aside, and the 15% Local Assistance and Other State Programs Set-Aside. Funding information is detailed in DEQ's *Final Intended Use Plan, Drinking Water State Revolving Fund, State Fiscal Year 2021*. Note that State's fiscal year is from July 1st to June 30th the following calendar year.

DEQ maintains a strong enforcement program that particularly addresses systems with multiple violations of SDWA requirements. Such systems are referred to DEQ enforcement staff for analysis of the causes behind the violations. When it is determined that enforcement is needed, there are three main legal tools available to the agency to bring about compliance: a Notice of Violation, a Consent Order, and an Administrative Compliance Order. Boil Advisories, while not official enforcement actions, also play a role in addressing SDWA violations.

A **Notice of Violation** (NOV) is the first formal enforcement document issued to facilities upon failure to comply with DEQ rules or regulations. NOV's address matters such as maximum contaminant level (MCL) violations, monitoring failures, improper operating procedures, or construction deficiencies. A NOV has a short deadline for compliance, typically fifteen days from the day the water system receives the document.

If it is determined that the system is not likely to regain compliance by the NOV's deadline, DEQ's PWS District Engineer (DE) prepares a **Consent Order** (CO). The CO is a mutual agreement between DEQ and the affected system that cites the system's responsibilities, establishes a longer deadline for returning to compliance (with milestones and deadlines for major steps towards compliance), and specifies fines that may be levied against the system as a result of non-compliance.

An **Administrative Compliance Order** (ACO) is issued when time is limited and there is a significant health hazard, or when a water system refuses to agree to the terms of a CO. In an ACO, DEQ determines what tasks need to be completed and sets deadlines for the completion of these tasks. Both the CO and the ACO stipulate the penalties for failing to meet the required deadlines.

Boil Advisories, while not enforcement actions themselves, are an additional tool used by DEQ to achieve compliance. These notices are issued to systems that have "acute" or "*E. Coli*" bacteriological violations. Boil Advisories require immediate notice to all consumers in order to inform the public of how to produce water that is safe for human consumption.

In calendar year 2019, DEQ issued 2,417 enforcement actions, which consisted of:

- 2,141 informal enforcement letters;
- 262 NOV's and CO's;
- 1 Administrative Compliance Order; and
- 13 Boil Advisories.

A total of 1,087 systems were returned to compliance during calendar year 2019 (some systems returned to compliance more than once).

3. Capacity Development Program Section

The Capacity Development Section (CDS) implements the CD strategy in Oklahoma. The CDS is responsible for fostering the relationship among the various DEQ drinking water programs, and between DEQ and other state agencies and organizations that are involved with supporting and assisting public water supplies. The CDS coordinates with the Oklahoma Water Resources Board (OWRB), Oklahoma Rural Water Association (ORWA), Communities Unlimited (CU), Southwest Environmental Finance Center (SWEFC), Oklahoma Municipal League (OML) and other agencies and organizations that provide TMF training and assistance to water systems. This ensures that open lines of communication exist between the entities and promotes cooperative and complementary efforts towards achieving water system sustainability. The overall goal of this effort is maintaining coordinated efforts towards increasing PWS TMF capabilities.

Table 1 lists the tools currently in use in Oklahoma to assess and enhance TMF capabilities.

Tool	<i>Technical</i>	<i>Managerial</i>	<i>Financial</i>
Construction Permitting	X		
PWS Enforcement	X	X	
Operator Certification	X	X	
SWAP	X	X	
AWOP	X	X	X
DWSRF	X	X	X
CD TMF Assessments	X	X	X
Sanitary Surveys	X		
Asset Management Training	X	X	X
Regionalization	X	X	X
FACT		X	X
Rate Studies			X
Water Loss Auditing	X	X	X

Table 1: Oklahoma’s Capacity Development Tools.

4. Water Quality Efforts and Participation

Regionalization and Consolidation

DEQ continued efforts to identify new and existing water systems that may benefit from ***regionalization and/or consolidation*** into larger water systems in SFY 2020. Systems were considered for regionalization/consolidation that:

SFY 2020 Capacity Development Program Annual Report to EPA

- Have source water capacity limitations (drought);
- Are undergoing DEQ enforcement proceedings;
- Are considering giving away, selling, or abandoning the system; or
- Have expressed interest in regionalization or consolidation.

In SFY 2020, 2 water systems consolidated into neighboring water systems. Both were NTNC systems that were consolidated into larger nearby CWS. The systems that were consolidated were:

- J & R Transport – now a part of Canadian RWD #4
- Kudron Land and Development LLC – now a part of Piedmont PWS

Incorporating NTNC water supplies into CWSs enhances public health by providing the former systems with water that is more thoroughly tested and often more plentiful and reliable than they were able to produce on their own. DEQ will continue to seek out small water supplies that are struggling with compliance and will help them consider regionalization and/or consolidation, if appropriate for their situations.

Funding Agency Coordinating Team

The ***Funding Agency Coordinating Team (FACT)***, hosted by ORWA, is comprised of the following state and federal agencies and organizations:

- DEQ;
- Oklahoma Department of Commerce;
- Oklahoma Water Resources Board;
- Indian Health Service;
- U.S. Department of Agriculture – Rural Development;
- Oklahoma Association of Regional Councils;
- Communities Unlimited;
- EPA;
- Cherokee Nation; and
- Chickasaw Nation.

FACT meets quarterly to discuss the status of Oklahoma community water supplies identified in DEQ's enforcement list and to coordinate water and wastewater project funding. Before each meeting, invitations are extended to a few water and/or wastewater systems from across the state that are contending with severe problems and have the greatest *financial* need. Guests are invited for the purpose of helping them identify the best source of project funding as efficiently 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. DEQ has been a member of FACT since its inception in the early 1990s and has been instrumental in crafting an organization that helps to correct some of Oklahoma's most difficult to solve public water supply issues. The CDS is an important member of FACT and serves by offering TMF assistance to invited systems.

The assistance provided by FACT has been universally praised by invited water systems, 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.

5. Water Quality Programs

The **Construction Permitting Program** assures *technical* adequacy by reviewing water system construction plans and specifications. This *technical* review helps determine the sufficiency of the source water and the water system infrastructure.

The **PWS Enforcement Program** also assures the *technical* capabilities of water systems by providing *technical* training to water systems on operations and security and addresses *managerial* capabilities by providing training to water system managers.

The **Operator Certification Program** is charged with training and licensing persons working in water and wastewater facilities in the State. Programmatic oversight helps to ensure that operators have the proper *technical* training to properly treat and monitor drinking water supplied to the public. Also, with oversight from the DEQ Operator Certification section, ORWA provides study material and training for operators for all classifications of water facilities, as well as *managerial* training for system managers and board members. The examinations for operators are administered by the ORWA by means of a DEQ contract, and during SFY20, 1,391 individual water operator exams and 162 water laboratory operator exams were given. Also during SFY 2020, 9 public water supply systems did not have available an appropriately licensed operator in responsible charge, listed in Table 2 below.

PWS ID Number	System Name	PWS ID Number	System Name
OK3001659	Clemmer Water Association	OK2002711	Deer Creek
OK2002413	Fairmont	OK3002707	Grant County RWD #1
OK1020611	Kiowa	OK2002705	Lamont
OK2002703	Manchester	OK2002467	Wako, Inc.
OK2005543	Acorn Acres MHP		

Table 2: PWS Systems without a Certified Operator in SFY2020

All of the above-listed systems are facing enforcement action concerning a lack of an appropriately certified operator. However, DEQ has made efforts to make these systems aware of training and testing opportunities that are available to them at little or no charge, and will continue to work with them until a licensed operator is hired.

In addition to the training offered by ORWA, training is available in classroom settings (taught by DEQ and other certified instructors/agencies) and via the internet several times during the year. Online classes

and exams for operators and other environmental professionals are available at any place with an internet connection.

The **Source Water Assessment Program (SWAP)** provides a focus on water quality anti-degradation and protection of beneficial uses for both surface and ground waters. The SDWA Amendments require development and implementation of a SWAP to analyze existing and potential threats to the quality of the public drinking water throughout the state. DEQ maintains approval from EPA to administer the SWAP program. The SWAP program in Oklahoma was developed utilizing EPA's *Source Water Assessment and Protection Programs Guidance*, and SWAP assessments include the following:

- Delineation of the source water protection area;
- Inventory of the potential contaminant sources within the area;
- Determination of the susceptibility of the PWS to contamination from the inventoried sources; and
- Release of the results of the assessments to the public.

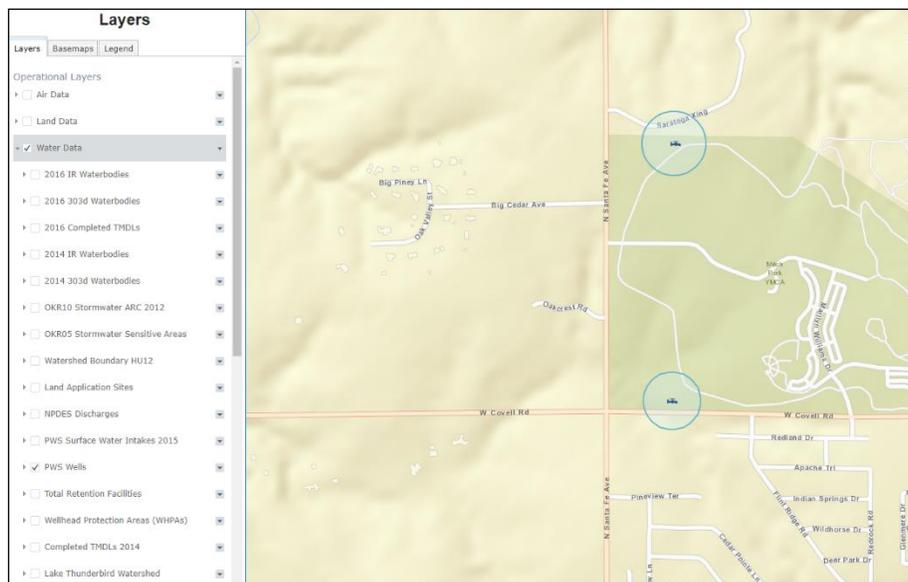


Figure 1: Sample map indicating location of well and wellhead protection areas.

The data collected from a SWAP is summarized in the water system's annual Consumer Confidence Report, which identifies the system's vulnerability and susceptibility score. This report is available for public review.

Much of data found in a SWAP is also available via a geographic information system on the DEQ website. All DEQ-regulated discharges, wells, surface intakes, and other planning information can be found through an interactive mapping system that allows the user to view any combination of items on the map. A map may be viewed that includes the system's water source (ground or surface) and all known contaminants located within a defined distance from the proposed well site.

The **Area-Wide Optimization Program (AWOP)** was piloted in April 1999 in Oklahoma by EPA Region 6. This program started as a multi-state effort to optimize particle removal and disinfection capabilities of filtration water treatment plants. The goal of AWOP is to maximize public health protection from disease-causing microbial contaminants by identifying performance problems in the water treatment and

distribution system. Following the AWOP model is one of the most cost-effective and economical ways a PWS can improve their ability to produce safe drinking water. Water systems having the most trouble with their filtration treatment are identified and prioritized in terms of their need for assistance.

EPA Region 6 and Process Applications, Inc. in Fort Collins, CO, have assisted in the development of AWOP. The States of Arkansas, Iowa, Louisiana, Missouri, New Mexico, Oklahoma, and Texas are participants in the EPA Region 6 AWOP group, and a larger AWOP “super” group has been created with states from Region 7 (Missouri, Iowa, and Kansas). DEQ continues its involvement in AWOP by attending quarterly regional and biennial national meetings and by participating in and hosting multi-state comprehensive performance evaluations (CPE) and training workshops.



Figure 2: Conducting a Filter Study during the Eufaula CPE.

From 1997 through the end of SFY 2020, DEQ has conducted 25 optimization and six mandatory CPEs of water systems in the state. The original scope of the CPE effort was and continues to be to assist the community and to train engineers in understanding the intricacies of optimizing water treatment. A CPE provides analysis of the facility’s design capabilities and a system’s administrative, operational, and maintenance practices, leading to a report that addresses the *TMF* aspects of the water system. Following the CPE, the participating water system receives a report within 60 days from DEQ that outlines factors that may influence the optimization of its treatment operations.

In Oklahoma, the AWOP Coordinator and the CDS have been collaborating to find ways to further the incorporation of *TMF* concepts in the CPE process, with a focus on bolstering the administrative review with elements from the capacity development program, including *TMF* assessments and water loss audits.

The ***Drinking Water State Revolving Fund Loan Program*** was established by the 1996 SDWA Amendments, which allowed EPA to make a capitalization grant to Oklahoma to fund the DWSRF loan program. This program, co-managed by DEQ and OWRB, is dedicated to providing low-interest loans to upgrade public water system infrastructure. It is designed to help those in greatest need based on a priority

system that places a primary emphasis on drinking water quality. DWSRF Project Engineers assure the *technical* capabilities of water systems by reviewing engineering reports on proposed construction projects. Borrowers also receive *technical*, *managerial*, and *financial* assistance from the CDS, who conducts a capacity development assessment and water loss audit on each borrower, providing assistance and guidance to correct any found deficiencies.

Currently, 44 water systems are on the DWSRF Project Priority List for a total of over \$117,070,000 in projects to be funded within the next few years. DWSRF applicants are assisted throughout the planning, design, bidding, contracting and construction phases of their project by DEQ engineers, environmental specialists, and the CDS. Applications for the DWSRF program are accepted at any time throughout the year.

From 1998 to the present, the program has entered into binding commitments totaling over \$1,390,974,576.47 to fund a total of 205 water system upgrades. In addition to funding infrastructure improvements, the program funds the CD Baseline Assessment Project, some lab equipment in the State Environmental Lab, many Small System Technical Assistance efforts, SWAP programs, partially funds the PWS Program, and is funding the agency's water loss auditing work.

In SFY 2020, the DWSRF provided subsidies in the form of principal forgiveness to public water supplies that have Disinfection Byproduct (DBP) violations or serve disadvantaged communities. The total amount of subsidies given will be determined by the FFY 2020 Capitalization Grant. For SFY 2020, \$800,000 was committed to assist PWS systems serving disadvantaged communities (8 systems) and \$1,065,565.72 was committed for DBP projects (6 systems).

The PWS *Sanitary Survey Program* is implemented by DEQ, in cooperation with EPA Region 6. In the course of conducting inspections, field staff from the Environmental Complaints and Local Services (ECLS) and WQD divisions of DEQ provide *technical* assistance to PWS system personnel in resolving compliance issues. Across the state, ECLS and WQD staff members inspect surface water systems quarterly and ground water systems semiannually. In SFY 2020, 17 Sanitary Surveys were conducted by ECLS and WQD staff, and 605 primacy site inspections were completed by ECLS.

6. Challenges to Oklahoma's Capacity Development Strategy

Mile for mile, Oklahoma offers the nation's most diverse terrain. It is one of only four states with more than ten ecoregions, and has by far the most changes in ecoregions per mile in America. Oklahoma's ecoregions, terrains, and subclimates include everything from Rocky Mountain foothills to cypress swamps, from tallgrass prairies to hardwood forests, and pine-covered mountains. Each is graced with wide blue lakes, tumbling freshwater rivers, and peaceful country streams. Additionally, there is one man-made type of terrain: urban turf. This wide variety of ecoregions creates source waters with a correspondingly wide range of quality and conditions. This variability in source water quality creates a correspondingly wide variety of treatment challenges for public water supplies.

EPA sets national limits on contaminant levels in drinking water to ensure that the water is safe for human consumption; these limits are known as maximum contaminant levels (MCL). For some regulations, EPA establishes treatment techniques (TT) in lieu of an MCL to control unacceptable levels of contaminants.

Figure 3 shows the yearly trend in the percentage of systems in Oklahoma reporting no MCL or TT violations.

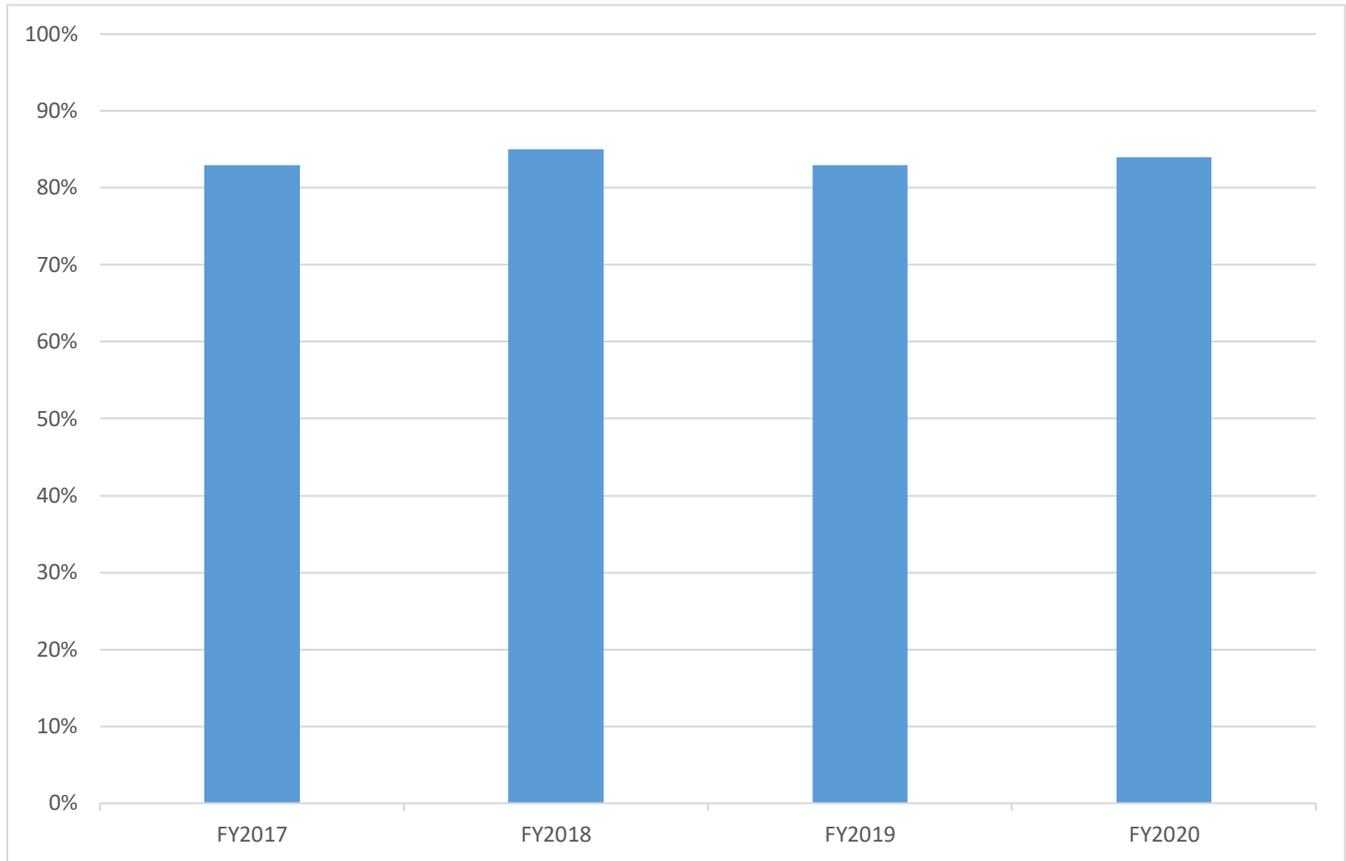


Figure 3: Percent of Systems Reporting No Violations

The State of Oklahoma’s PWS Program currently oversees 1,357 active entities that meet the federal definition of a PWS. Of these, 1,142, or approximately 84%, reported no MCL or TT violations.

Of the 1,357 PWSs in Oklahoma during the calendar year 2019:

- Six systems had 22 violations for exceeding the MCL for arsenic;
- No systems had violations for arsenic monitoring;
- Two systems had four violations for exceeding the MCL of the Inorganic Contaminant (IOC) group;
- Two systems had four violations for IOC group monitoring;
- 26 systems had 57 violations for exceeding the nitrate MCL in at least one of their wells;
- 69 systems had 83 nitrate monitoring violations;
- No system had Synthetic Organic Contaminant (SOC) group MCL violations;
- 24 systems had 390 SOC group monitoring violations;
- No system had violations of Volatile Organic Carbon (VOC) MCLs;
- 12 systems had 541 violations of VOC monitoring;
- Two systems had 14 Radionuclide MCL violations;
- Seven systems had 104 violations for Radionuclides monitoring;

SFY 2020 Capacity Development Program Annual Report to EPA

- 161 systems had 966 violations of the Disinfection Byproducts Rule (DBPR) MCL;
- 16 systems had 33 violations of the DBPR Treatment Technique requirement;
- 159 systems had 405 DBPR monitoring violations;
- Seven systems had seven Revised Total Coliform Rule (RTCR) Acute MCL violations, leading to seven mandatory boil orders that were issued based on positive fecal coliform or E-coli test results;
- 259 systems had 583 RTCR MCL violations that indicated a confirmed coliform positive sample;
- 20 systems had 86 violations of the Surface Water Treatment Rule (SWTR) monitoring requirements;
- 22 surface water PWS systems had 68 Surface Water Treatment Rule (SWTR) Treatment Technique violations;
- No system had a treatment technique violations of the Lead and Copper Rule;
- No system had any Ground Water Rule (GWR) Treatment Technique Violation;
- 26 systems has 28 monitoring violations of the GWR;
- 40 systems had 55 Lead and Copper Rule Monitoring violations; and
- 5 systems had 34 violations related to failure to perform public notice (PN)
- DEQ has not yet determined Consumer Confidence Report (CCR) for 2019.

Per Section I of The State of Oklahoma Capacity Development Strategy, DEQ ensures that new systems have *TMF* capabilities to provide safe and affordable drinking water. All new systems are referred to the CDS, who then assesses the system's *TMF* capabilities. The CDS then ensures that the system has an appropriately certified operator, notes the dates of sanitary surveys/inspections, determines if plans & specifications were submitted to and approved by DEQ, and makes TA referrals as indicated. No new community systems were identified by DEQ in SFY 2020.

7. ETT Implementation

At the direction of EPA, DEQ has implemented an Enforcement Response Policy (ERP) and Enforcement Targeting Tool (ETT) aimed to identify PWS systems with health-based violations as opposed to the previous approach, where all the significant non-compliance (SNC) systems were treated equally regardless of the severity of the violation.

This approach utilizes the ETT formula as a basis for determining a PWS's enforcement priority points. It will also be used to help identify and prioritize systems for enforcement response. In the formula, violations that pose a greater risk to public health are given greater importance. The formula calculates a score for each system based on open-ended violations and violations that have occurred over the past 5 years, but does not include violations that have returned to compliance or are on the "path to compliance" through a specified enforcement action.

Under this policy, violation types are "weighted" with points being assigned for each violation type based on its threat to public health. Points for each "unaddressed" violation are added together to provide total score for each water system. Water systems whose scores exceed "11" are considered priority systems for enforcement unless the violations can be returned to compliance within six months.

The Capacity Development Section and the Monitoring and Reporting Section track new community and NTNC systems that appear on the ETT list during their first three years of operation, providing them with technical assistance aimed at getting them back into compliance. However, no new community or NTNC systems were formed during SFY2017.

ETT scores for PWS systems are available at <https://echo.epa.gov>.

8. Program Initiatives

Water Loss Auditing and Control

Since 2015, DEQ has worked to standardize and promote water loss auditing across the state by the use of the M36 Water Loss Audit Method developed by the American Water Works Association (AWWA). The program has had continuous success tracking and identifying sources of loss and non-revenue water across the state using this scientifically sound, repeatable, and comparable method.

An M36 method water loss audit quantifies volumes and values of real and apparent water losses from a distribution system. Real loss is defined as water that escapes the water distribution system through leakage, breaks, and storage overflows. This loss is water that is treated but is never delivered to customers and results in increased operational costs and stress on source water supplies. Apparent loss is revenue lost due to customer meter inaccuracies, billing system data errors, and/or unauthorized consumption. It is water that could have been sold and siphons revenue from the system and distorts data on production and consumption.

An M36 method water loss audit also determines the volumes and values of revenue and nonrevenue water that a PWS is producing. Revenue water is the water that a system sells to customers. The amount of revenue water a system can deliver has a direct impact on its ability to pay for operations, make debt obligations, and provide for capital improvement and emergency response funding. In contrast, nonrevenue water is the sum of the real and apparent losses occurring at a system as well as all unbilled authorized usage, such as water used for municipal buildings, parks, swimming pools, irrigation, firefighting, and system flushing. Unbilled authorized usage is a necessity; however, these amounts can become excessive if not tracked. A water loss audit is often the first time many PWS systems become aware of the impact of unbilled authorized usage and are able to begin controlling it.

Table 3 below summarizes the percentages of water use and loss from the 202 systems across the state that have participated in the water loss auditing and control program.

Table 3: Summary Water Balance – Total Yearly Percentages

Volume from Own Sources: 94.3%	Water Sold As Exports: 10.4%	Authorized Consumption: 78.0%	Billed Authorized Consumption: 74.3%	Billed Metered Consumption: 74.2%	Revenue Water: 74.3%
	Water Supplied: 89.6%		Unbilled Authorized Consumption: 3.7%	Billed Unmetered Consumption: 0.1%	
Apparent Losses: 2.6%		Unbilled Unmetered Consumption: 1.4%		Non-Revenue Water: 25.7%	
		Water Losses: 22.0%	Unauthorized Consumption: 0.3%		
			Real Losses: 19.4%		Customer Metering Inaccuracies: 2.1%
	Systematic Data Handling Errors: 0.2%				
Water purchased as Imports: 5.7%			Water Main Leaks, Storage Overflows, Customer Service Line Leaks: 19.6%		

Apparent Losses

As defined earlier, apparent loss is water lost due to customer meter inaccuracies, billing system data errors, and/or unauthorized consumption. It is water that could have been sold and contributes to revenue loss and distorted production and consumption data. Annually, apparent losses account for a smaller percentage of total water loss than real losses (2.6% as compared to 19.4%; see Table 3). However, apparent losses still represent a significant loss of revenue to most systems participating in the audit, costing on average \$29,665.00 per audited system and over \$5.8 million for the group. Apparent loss figures are summarized in Table 4, below:

Table 4: Apparent Losses

	Minimum	Maximum	Average	Total
Annual Apparent Loss:	3,000 Gal/Yr	94,860,000 Gal/Yr	4,755,000 Gal/Yr	960,551,000 Gal/Yr
Annual Cost of Apparent Loss:	\$187.00	\$591,708.00	\$29,665.00	\$5,844,081.00
Unauthorized Consumption	4,000 Gal/Yr	10,230,000 Gal/Yr	510,020 Gal/Yr	103,052,000 Gal/Yr
Customer Metering Inaccuracies	0 Gal/Yr	75,750,000 Gal/Yr	3,859,500 Gal/Yr	779,620,000 Gal/Yr
Systematic Data Handling Errors	4,000 Gal/Yr	12,592,000 Gal/Yr	387,800 Gal/Yr	78,344,000 Gal/Yr

Real Losses

Real loss is defined as water that escapes the water distribution system through leakage, breaks, and storage overflows. This loss is water that is treated but is never delivered to customers and results in

increased operational costs and stress on source water supplies. Overall, real water losses account for 19.4% of the total water supplied (Table 3) and is the largest category of water loss observed from the audited systems. Real water loss is composed of three types of loss: water main leaks, storage area overflows, and leaks on customer service lines (portions that are the responsibility of the system). The AWWA software is not detailed enough to break down real water loss into these three categories and simply reports the amount as a total of all three.

The AWWA software did, however, provide a number of performance indicators that detailed the volume, cost, and relative magnitude of real water loss. These are summarized in Table 5, below:

Table 5: Real Losses

	Minimum	Maximum	Average	Total
Current Annual Real Losses	140,000 Gal/Yr	389,890,000 Gal/Yr	40,587,000 Gal/Yr	8,117,378,000 Gal/Yr
Annual Cost of Real Loss (Valued at Variable Production Cost)	\$24.00	\$1,087,204.00	\$55,061.00	\$10,021,043.00
Annual Cost of Real Loss (Valued at Customer Retail Cost)	\$19.00	\$1,017,882.00	\$201,054.00	\$11,057,995.00

Leak Detection, Meter Analysis, and Loss Correction

Conducting water loss auditing with the AWWA M36 method has improved understanding of real and apparent losses at participating systems; however, this is only the first step towards the ultimate goals of reducing water loss and retaining system revenue. The next step, intervention, takes the results gained from the water loss audit and uses it to guide efforts to find the specific sources of water loss and to implement solutions. This section summarizes the efforts of the technical assistance program conducted by the DEQ and the ORWA which focused on conducting leak detection and meter analysis at PWS systems where an AWWA M36 water loss audit has indicated that significant problems with real and/or apparent loss may exist.

PWS systems that participated in the water loss auditing pilot project and met the criteria of either nonrevenue water (as % of supply) greater than 20% or having apparent loss of greater than 10 gallons per connection per day (or both) qualified for leak detection and/or meter analysis technical assistance from ORWA. Participation in the technical assistance project was driven by the level of interest of the PWS in receiving the help (meaning that the system would benefit from the technical assistance in proportion to the level of effort and interest that the system contributed to the program).

For systems that chose to participate, ORWA met with system personnel, reviewed the results of the water loss audit, and then coordinated an in-depth schedule of leak detection and meter analysis help. The typical technical assistance event took place over 2-3 weeks’ time and involved locating leaks, analyzing meters and training PWS staff how to conduct their own leak detection and meter analysis. Following the completion of this technical assistance effort, participating systems receive a detailed report indicating the location, volume, and value of all identified leaks. Systems are encouraged to act on the information provided and make repairs where possible.

Table 6 and Figure 4 summarize the results of the program’s first four years, below:

Table 6: Leak Detection / Meter Analysis Results

	FY2017	FY2018	FY2019	FY2020	Total
Systems Receiving Leak Detection Help	7	12	5	8	32
Systems Receiving Customer Meter Analysis Help	6	2	4	0	12
Total # Leaks Detected	36	52	28	57	173
Gal/Yr Leaks Detected	163,510,177	296,427,082	73,592,064	458,980,854	992,510,176
Value/Yr of Detected Leaks	\$460,188	\$574,156	\$235,509	\$41,806,855	\$43,076,709
Total # Leaks Repaired	18	12	25	6	61
Gal/Yr Leaks Repaired	81,755,088	82,490,000	54,662,400	118,260,000	337,167,488
Value/Yr Leaks Repaired	230,094	\$176,317	\$163,575	\$319,616	\$889,602

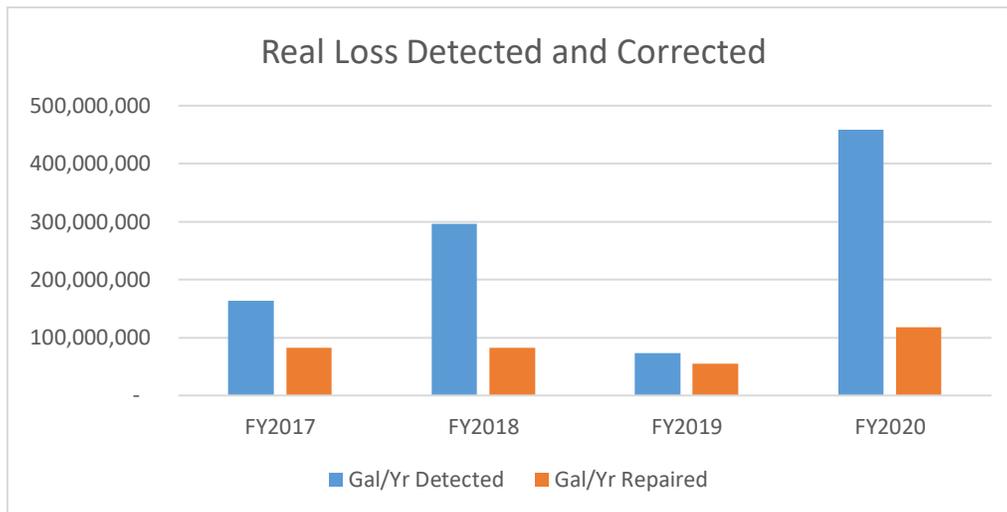


Figure 4: Gallons per year of Leaks Detected and Repaired

In total, 32 systems have received leak detection help from the ORWA, where, together, they have identified 173 leaks estimated at 992,510,176 gallons/year. Of the 173 leaks identified by ORWA, 61 of them have been repaired by the systems. These repairs have recovered an estimated 337,167,488 gallons of water per year valued at an estimated \$889,601.98 per year.

The amount of saved revenue has shown real, immediate, and positive impact, even saving at least one system from the brink of bankruptcy. Additional benefits seen by systems that have participated in the program are increased financial capacity, continued loss reduction, and better operational knowledge and decision making.

Capacity Development Baseline Assessment

In 2017, DEQ began work on a project to assess the TMF capacity of small municipal PWSs and rural water districts in Oklahoma. Named the Capacity Development Baseline Assessment, the project was designed to develop a clear concept of state-wide TMF needs, to determine which systems are most in need of help, and to delineate the unique set of needs faced by each system. The project functions by conducting capacity development assessments at all municipal PWS systems and rural water districts in Oklahoma serving 10,000 or fewer people. By using the comprehensive capacity development assessment tools developed by the DEQ and used originally for assessing DWSRF borrowers and newly created systems, a clearer picture of the TMF sustainability needs across the state was gained.

The baseline capacity development assessment project was implemented as a cooperative venture between the WQD and the Environmental Complaints and Local Services (ECLS) Division at DEQ. To complete the large number of assessments required in this project, a cadre of local ECLS inspectors were called up to conduct the assessments with PWS system personnel. Given that ECLS inspectors are the DEQ personnel that PWS systems see most frequently, relationships and trust were already established and a framework for efficient completion of the project already existed. This project capitalized on this framework to conduct the assessments.

The results of this project allowed DEQ staff to identify trends and correlations within the data including the state-wide average assessment score and the greatest issues affecting a significant proportion of Oklahoma water systems. 571 Capacity Development Assessments have been completed as of August 31, 2020. Additional details about the participating PWSs are in following tables and figures:

Table 7: Summary Characteristics of Audited Community Water Systems

Total Number of CDAs Completed (as of 8/31/2020):	571
Average Score:	77.29%

Preliminary results of the 571 completed indicate that, on average, assessed water systems have slightly over 77% of the necessary TMF capacity issues to achieve sustainability. This means that, on average, assessed systems are missing almost one quarter of the items, procedures, policies, and resources needed to become sustainable. The range of assessed values are shown in Figure 5, on the next page:

Figure 5: Score Range of Assessed Systems

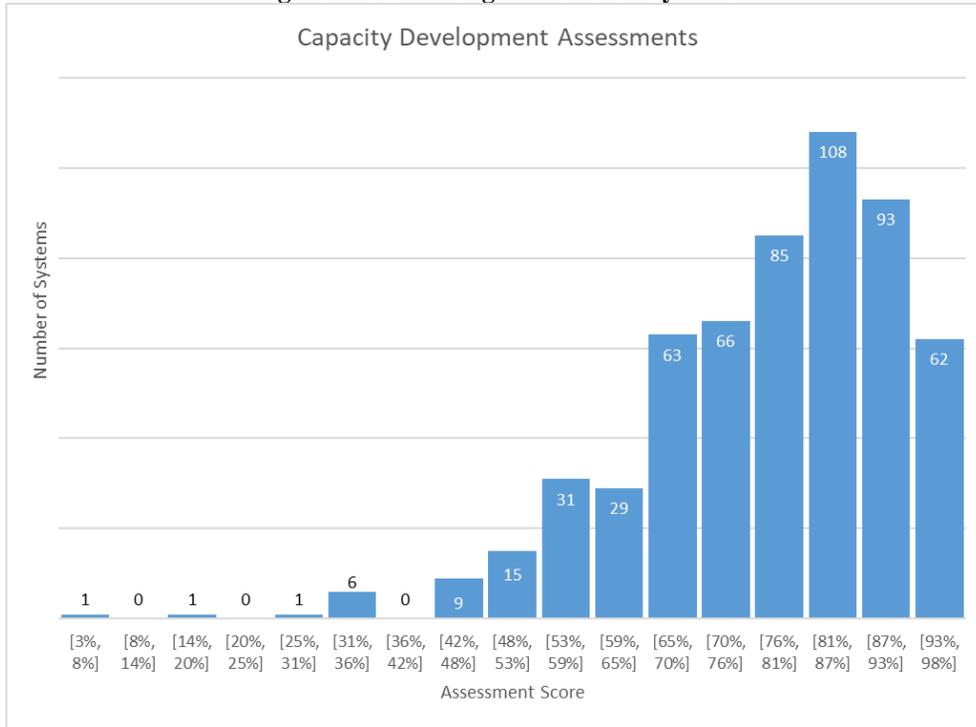


Table 8 identifies the top ten issues among systems below.

Table 8: Ten Most Common TMF Issues

Percentage of systems without	TMF Capacity Issue
79.9%	Without SoonerWarn (Mutual Aid).
69.2%	Do not conduct energy audits on a regular basis.
68.5%	No written plan to regularly test backflow preventers.
62.5%	Have no written plan to eliminate dead ends in distribution system when feasible.
57.1%	System has no water rights management plan, or is unaware of the water rights they do possess.
55.7%	System has no written plan to respond to and address deficiencies noted on sanitary surveys or other inspections.
55.3%	System has not conducted a risk assessment (EPA VSAT or other method) and an emergency response plan (ERP) and has not certified with EPA that both steps have been completed. ERP must be reviewed and practiced annually.
53.9%	Does not track water loss yearly with AWWA M36 Method.
52.5%	Operations & Maintenance plan is not regularly reviewed by board.
48.5%	Has no Operations and Maintenance plan available and/or regularly updated, detailing all aspects of the water system.

An overview of the baseline capacity development assessments over a three-year period yielded the following two conclusions:

1. Of the TMF issues surveyed, all of the top ten issues are technical issues.

All of the top ten issues were found to be in the technical section of TMF capacity. Specifically, two out of the ten were issues related to Operation & Maintenance (O&M). The two O&M aspects that systems tend to lack most include: lack of a plan that is regularly updated, and plans that are not reviewed on a regular basis by the board. A complete and up-to-date O&M plan is critical to PWS system sustainability – it should cover all aspects of system operations and be both thorough and straight-forward enough so that an operator who is not familiar with a PWS system could operate it and produce safe water in an emergency. O&M plans are also excellent tools to train new staff and to document and preserve institutional knowledge concerning system operations. PWS governing boards are encouraged to review O&M plans at least annually to become familiar with system operational challenges and to develop a knowledge base for making accurate, strategic and financial decisions.

2. Capacity development assessment score relates to system population.

Assessment score and water system population showed a slight positive correlation suggesting that higher scores correspond to higher populations. Systems with higher populations have access to more funding and other resources allowing for higher levels of sustainability. Systems serving smaller populations may have lower assessment scores due to issues such as having a volunteer staff, a smaller revenue base, or less ability to access needed professional services. This finding reinforces that TMF sustainability assistance should be primarily directed towards PWS systems serving smaller populations in rural areas.

9. New Initiatives

Asset Management

Asset management is the practice of operating a PWS so that the cost of owning and operating infrastructure capital assets is minimized while delivering the service level that satisfies customers. Termed “applied common sense” by the water industry, it is a means of operating a system that maximizes efficiencies and maintains sustainability, allowing a system to provide safe water at an affordable cost - indefinitely.



An asset management plan is built around 5 core components:

- Building an asset inventory,
- Determining a target level of service,
- Determining criticality of assets,
- Calculating life cycle costing, and
- Developing a long-term funding plan.

Building an asset management plan that follows these core components guides systems toward obtaining the longest and

Figure 6: The Five Core Components of Asset Management

most efficient use of infrastructure possible while ensuring customers receive the quality of service they expect from the system.

America's Water Infrastructure Act of 2018 (AWIA) requires that states amend their capacity development strategies to include a description of how the state will encourage the development of asset management plans at PWS systems. The Capacity Development Section has completed a revision of the state's strategy, which now includes the promotion of asset management best practices and details the training and technical assistance that the agency will provide. The strategy revisions focus on providing training seminars, one-on-one assistance, and providing for 3rd-party asset management plan development via the ORWA technical assistance contract.

Also, because no low-cost/free option existed, the Capacity Development Section has developed an asset management plan tool that is available to any Oklahoma PWS system, free of charge. The Microsoft Excel-based tool assists systems in cataloging their assets, determining the likelihood and consequence of failure, and exploring timeframes and funding options for asset replacement.

DEQ is on track to be the first state agency in EPA Region 6 to complete the required strategy revision.

Lead Testing in School and Child Care Program Drinking Water Grant Program

Starting in early CY2020, the Capacity Development Section began implementation of a new program aimed at reducing or eliminating lead from the drinking water in public schools and public or private childcare centers. Using funding appropriated by the Water Infrastructure Improvements for the Nation (WIIN) Act Section 2107, the Lead Testing in School and Child Care Program Drinking Water Grant Program (or LWSC for short) offer free and voluntary testing of drinking water outlets for lead to any Oklahoma public school or public/private child care center that requests to participate, along with direction on how to address high lead levels based on EPA's "3Ts" guidance.

In the past, lead was a common component of faucets and water supply plumbing. If the water transported and delivered by such plumbing is corrosive, lead can leach out from the lines and fixtures and enter the water exposing anyone using the water to lead. Lead is a highly toxic metal that is harmful to all humans, and no level of lead in the body is considered safe. Children are at particular risk of adverse health effects from lead, including nervous system damage, learning impairment, bone development problems, hearing damage, and anemia. The LWSC program aims to protect the health of children by reducing or eliminating children's exposure to lead in the water they drink at school or childcare centers.

The program is guided by a coalition of agencies and organizations (the Secretary of Energy and Environment's Office (OSEE), DEQ, the Departments of Education (OSDE), Health (OSDH), Human Services (ODHS), and the Oklahoma Parent Teachers Association (OPTA)) and seeks to prioritize facilities that serve younger children (ages 6 and under), facilities serving or located in disadvantaged communities, and facilities that are older and are more likely to contain lead plumbing.

Along with no-cost testing, program participants implement EPA's 3Ts guidance to:

- **Communicate**, throughout the implementation of the program, the results and important lead information to the public, parents, teachers, and larger community,
- **Train** on the risks of lead in drinking water and of the importance of testing for lead, as well as developing key partnerships to support the program,
- **Test** using appropriate testing protocols and a certified laboratory, and
- **Take Action**, including the development of a plan for helping schools and childcare facilities in their response to test results and in addressing potential elevated lead where necessary.

Expected outcomes for this project are:

1. The reduction of children's exposure to lead in drinking water.
2. Training schools or childcare programs to begin implementing a testing program and mitigating lead exposure by utilizing the 3Ts toolkit in determining the best action to take for remediation.
3. Improvement of staff and community knowledge on lead in drinking water and other environmental harms.
4. Water quality improvement and lead exposure reduction in drinking water.
5. Establishment of routine practices such as those outlined in the 3Ts guidance.
6. Fostering sustainable partnerships at the state and local level to allow for a more efficient use of resources and the exchange of information among experts in various areas of school, childcare, utility, and health sectors.
7. Expanding the level of trust between the community, parents, and teachers.

The program has developed a webpage that provides flyers, fact sheet, and guidance videos on the importance of eliminating lead from school and childcare center drinking water, along with information on how to participate in the program (located at <https://www.deq.ok.gov/state-environmental-laboratory-services/environmental-public-health-information/lwsc/>). The coalition is currently completing testing at the first participating school (Central Oak Elementary) and is planning on conducting additional outreach to gain more participation.

Disadvantaged Communities and PWS Sustainability

Adequate TMF capacity is a critical component of PWS sustainability and is required for a system to consistently provide safe drinking water to the public. Acquiring and maintaining this TMF capacity can be challenging for any water system, but systems located in small and disadvantaged communities can find it particularly difficult. A failure to maintain TMF capacity can lead to unsustainable, inefficient operation and frequent or continuous violations of health-based, primary drinking water standards.

Over the past three years, the DEQ has been surveying the TMF needs of rural and small municipal PWS systems via the Capacity Development Baseline Assessment Project. Each system was assessed on 109 different aspects of operational sustainability. Preliminary results of the survey found that, on average, the assessed systems possessed 76.8% of needed TMF capacity, and that both decreasing TMF score and population correlated with an increasing likelihood and frequency of primary drinking water standards violations.

In state fiscal year 2020, DEQ and ORWA, as members of the Oklahoma Strategic Alliance, joined forces and developed a program aimed at improving and enhancing PWS sustainability. Named the Long-Range System Sustainability (LRSS) Program, the program leads PWS systems through a series of programs and trainings that, once complete, provide a significant boost to TMF capacity and system sustainability. The LRSS program focuses on many of the issues examined by the Baseline Assessment, and systems that complete the program demonstrate an improved TMF score, as well as improved efficiency, operations, and fiscal condition.

With the Assistance for Small and Disadvantaged Communities Drinking Water Grant Program, DEQ will begin using the guidance from the Baseline Assessment and the tools developed in the LRSS program to bring about significant positive changes at Oklahoma's underserved, small, and disadvantaged systems. This approach has several advantages:

- **Targeted TMF Assistance:** Via the recently completed Baseline Assessment, the PWS systems most in need of TMF help are known. Furthermore, the assessment specifies precisely what type of assistance is needed. Once work via this grant begins, DEQ will be able to target technical assistance on missing or malfunctioning PWS processes for maximum positive effect.
- **Rapid Deployment:** The LRSS program is completely developed and functional, having been in service for a year. By using the structure and services of the LRSS program, DEQ will be able to immediately begin work at targeted PWS systems, generating positive results quickly.
- **Proven Results:** The LRSS program is a significant part of the technical assistance provided to small Oklahoma PWS systems by the Oklahoma Strategic Alliance. In its first year, the work of alliance partners have saved over 337 million gallons of water via water loss reduction, improved small Oklahoma PWS financial operating ratios by 0.33, added over \$2 Million in revenue to PWS budgets (via rate adjustments and efficiency improvements), and helped systems implement numerous policy and procedure improvements. Similar results can be achieved for the PWS systems targeted by this program.

By using the Baseline Assessment as a roadmap and the LRSS program as the tool, DEQ will affect rapid and significant positive change at the PWS systems that are the focus of this program. We intend to tailor the provided TMF assistance to focus on resolution of health-based drinking water standards violations that can be corrected via improved operations and system optimization, as well as on improving all aspects of the system's TMF capacity. We intend to measure and report on our success in terms of system compliance, capacity development assessment scores, and improvements in PWS system financial conditions (as indicated by fiscal indicators and metrics).

The Assistance for Small and Disadvantaged Communities Drinking Water Grant Program will provide TMF assistance to Oklahoma PWS systems that are both underserved (facing health-based drinking water violations), small (serving 10,000 or fewer people) and economically disadvantaged with a focus on actions that lead to resolution of violations of health-based primary drinking water standards and that significantly improve PWS system efficiency, operation, and fiscal health. To implement this program, some or all the following technical assistance activities will be conducted with participating systems:

- Asset Management Planning.

SFY 2020 Capacity Development Program Annual Report to EPA

- Business and Financial Policy Planning and Development.
- Capital Improvement Planning.
- Distribution System Mapping and Line Inventory.
- Employee Succession Planning and Guidance.
- Governing Authority / Board Training and Guidance.
- Mutual Aid Planning and Development.
- Office and Support Personnel Training.
- Operations and Maintenance Plan Development and Implementation.
- Operator Skillset Development and Continuing Education.
- Optimization of Water Treatment and Disinfection Systems.
- Rate Analysis and Implementation.
- Risk / Vulnerability Assessment and Emergency Response Planning.
- Safety Training and Safety Plan Development / Implementation.
- Source Water Protection Plan Development and Implementation.
- Water Loss Auditing, Leak Detection, and Meter Analysis.

Each participating PWS will receive a package of technical assistance activities focused on their individual needs and tailored to maximize effectiveness. Also, there is no maximum amount of time or effort that may be expended on an individual system; as much assistance and guidance as needed will be provided to the participating system.

Participating systems must meet the qualifications of being both underserved (by having been in violation of a health-based primary drinking water standard at some point over the past five years), and serving a disadvantaged community or communities (communities where the median household income is at 85% or less than the national median household income according to the United States Census Bureau / American Community Survey). Participation is voluntary and is driven by the level of interest of the participating system.

Expected outcomes for this program are:

1. A trend showing an overall reduction in the number of PWS systems out of compliance with health-based standards in small and disadvantaged communities.
2. Increased use of asset management planning to enhance sustainability and long-term viability of PWS systems in small and disadvantaged communities.
3. A trend showing improvement in financial indicators of PWS systems in small and disadvantaged communities.
4. A trend showing continued improvement in TMF assessment scores in small and disadvantaged communities, and improvement in the overall state TMF assessment score.
5. Improved performance of drinking water plants in small and disadvantaged communities.
6. Improved understanding of current and emerging threats to water quality, safe drinking water, and public health.
7. Reduction in real and apparent water loss at PWS systems serving small and disadvantaged communities.

8. Reduced number of accidents, injuries, and safety-related incidents at PWS systems.

Implementation of this program is expected to begin in late-September 2020.

10. Summary and Future Plans

Enhancing the *technical, managerial, and financial* capacities of Oklahoma's water supplies is a group effort. The continued success of the DEQ CD program is dependent on the efforts of the PWS Engineering and Enforcement Section, Operator Certification Section, DWSRF staff, and the various agencies that represent FACT. This cooperative effort is very effective at promoting CD enhancement, but we believe it can be made more effective when efforts are targeted to where they are needed most. To this end, we are looking forward to utilizing the results of the state-wide CD baseline assessment to guide the Disadvantaged Communities Program, targeting systems that need the most assistance. DEQ will also work to expand its involvement in the Oklahoma Strategic Alliance to promote small water system sustainability.

Also, DEQ will continue to build on the success of the water loss control program by performing additional water loss audits at PWS systems that request the help and by continuing funding for ORWA's work conducting leak detection and meter analysis technical assistance. In contrast to other states where water loss auditing and control is involuntary, we believe we can obtain significant cooperation and meaningful results via voluntary participation and free technical assistance. Our future results should bear out this belief.

Finally, in response to the amendments to Section 1420 of SDWA brought about by Section 2012 of the America's Water Infrastructure Act (AWIA), DEQ's CD section will increase our efforts toward promoting and supporting the implementation of Asset Management (AM) at the state's PWS systems. Currently, DEQ partners with the EFC to provide at least one yearly AM training class in the state. To further support AM training, DEQ intends to explore other training and technical assistance avenues in the state for water systems.

Additionally, DEQ will be implementing the newly added strategy provisions that encourage PWS systems to develop AM plans; including best management practices.

11. References

Oklahoma Capacity Development Strategy Document

SFY 2021 DWSRF Intended Use Plan

2019 State of Oklahoma Public Water Supply Program Annual Compliance Report

Attachment 7

Sources and Uses of Funds Statement

SOURCES OF FUNDS*

Beginning July 1, 2019

Beginning Balance (SFY 2019 Carryover) \$39,035,802.00

State Fiscal Year 2020

Federal Grant FFY 2018 - Loan	\$264,594.29
Federal Grant FFY 2018 - Set-Asides	\$1,727,025.82
Federal Grant FFY 2019 - Loan	\$5,076,955.48
Federal Grant FFY 2019 - Set-Asides	\$2,350,006.04
State Match for 2019 grant	\$3,120,000.00
Transfer from CWSRF	\$15,000,000.00
2019 Refunding Bond Issue	\$28,210,000.00
Refundings on loans Receivables	\$104,893,696.00
Principal Repayments	\$23,551,154.00
Interest Earnings on Loans	\$12,970,247.00
Interest Earnings on Other DW Funds	\$1,733,246.00
Sale of Investments	\$1,630,332.00

Sub Total **\$200,527,256.63****Total Sources of Funds** **\$239,563,058.63****USES OF FUNDS**

DWSRF Loan Draws for SFY 2020 \$87,002,617.00

Sub Total **\$87,002,617.00*****DWSRF Set-Aside Programs for SFY 2020***

Payroll	\$2,486,800.00
Suppliers	\$1,344,108.00
Equipment	\$246,123.00

Sub Total **\$4,077,031.00*****Debt Service Obligations***

Debt Service on 2011 Bonds-refunded 12/2019	\$1,068,215.08
Debt Service on 2012 Bonds-refunded 12/2019	\$801,357.66
Refunding of 2011 and 2012 Bonds	\$90,673,564.23
Debt Service on 2013A Bonds	\$4,395,168.76
Debt Service on 2013B Bonds	\$4,697,280.00
Debt Service on 2016 Bonds	\$4,864,062.50
Debt Service on 2018 Bonds	\$8,018,162.50
Debt Service on 2019 Bonds	\$189,780.90

Sub Total **\$114,707,591.63****Total Uses of Funds** **\$205,787,239.63****Difference of Sources and Uses** **\$33,775,819.00**

*Cash Basis

Attachment 8

Loans Receiving Subsidy and Extended Term Financing

Loans Receiving Subsidy and Extended Term Financing

Attachment 8

Recipient	Tracking Number	Assistance Amount	Subsidy Amount	Year	Extended Term (Y/N)	Binding Commitment
Ada PWA	P40-2006201-01	\$ 23,290,000.00			Y	9/15/2015
Adair Municipal Authority	P40-1021613-01	\$ 830,000.00	\$ 332,000.00	FY 2010	N	9/14/2010
Alva UA	P40-2007603-01	\$ 2,635,000.00			Y	12/19/2017
Atoka MA	P40-1010401-01	\$ 5,169,000.00			Y	10/12/2016
Atoka MA (II)	P40-1010401-02	\$ 4,010,000.00	\$ 100,000.00	FY 2019	Y	2/18/2020
Bartlesville Municipal Authority (V)	P40-1021401-05	\$ 3,810,000.00	\$ 500,000.00	FY 2010	N	6/12/2012
Blackwell Municipal Authority *	P40-1021101-01	\$ 100,000.00	\$ 100,000.00	FY 2017		6/16/2020
Broken Arrow Municipal Authority (III)	P40-1021508-03	\$ 64,755,000.00	\$ 500,000.00	FY 2011	N	9/13/2011
Bryan Co. RWS & SWMD #2 (V)	P40-1010604-05	\$ 70,235.72	\$ 70,235.72	FY 2017	N	9/17/2019
Calera Public Works Authority *	P40-2000702-01	\$ 1,555,000.00	\$ 100,000.00	FY 2019		4/21/2020
Canadian Co. RWD #5	P40-3000901-01	\$ 1,161,000.00			Y	6/19/2018
Chandler Municipal Authority	P40-1020702-01	\$ 2,500,000.00	\$ 375,000.00	FY 2010	N	6/12/2012
Cherokee Co. RWD #3	P40-4001117-01	\$ 3,110,000.00			Y	7/12/2011
Cheyenne UA	P40-1010803-01	\$ 100,000.00	\$ 100,000.00	FY 2017	N	4/21/2020
Collinsville Municipal Authority	P40-1021505-01	\$ 8,291,000.00			Y	12/05/2019
Comanche Co. RWD #2	P40-2001604-01	\$ 3,300,000.00			Y	10/23/2013
Cotton Co. RWD #2	P40-2001702-01	\$ 5,000,000.00			Y	8/21/2018
Davis Municipal Authority	P40-1010822-01	\$ 9,995,000.00	\$ 500,000.00	FY 2010	Y	12/13/2011
Delaware Co. RWD #1	P40-3002134-01	\$ 260,000.00			Y	10/17/2011
Delaware Co. RWSG/SWMD #11	P40-3002157-01	\$ 950,000.00	\$ 630,116.78	FY 2012	N	4/15/2014
Delaware Co. RWSG/SWMD #11	P40-3002157-01	\$ 950,000.00	\$ 193,180.61	FY 2013	N	4/15/2014
East Central Oklahoma Water Authority	P40-1021713-01	\$ 1,000,000.00	\$ 100,000.00	FY 2019	Y	8/20/2019
Edmond PWA (III)	P40-1020723-03	\$ 2,500,000.00	\$ 1,688,422.62	FY 2015	N	12/20/2016
Edmond PWA (III)	P40-1020723-03	\$ 2,500,000.00	\$ 811,577.38	FY 2016	N	12/20/2016
Edmond PWA (VI)	P40-1020723-06	\$ 40,000,000.00			Y	4/21/2020
Enid Municipal Authority (II)	P40-2002412-02	\$ 5,435,000.00	\$ 500,000.00	FY 2010	N	04/10/2012
Enid Municipal Authority (III)(Eng. Only)	P40-2002412-03	\$ 20,000,000.00			Y	08/21/2018
Eufaula PWA	P40-1020514-01	\$ 1,000,000.00			Y	12/06/2018
Eufaula PWA (II)	P40-1020514-02	\$ 6,185,000.00	\$ 100,000.00	FY 2017	Y	12/06/2018
Fairmont PWA	P40-2002413-01	\$ 862,000.00	\$ 856,859.50	FY 2013	N	05/19/2014
Garber MA	P40-2002416-01	\$ 2,100,000.00	\$ 1,822,561.48	FY 2014	N	12/02/2015
Garber MA	P40-2002416-01	\$ 2,100,000.00	\$ 268,348.86	FY 2015	N	12/02/2015
Geary Utility Authority	P40-2000608-01	\$ 1,775,000.00			Y	2/08/2011
Geary Utility Authority (II)	P40-2000608-02	\$ 100,000.00	\$ 100,000.00	FY 2019		10/15/2019
Garvin Co. RWD #4	P40-3002503-01	\$ 1,183,456.00			Y	12/16/2014
Gore PWA	P40-1021773-01	\$ 885,000.00	\$ 874,628.52	FY 2015	N	10/12/2016
Grand Lake Public Works Authority	P40-1021691-01	\$ 5,500,000.00	\$ 500,000.00	FY 2011	Y	7/17/2012
Guthrie PWA (III)	P40-1020903-03	\$ 610,000.00	\$ 590,706.60	FY 2013	N	6/17/2014
Jay UA (II)	P40-1021674-02	\$ 1,031,000.00			Y	5/15/2018
Laverne Public Works Authority	P40-2003002-01	\$ 3,700,000.00	\$ 500,000.00	FY 2011	Y	10/16/2012
Locust Grove PWA	P40-1021668-01	\$ 9,675,000.00	\$ 100,000.00	FY 2019	Y	4/21/2020
Logan Co. RWD #1	P40-2004207-01	\$ 750,000.00	\$ 112,500.00	FY2010	N	10/05/2011
Logan Co. RWD #1 (II)	P40-2004207-02	\$ 1,250,000.00	\$ 187,500.00	FY 2011	N	03/13/2012
Logan Co. RWD #1 (III)	P40-2004207-03	\$ 1,500,000.00	\$ 451,853.29	FY 2013	Y	12/02/2015
Logan Co. RWD #1 (III)	P40-2004207-03	\$ 1,500,000.00	\$ 1,027,638.52	FY 2014	Y	12/02/2015
Lone Chimney Water Authority (II)	P40-1021221-02	\$ 3,270,000.00	\$ 490,500.00	FY 2011	Y	9/18/2012
Longtown RWD #1	P40-1020623-01	\$ 570,000.00	\$ 15,650.00	FY 2010	N	10/16/2012
Longtown RWD #1	P40-1020623-01	\$ 570,000.00	\$ 69,850.00	FY 2011	N	10/16/2012
Longtown RWD #1 (II)	P40-1020623-02	\$ 600,000.00	\$ 600,000.00	FY 2012	N	03/18/2014
Mayes Co. RWD #6	P40-1021666-01	\$ 2,590,000.00	\$ 500,000.00	FY 2012	N	07/16/2013

3/31/2021

McIntosh Co. RWS & SWMD #2	P40-1020535-01	\$ 490,000.00	\$ 100,000.00	FY 2017	N	06/16/2020
McIntosh Co. RWS & SWMD #2	P40-1020535-01	\$ 490,000.00	\$ 100,000.00	FY 2019	N	06/16/2020
Miami Special UA (II)	P40-2005813-02	\$ 2,785,000.00	\$ 100,000.00	FY 2019	N	12/05/2019
Muskogee MA (II)	P40-1021607-02	\$ 17,640,000.00	\$ 100,000.00	FY 2017	Y	10/16/2018
Newcastle Public Works Authority (II)	P40-2004704-02	\$ 1,389,455.00	\$ 208,418.25	FY 2011	N	10/16/2012
Nicoma Park DA	P40-8005579-01	\$ 4,700,000.00			Y	06/18/2019
Noble Co. RWD #1	P40-1021205-01	\$ 1,155,114.97	\$ 655,031.75	FY 2011	N	8/21/2012
Noble Co. RWD #1	P40-1021205-01	\$ 1,155,114.97	\$ 500,083.22	FY 2012	N	8/21/2012
Oklahoma City WUT (III)	P40-1020902-03	\$ 35,838,000.00			Y	1/20/2015
Oklahoma City WUT (IV)	P40-1020902-04	\$ 65,550,000.00			Y	3/15/2016
Oklahoma City WUT (V)	P40-1020902-05	\$ 57,300,000.00			Y	11/15/2016
Oklahoma City WUT (VI)	P40-1020902-06	\$ 52,500,000.00			Y	1/16/2018
Oklahoma City WUT (VII)	P40-1020902-07	\$ 20,000,000.00			Y	1/15/2019
Oklahoma City WUT (VIII)	P40-1020902-08	\$ 21,750,014.00			Y	9/17/2019
Oklahoma City WUT (IX)	P40-1020902-09	\$ 74,000,000.00			Y	6/16/2020
Okmulgee Municipal Authority (III)	P40-1020708-03	\$ 4,895,000.00	\$ 500,000.00	FY 2010	N	12/14/2010
Okmulgee Municipal Authority (IV)	P40-1020708-04	\$ 700,000.00	\$ 600,000.00	FY 2017	N	5/19/2020
Okmulgee Municipal Authority (IV)	P40-1020708-04	\$ 700,000.00	\$ 100,000.00	FY 2019	N	5/19/2020
Pawnee Public Works Authority	P40-1021209-01	\$ 2,130,000.00	\$ 130,000.00	FY 2010	N	03/13/2012
Pittsburg County Rural Water District #14	P40-1020625-01	\$ 3,724,500.00	\$ 1,033,500.00	FY 2017	N	04/17/2018
Quinton PWA	P40-3006123-01	\$ 790,000.00			Y	09/16/2014
Roland Utilities Authority	P40-1020212-01	\$ 2,359,000.00			Y	01/21/2020
Rogers Co. RWD #6	P40-3006628-01	\$ 3,000,000.00			Y	10/8/2010
Salina Public Works Authority	P40-1021603-01	\$ 3,210,000.00	\$ 1,284,000.00	FY 2010	Y	9/18/2012
Sayre PWA	P40-2000508-01	\$ 823,180.00			Y	2/19/2019
Shattuck Municipal Authority	P40-2002304-01	\$ 1,485,000.00	\$ -		Y	2/13/2012
Shawnee Municipal Authority (II)	P40-1020504-02	\$ 1,485,000.00	\$ 222,750.00	FY 2010	N	8/10/2010
South Delaware Co. RWA	P40-1221645-01	\$ 3,000,000.00	\$ 1,867,022.62	FY 2016	Y	4/18/2017
Stroud Utilities Authority	P40-1020705-01	\$ 2,360,000.00	\$ 354,000.00	FY 2011	N	8/21/2012
Stillwater UA (III)	P40-1021220-03	\$ 29,900,000.00			Y	5/17/2016
Stillwater UA (IV)	P40-1021220-04	\$ 12,600,000.00			Y	8/15/2017
Tahlequah Public Works Authority (II)	P40-1021701-02	\$ 1,680,000.00	\$ 252,000.00	FY 2010	N	12/13/2011
Tahlequah Public Works Authority (III)	P40-1021701-03	\$ 8,200,000.00			Y	12/06/2018
Wagoner Co. RWD #4	P40-1021529-01	\$ 6,200,000.00	\$ 200,000.00	FY 2010	N	10/12/2010
Wagoner Co. RWD #5 (III)	P40-1021528-03	\$ 4,270,000.00			Y	11/15/2016
Wagoner Co. RWD #5 (IV)	P40-1021528-04	\$ 3,245,000.00			Y	03/21/2017
Wagoner Public Works Authority (II)	P40-1021649-02	\$ 1,200,000.00	\$ 135,000.00	FY 2010	N	9/18/2012
Wagoner Public Works Authority (II)	P40-1021649-02	\$ 1,200,000.00	\$ 45,000.00	FY 2011	N	9/18/2012
Weleetka Public Works Authority	P40-1020512-01	\$ 95,330.00	\$ 95,330.00	FY 2017	N	2/18/2020
Total for all 63 Loans		\$ 718,577,400.66	\$ 24,351,265.72			

*Loans are not closed yet.

Percentage of Loans Receiving Additional Subsidy:	63%
Percentage of Funding Provided as Additional Subsidy:	3%
Percentage of Loans Receiving Extended Term Financing:	46%

All Dates from 7/1/2010 thru 6/30/2020

Attachment 9

FFATA Cumulative Report

FFATA Tracking for SFY 2020 (FFY 2019 Grant)

Grant Amount: \$15,600,000
Loan Fund Amount: \$10,764,000

	System Name	Date Reported	Amount	Date Closed
1st FFATA report	Collinsville MA	2/27/2020	\$8,291,000.00	2/7/2020
2nd FFATA report	Atoka MA (II)	3/31/2020	\$2,473,000.00	3/26/2020
3rd FFATA report				
4th FFATA report				
5th FFATA report				
		Sub-total	<u>\$10,764,000.00</u>	
			\$10,764,000.00	
			<u>-\$10,764,000.00</u>	
		Remaining to be reported	\$0.00	

FFATA Report For Grants

Federal Award Identifier Number (FAIN):98681419

Federal Agency ID:6800

Is this information correct?: Yes

Federal Agency Name:ENVIRONMENTAL PROTECTION AGENCY

Prime Awardee DUNS #:933601569

Is this information correct?: Yes

DUNS Number +4:

Prime Awardee Name:ENVIRONMENTAL QUALITY, OKLAHOMA DEPARTMENT OF

Prime Awardee Address:707 N ROBINSON
OKLAHOMA CITY, Oklahoma 731026010

Prime Awardee Parent DUNS #:043440601

Principal Place Of Performance(POP):
OKLAHOMA CITY, Oklahoma 731026010

CFDA Program Number(s):66.468 Capitalization Grants for Drinking Water State Revolving Funds

Is this information correct?: Yes

Project Description: Capitalization grant for Oklahoma's Drinking Water State Revolving Fund program to provide low interest financing to recipients for costs associated with the planning, design, and construction of eligible drinking water improvement projects and activities to protect human health.

Is this information correct?: Yes

Total Federal Funding Amount:15580000.00

Is this information correct?: Yes

Obligation/Action Date:August 30, 2019

Is this information correct?: Yes

Report Month:Feb 2020

In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific SAM record, No represented by a DUNS number, belongs) receive (1) 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?:

Does the public have access to information about the compensation of the executives in your business or organization (the legal entity to which this specific No SAM record, represented by a DUNS number, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?:

Prime Awardee Names and Compensation of Highly Compensated Officers:

Subawardee Data

Subawardee Information:	Subawardee DUNS: 963330670 Subawardee Name: COLLINSVILLE MUNICIPAL AUTHORITY Subawardee Address: 106 N 12TH STREET COLLINSVILLE, Oklahoma 740212344 Amount of Subaward: 8291000.00 Subaward Obligation/Action Date: February 7, 2020 CFDA Program Number(s): 66.468 Capitalization Grants for Drinking Water State Revolving Funds Federal Agency ID: 6800 Federal Agency Name: ENVIRONMENTAL PROTECTION AGENCY Subaward Project Description: Construction of a two (2) million gallons per day water treatment plant that consists of one (1) rapid mix basin, two (2) high rate clarifiers, four (4) multi-media filters, one (1) chemical building and feed system, one (1) powered activated carbon feed system, demolition of existing clarifiers and filters in process building, all necessary yard piping, rehabilitation of the Collinsville raw water pump station and all necessary appurtenances. Subawardee Principal Place of Performance: Collinsville, Oklahoma 740212344 Subaward Number: ORF-19-0003-DW As provided to you by your subawardee, in your subawardee's business or organization's preceding completed fiscal year, did its business or organization (the legal entity to which the DUNS number it provided belongs) receive (1) 80
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percent or more of its annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?:

No

As provided to you by your subawardee, does the public have access to information about the compensation of the executives in the subawardee's business or organization (the legal entity to which the DUNS number it provided belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?:

No

FFATA Report For Grants

Federal Award Identifier Number (FAIN):98681419

Federal Agency ID:6800

Is this information correct?: Yes

Federal Agency Name:ENVIRONMENTAL PROTECTION AGENCY

Prime Awardee DUNS #:933801569

Is this information correct?: Yes

DUNS Number +4:

Prime Awardee Name:ENVIRONMENTAL QUALITY, OKLAHOMA DEPARTMENT OF

Prime Awardee Address:707 N ROBINSON
OKLAHOMA CITY, Oklahoma 731026010

Prime Awardee Parent DUNS #:043440601

Principal Place Of Performance(POP):
OKLAHOMA CITY, Oklahoma 731026010

CFDA Program Number(s):66.468 Capitalization Grants for Drinking Water State Revolving Funds

Is this information correct?: Yes

Project Description: Capitalization grant for Oklahoma's Drinking Water State Revolving Fund program to provide low interest financing to recipients for costs associated with the planning, design, and construction of eligible drinking water improvement projects and activities to protect human health.

Is this information correct?: Yes

Total Federal Funding Amount:15580000.00

Is this information correct?: Yes

Obligation/Action Date:August 30, 2019

Is this information correct?: Yes

Report Month:Mar 2020

In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific SAM record, represented by a DUNS number, belongs) receive (1) 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?: No

Does the public have access to information about the compensation of the executives in your business or organization (the legal entity to which this specific SAM record, represented by a DUNS number, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?: No

Prime Awardee Names and Compensation of Highly Compensated Officers:

Subawardee Data

Subawardee Information:	Subawardee DUNS:	120587642
	Subawardee Name:	ATOKA MUNICIPAL AUTHORITY
	Subawardee Address:	353 E A ST ATOKA, Oklahoma 745252043
	Amount of Subaward:	2473000.00
	Subaward Obligation/Action Date:	March 26, 2020
	CFDA Program Number(s):	66.468 Capitalization Grants for Drinking Water State Revolving Funds
	Federal Agency ID:	6800
	Federal Agency Name:	ENVIRONMENTAL PROTECTION AGENCY
Subaward Project Description:		Modifications to the water treatment plant, including construction of one (1) 225,000 gallon clearwell with three (3) 700 gallon per minute (gpm) high service pumps to replace the existing clearwell, construction of one (1) sodium permanganate feed system and installation of one (1) 360 kilowatt (KW) back-up power generator at the raw water intake, removal and replacement of chemical feed equipment, rehabilitation of the 300,000 gallon elevated storage tank located at the water treatment plant, and laboratory improvements, installation of a new SCADA and control system along with all appurtenances.
		Rehabilitation of the 150 gpm Tushka pump station,
		Installation of new AMR water meters.
Subawardee Principal Place of Performance:		Atoka, Oklahoma 745252043

Subaward Number:

ORF-17-0002-DW

As provided to you by your subawardee, in your subawardee's business or organization's preceding completed fiscal year, did its business or organization (the legal entity to which the DUNS number it provided belongs) receive (1) 80 percent or more of its annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?:

No

As provided to you by your subawardee, does the public have access to information about the compensation of the executives in the subawardee's business or organization (the legal entity to which the DUNS number it provided belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?:

No

CONFIDENTIAL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 08/14/2018 BY 60322 UCBAW/STP/STP

Attachment 10

Subsidy Tracking Chart By Grant and Projects

**Attachment 10
Subsidy Tracking chart**

Entity	Principal Forgiveness Amount	2010 Cap Grant Requirement	2011 Cap Grant Requirement	2012 Cap Grant Requirement	2013 Cap Grant Requirement	2014 Cap Grant Requirement	2015 Cap Grant Requirement	2016 Cap Grant Requirement	2017 Cap Grant Requirement	2018 Cap Grant Requirement	2019 Cap Grant Requirement	2019 Cap Grant Requirement for Disadvantaged
		\$5,058,900.00	\$3,510,300.00	\$2,230,200.00	\$2,092,600.00	\$2,850,200.00	\$2,831,400.00	\$2,678,600.00	\$2,655,800.00	\$3,149,400.00	\$3,120,000.00	\$936,000.00
Adair MA	\$332,000.00	\$332,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Bartlesville MA (V)	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Chandler MA	\$375,000.00	\$375,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Davis MA	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Enid MA (II)	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Logan Co. RWD #1	\$112,500.00	\$112,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Okmulgee MA (III)	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pawnee PWA	\$130,000.00	\$130,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Salina PWA	\$1,284,000.00	\$1,284,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shawnee MA (II)	\$222,750.00	\$222,750.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tahlequah PWA (II)	\$252,000.00	\$252,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wagoner Co. RWD #4	\$200,000.00	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Longtown RWD #1	\$85,500.00	\$15,650.00	\$69,850.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Wagoner PWA (II)	\$180,000.00	\$135,000.00	\$45,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Broken Arrow MA (III)	\$500,000.00	\$0.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Grand Lake PWA	\$500,000.00	\$0.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Laverne PWA	\$500,000.00	\$0.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Logan Co. RWD #1 (II)	\$187,500.00	\$0.00	\$187,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Lone Chimney WA (II)	\$490,500.00	\$0.00	\$490,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Newcastle PWA (II)	\$208,418.25	\$0.00	\$208,418.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Noble Co. RWD #1	\$1,155,114.97	\$0.00	\$655,031.75	\$500,083.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Stroud UA	\$354,000.00	\$0.00	\$354,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mayes Co. RWD #6	\$500,000.00	\$0.00	\$0.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Longtown RWD #1 (II)	\$600,000.00	\$0.00	\$0.00	\$600,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Delaware Co. RWD #11	\$823,297.39	\$0.00	\$0.00	\$630,116.78	\$193,180.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fairmont PWA	\$856,859.50	\$0.00	\$0.00	\$0.00	\$856,859.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Guthrie PWA (III)	\$590,706.60	\$0.00	\$0.00	\$0.00	\$590,706.60	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Logan Co. RWD #1 (III)	\$1,479,491.81	\$0.00	\$0.00	\$0.00	\$451,853.29	\$1,027,638.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Garber MA	\$2,090,910.34	\$0.00	\$0.00	\$0.00	\$0.00	\$1,822,561.48	\$268,348.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Gore PWA	\$874,628.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$874,628.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Edmond PWA (III)	\$2,500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,688,422.62	\$811,577.38	\$0.00	\$0.00	\$0.00	\$0.00
South Delaware Co. RWA	\$1,867,022.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,867,022.62	\$0.00	\$0.00	\$0.00	\$0.00
Pittsburg Co. RWD #14	\$1,033,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,033,500.00	\$0.00	\$0.00	\$0.00
Muskogee MA (II)	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$0.00
Eufaula PWA (II)	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$0.00
East Central Okla. WA	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00
Bryan Co. RWD #2 (V)	\$70,235.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$70,235.72	\$0.00	\$0.00	\$0.00
Weleetka PWA	\$95,330.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$95,330.00	\$0.00	\$0.00	\$0.00
Atoka MA (II)	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00
Locust Grove PWA	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00
Miami Special UA (II)	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00
Cheyenne UA	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$0.00
Okmulgee MA (IV)	\$700,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600,000.00	\$0.00	\$0.00	\$100,000.00
Geary UA (II)	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00
Calera PWA	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00
Blackwell MA	\$100,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$0.00
McIntosh Co. RWS & SWMD #2	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100,000.00	\$0.00	\$0.00	\$100,000.00
Grand Total Assigned		\$5,058,900.00	\$3,510,300.00	\$2,230,200.00	\$2,092,600.00	\$2,850,200.00	\$2,831,400.00	\$2,678,600.00	\$2,299,065.72	\$0.00	\$0.00	\$800,000.00
Total Remaining To Be Assigned		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$356,734.28	\$3,149,400.00	\$3,120,000.00	\$136,000.00

Attachment 11

DWNIMS Financial Indicators

**Drinking Water SRF Program Information
for the State of Oklahoma**

Fund Analysis	For the Reporting Year Ending June 30 of:							
	1997	1998	1999	2000	2001	2002	2003	2004
DWSRF Funds Available for Projects								
394 *Annual (New Funds)	0	15,686,892	7,218,125	12,359,174	17,126,072	28,776,596	1,540,176	118,371,743
395 *Cumulative	0	15,686,892	22,905,017	35,264,191	52,390,263	81,168,859	82,707,035	201,078,778
DWSRF Assistance as a % of Funds Available								
396 *Annual	-	0%	127%	138%	31%	50%	688%	65%
397 *Cumulative	-	0%	40%	74%	60%	57%	68%	67%
Outlays as a % of Capitalization Grants								
398 *Annual	-	2%	26%	46%	140%	29%	-	70%
399 *Cumulative	-	2%	11%	21%	48%	42%	61%	63%
Disbursements as a % of Funds Available								
400 *Annual	-	0%	69%	29%	85%	23%	1026%	15%
401 *Cumulative	-	0%	22%	24%	44%	37%	55%	32%
Project Starts as a % of Funds Available								
402 *Annual	-	0%	127%	138%	31%	50%	688%	65%
403 *Cumulative	-	0%	40%	74%	60%	57%	68%	67%
Project Completions as a % of Funds Available								
404 *Annual	-	0%	0%	0%	11%	46%	272%	7%
405 *Cumulative	-	0%	0%	0%	4%	19%	23%	14%
Loan Principal Repayments as a % of Funds Available								
406 *Annual	-	0%	0%	0%	2%	30%	145%	8%
407 *Cumulative	-	0%	0%	0%	1%	11%	14%	10%
Disbursements as a % of DWSRF Assistance								
408 *Annual	-	-	54%	21%	275%	47%	149%	24%
409 *Cumulative	-	-	54%	33%	73%	65%	81%	48%
Project Starts as a % of DWSRF Assistance								
410 *Annual	-	-	100%	100%	100%	100%	100%	100%
411 *Cumulative	-	-	100%	100%	100%	100%	100%	100%
Project Completions as a % of DWSRF Assistance								
412 *Annual	-	-	0%	0%	35%	92%	39%	11%
413 *Cumulative	-	-	0%	0%	6%	33%	34%	21%
Loan Principal Repayments as a % of DWSRF Assistance								
414 *Annual	-	-	0%	0%	7%	61%	21%	12%
415 *Cumulative	-	-	0%	0%	1%	20%	20%	15%
Project Completions as a % of Project Starts								
416 *Annual	-	-	0%	0%	35%	92%	39%	11%
417 *Cumulative	-	-	0%	0%	6%	33%	34%	21%
Financial Indicators based on Cumulative Activity								
418 *Return on Federal Investment	-	0.0%	282.4%	155.7%	120.1%	120.4%	120.6%	141.6%
419 *Assistance Provided as a % of Funds Available	-	0.0%	40.1%	74.4%	60.2%	56.6%	68.4%	66.6%
420 *Disbursements as a % of Assistance Provided	-	-	54.4%	32.8%	73.4%	65.0%	80.8%	47.8%
421 *Additional Assistance Provided Due to Leveraging	-	-	-	-	-	-	-	\$22,396,060
424 *Set-Aside Spending Rate	-	10.2%	22.1%	36.3%	51.6%	50.3%	61.9%	74.3%
425 *Net Return/(Loss) after Repaying Match Bonds Excluding Subsidy	\$0	\$3,614	\$95,041	\$352,867	\$928,552	\$1,132,691	\$437,982	(\$316,212)
426 *Net Return on Contributed Capital Excluding Subsidy	-	0.1%	2.0%	3.5%	3.1%	3.2%	0.9%	-0.5%
Subsidy Information from PBR as of Report Date								
427 Grant Amount	0	0	0	0	0	0	0	0
428 Negative Interest	0	0	0	0	0	0	0	0
429 Principal Forgiven	0	0	0	0	0	0	0	0
430 * Total Annual Subsidy	0	0	0	0	0	0	0	0
431 * Total Cumulative Subsidy	0	0	0	0	0	0	0	0
Green Project Reserve (GPR) from PBR as of Report Date								
432 Green Infrastructure								
433 Energy Efficiency								
434 Water Conservation								
435 Green Innovative								
436 * Total Annual GPR								
437 * Cumulative GPR								

* Calculated values.

**Drinking Water SRF Program Information
for the State of Oklahoma**

Fund Analysis	For the Reporting Year Ending June 30 of:							
	2005	2006	2007	2008	2009	2010	2011	2012
DWSRF Funds Available for Projects								
394 *Annual (New Funds)	78,789,741	8,397,804	7,932,817	13,221,083	39,325,986	162,640,171	83,717,300	92,682,407
395 *Cumulative	279,868,519	288,266,323	296,199,140	309,420,223	348,746,209	511,386,380	595,103,680	687,786,087
DWSRF Assistance as a % of Funds Available								
396 *Annual	42%	353%	929%	270%	211%	89%	84%	64%
397 *Cumulative	60%	69%	92%	100%	112%	105%	102%	97%
Outlays as a % of Capitalization Grants								
398 *Annual	203%	41%	190%	53%	259%	59%	82%	49%
399 *Cumulative	81%	76%	88%	85%	100%	91%	90%	86%
Disbursements as a % of Funds Available								
400 *Annual	63%	604%	559%	426%	138%	43%	132%	69%
401 *Cumulative	41%	57%	70%	86%	92%	76%	64%	82%
Project Starts as a % of Funds Available								
402 *Annual	42%	383%	929%	270%	211%	89%	84%	64%
403 *Cumulative	60%	69%	92%	100%	112%	105%	102%	97%
Project Completions as a % of Funds Available								
404 *Annual	14%	185%	1042%	208%	111%	12%	76%	154%
405 *Cumulative	14%	19%	46%	53%	60%	45%	49%	63%
Loan Principal Repayments as a % of Funds Available								
406 *Annual	3%	104%	99%	62%	59%	11%	18%	19%
407 *Cumulative	8%	11%	13%	15%	20%	17%	17%	18%
Disbursements as a % of DWSRF Assistance								
408 *Annual	150%	158%	60%	158%	65%	48%	157%	107%
409 *Cumulative	68%	82%	76%	86%	82%	72%	82%	84%
Project Starts as a % of DWSRF Assistance								
410 *Annual	100%	100%	100%	100%	100%	100%	100%	100%
411 *Cumulative	100%	100%	100%	100%	100%	100%	100%	100%
Project Completions as a % of DWSRF Assistance								
412 *Annual	33%	48%	112%	77%	53%	14%	90%	239%
413 *Cumulative	23%	27%	50%	53%	53%	43%	48%	65%
Loan Principal Repayments as a % of DWSRF Assistance								
414 *Annual	8%	27%	11%	23%	28%	12%	21%	29%
415 *Cumulative	14%	16%	15%	15%	18%	16%	17%	18%
Project Completions as a % of Project Starts								
416 *Annual	33%	48%	112%	77%	53%	14%	90%	239%
417 *Cumulative	23%	27%	50%	53%	53%	43%	48%	65%
Financial indicators based on Cumulative Activity								
418 *Return on Federal Investment	163.5%	226.7%	218.4%	264.9%	243.0%	251.7%	303.0%	326.0%
419 *Assistance Provided as a % of Funds Available	59.7%	69.1%	92.1%	99.7%	112.3%	104.9%	102.0%	96.9%
420 *Disbursements as a % of Assistance Provided	68.0%	82.5%	76.5%	85.8%	81.5%	72.4%	82.2%	84.5%
421 *Additional Assistance Provided Due to Leveraging	\$29,214,830	\$45,261,980	\$98,869,409	\$121,408,326	\$165,187,340	\$246,657,727	\$295,968,613	\$322,413,860
424 *Self-Aside Spending Rate	77.6%	85.6%	94.1%	97.2%	97.9%	90.6%	90.1%	90.6%
425 *Net Return/(Loss) after Repaying Match Bonds Excluding Subsidy	(\$553,992)	(\$1,645,862)	(\$1,329,083)	(\$417,484)	\$1,239,047	\$4,052,907	\$3,965,936	\$4,241,942
426 *Net Return on Contributed Capital Excluding Subsidy	-0.6%	-1.8%	-1.2%	-0.4%	0.8%	2.6%	2.4%	2.4%
Subsidy Information from PBR as of Report Date								
427 Grant Amount	0	0	0	0	0	0	0	0
428 Negative Interest	0	0	0	0	0	0	0	0
429 Principal Forgiven	0	0	0	0	0	30,221,760	1,367,250	1,882,000
430 * Total Annual Subsidy	0	0	0	0	0	30,221,760	1,367,250	1,882,000
431 * Total Cumulative Subsidy	0	0	0	0	0	30,221,760	31,589,010	33,471,010
Green Project Reserve (GPR) from PBR as of Report Date								
432 Green Infrastructure				0	0	0	0	0
433 Energy Efficiency				0	0	510,000	1,760,121	9,151,196
434 Water Conservation				0	0	6,769,000	4,895,000	2,585,000
435 Green Innovative				0	0	0	0	0
436 * Total Annual GPR				0	0	7,279,000	6,655,121	11,736,196
437 * Cumulative GPR				0	0	7,279,000	13,934,121	25,670,317

* Calculated values.

**Drinking Water SRF Program Information
for the State of Oklahoma**

Fund Analysis	For the Reporting Year Ending June 30 of:							
	2013	2014	2015	2016	2017	2018	2019	2020
DWSRF Funds Available for Projects								
394 *Annual (New Funds)	10,454,559	112,193,541	24,941,565	94,104,198	128,235,535	119,323,080	24,792,018	149,226,937
395 *Cumulative	698,240,646	810,434,187	835,375,742	929,479,940	1,057,715,475	1,177,038,555	1,201,830,573	1,351,057,510
DWSRF Assistance as a % of Funds Available								
396 *Annual	436%	18%	184%	130%	85%	80%	345%	115%
397 *Cumulative	102%	90%	93%	97%	95%	94%	99%	101%
Outlays as a % of Capitalization Grants								
398 *Annual	-	106%	83%	128%	87%	110%	93%	0%
399 *Cumulative	90%	91%	91%	93%	92%	93%	93%	89%
Disbursements as a % of Funds Available								
400 *Annual	591%	43%	114%	47%	61%	64%	386%	58%
401 *Cumulative	89%	83%	84%	80%	78%	77%	83%	80%
Project Starts as a % of Funds Available								
402 *Annual	348%	25%	187%	98%	106%	62%	316%	134%
403 *Cumulative	101%	90%	93%	94%	95%	92%	96%	101%
Project Completions as a % of Funds Available								
404 *Annual	436%	72%	204%	70%	16%	78%	300%	23%
405 *Cumulative	69%	66%	73%	73%	66%	67%	72%	67%
Loan Principal Repayments as a % of Funds Available								
406 *Annual	172%	108%	76%	94%	14%	18%	88%	86%
407 *Cumulative	20%	32%	33%	40%	36%	35%	36%	41%
Disbursements as a % of DWSRF Assistance								
408 *Annual	136%	241%	62%	36%	73%	80%	112%	51%
409 *Cumulative	88%	92%	90%	83%	82%	82%	84%	80%
Project Starts as a % of DWSRF Assistance								
410 *Annual	80%	142%	102%	76%	125%	78%	91%	117%
411 *Cumulative	99%	100%	100%	97%	100%	98%	97%	100%
Project Completions as a % of DWSRF Assistance								
412 *Annual	100%	406%	111%	54%	19%	98%	87%	20%
413 *Cumulative	67%	77%	79%	75%	69%	72%	73%	66%
Loan Principal Repayments as a % of DWSRF Assistance								
414 *Annual	40%	607%	41%	73%	16%	23%	25%	75%
415 *Cumulative	19%	36%	36%	41%	38%	37%	36%	41%
Project Completions as a % of Project Starts								
416 *Annual	126%	287%	109%	71%	15%	126%	95%	18%
417 *Cumulative	68%	77%	79%	78%	69%	73%	75%	66%
Financial Indicators based on Cumulative Activity								
418 *Return on Federal Investment	347.2%	355.5%	354.5%	349.6%	372.0%	387.9%	409.7%	452.4%
419 *Assistance Provided as a % of Funds Available	102.0%	90.3%	93.1%	95.9%	95.4%	93.8%	99.0%	100.7%
420 *Disbursements as a % of Assistance Provided	87.7%	91.9%	90.1%	82.6%	81.7%	81.6%	83.8%	79.6%
421 *Additional Assistance Provided Due to Leveraging	\$361,063,787	\$339,028,501	\$362,553,887	\$392,269,280	\$478,229,857	\$546,401,528	\$609,234,424	\$633,223,916
424 *Set-Aside Spending Rate	92.6%	93.0%	95.9%	95.7%	95.3%	96.5%	95.6%	95.1%
425 *Net Return/(Loss) after Repaying Match Bonds Excluding Subsidy	\$3,737,381	\$2,821,117	\$2,338,332	\$4,453,116	\$5,646,114	\$6,317,315	\$7,039,388	\$8,643,405
426 *Net Return on Contributed Capital Excluding Subsidy	2.1%	1.5%	1.2%	2.1%	2.6%	2.7%	2.9%	3.6%
Subsidy Information from PBR as of Report Date								
427 Grant Amount	0	0	0	0	0	0	0	0
428 Negative Interest	0	0	0	0	0	0	0	0
429 Principal Forgiven	5,826,743	2,912,000	603,290	3,448,863	5,232,561	-20,508	1,233,500	1,565,566
430 * Total Annual Subsidy	5,826,743	2,912,000	603,290	3,448,863	5,232,561	-20,508	1,233,500	1,565,566
431 * Total Cumulative Subsidy	39,297,753	42,209,753	42,813,043	46,261,906	51,494,468	51,473,960	52,707,460	54,273,025
Green Project Reserve (GPR) from PBR as of Report Date								
432 Green Infrastructure	0	0	0	0	0	0	0	0
433 Energy Efficiency	2,683,878	0	0	0	0	0	0	0
434 Water Conservation	7,730,390	0	0	0	0	0	0	0
435 Green Innovative	0	0	0	0	0	0	0	0
436 * Total Annual GPR	10,414,268	0	0	0	0	0	0	0
437 * Cumulative GPR	36,084,586	36,084,586	36,084,586	36,084,586	36,084,586	36,084,586	36,084,586	36,084,586

* Calculated values.

Attachment 12

DWSRF SFY 2020 Intended Use Plan (IUP) Revisions

Attachment 12

SFY 2020 Drinking Water State Revolving Fund (DWSRF) INTENDED USE PLAN (IUP)

REVISIONS

As required by the SDWA, the State of Oklahoma, through the Department of Environmental Quality (DEQ) is required to prepare an annual Intended Use Plan (IUP) in order to identify the set-aside programs and DWSRF loan projects that will utilize the funds available to the DWSRF. The SFY 2020 IUP is being amended to include changes made to the Project Priority List (PPL) and the Regionalization/Consolidation PPL. The total required subsidization amount is \$4,056,000, which is 26% of the FFY 2019 capitalization grant (\$15,600,000). The FFY 2019 grant did not mandate funding for a green project reserve; therefore, DEQ chose not to track green projects.

DESCRIPTION OF CHANGES

Description of Project Additions and Deletions:

Project Additions – Since the SFY 2020 IUP was issued in July 2019, the public water systems that have requested the SFY 2020 IUP be amended to include construction loans for their communities are shown in the attached Appendix B(1) and :

The following projects received a binding commitment and were removed from the SFY 2020 Project Priority List.

a. Central Oklahoma Master Conservancy District (COMCD) (II)	\$ 11,000,000.00
b. East Central Oklahoma Water Authority	\$ 1,000,000.00
c. Bryan County RWS & SWMD #2 (V)	\$ 380,000.00
d. Oklahoma City WUT (VIII)	\$ 21,750,014.00
e. Geary UA (II) *	\$ 311,000.00
f. Roland UA	\$ 2,359,000.00
g. Collinsville MA	\$ 8,291,000.00
h. Miami Special UA (II)	\$ 2,785,000.00
i. Atoka MA (II)	\$ 4,010,000.00
j. Weleetka PWA	\$ 94,830.00
k. Calera PWA *	\$ 1,555,000.00
l. Cheyenne UA	\$ 100,000.00
m. Edmond PWA (VI)	\$ 40,000,000.00
n. Locust Grove PWA	\$ 9,875,000.00
o. Okmulgee MA (IV)	\$ 800,000.00
p. Blackwell MA *	\$ 100,000.00
q. McIntosh County RWD & SWMD #2	\$ 590,000.00
r. Oklahoma City WUT (IX)	\$ 74,000,000.00
	\$ 179,000,844.00

The following projects were removed from the SFY 2020 Project Priority List at the applicants' requests.

- a. Muskogee County RWD #7 (replaced with a new project)
- b. Locust Grove PWA (removed this project, but added a new project)
- c. Stillwater UA (VI) (replaced with a new project)
- d. Stillwater UA (VII) (replaced with a new project)
- e. Hooker MA (changed amount and project scope)

The following projects were added to the SFY 2020 Project Priority List at the applicant's request.

- a. Miami Special UA (II)
- b. Cheyenne UA
- c. Maysville MA
- d. McIntosh County RWS & SWMD #2
- e. Shidler PWA
- f. Pittsburg PWA
- g. Bryan County RWS & SWMD #2 (V)
- h. Holdenville PWA (II)
- i. Comanche PWA
- j. Kingfisher PWA
- k. Cleveland MA
- l. Pushmataha County RWD #3
- m. McIntosh County RWD #8
- n. East Central Oklahoma Water Authority
- o. Oklahoma City WUT (VIII)
- p. Shawnee MA (III)
- q. Geary UA (II)
- r. Beckham County RWD #2
- s. Nowata MA
- t. Wetumka PWA
- u. Ellis County RWD #1
- v. Roland UA
- w. Checotah PWA (II)
- x. Weleetka PWA
- y. Blackwell MA
- z. Town of Loyal
- aa. Edmond PWA (VI)
- bb. Okmulgee MA (IV)
- cc. Locust Grove PWA
- dd. Garfield County RWD #6
- ee. Muskogee County RWD #7
- ff. Jet PWA
- gg. Stillwater UA (VI)
- hh. Stillwater UA (VII)
- ii. Stillwater UA (VIII)
- jj. Stillwater UA (IX)

- kk. Stillwater UA (X)
- ll. Grady County RWS & SWMD #6
- mm. Hooker MA

The following project was reevaluated and points were changed as follows:

- a. Holdenville PWA (II) Points changed from 185 to 335 (project change)
- b. Stillwater UA (V) Points changed from 270 to 295 (project change)

Revised Project Priority List/IUP Project Amounts:

Since the SFY 2020 IUP was issued in July 2019, applicants requested increases and decreases in loan amounts due to bid amounts or revised construction estimates.

Applicant's for the following projects requested loan increases and decreases:

	<u>From</u>	<u>To</u>
a. Miami Special UA (II)	\$ 2,750,000.00	\$ 2,785,000.00
b. Comanche PWA	\$ 865,000.00	\$ 100,000.00
c. Collinsville MA	\$ 6,900,000.00	\$ 8,291,000.00
d. Cherokee Co. RWD #11	\$ 800,000.00	\$ 1,575,000.00
e. McIntosh Co. RWS & SWMD #2	\$ 100,000.00	\$ 380,000.00
f. Roland UA	\$ 2,367,000.00	\$ 2,359,000.00
g. Edmond PWA (V)	\$ 10,000,000.00	\$ 20,000,000.00
h. Cheyenne UA	\$ 60,000.00	\$ 100,000.00
i. Shawnee MA (III)	\$ 8,550,000.00	\$ 19,500,000.00
j. Stillwater UA (V)	\$ 12,000,000.00	\$ 16,000,000.00
k. Calera PWA	\$ 1,400,000.00	\$ 1,555,000.00
l. McIntosh Co. RWS & SWMD #2	\$ 380,000.00	\$ 450,000.00
m. Stroud UA (II)	\$ 118,000.00	\$ 100,000.00
n. McIntosh Co. RWS & SWMD #2	\$ 450,000.00	\$ 590,000.00

The following project was moved from one SFY to another SFY.

- a. 690 points Blackwell MA \$100,000.00 from 2021 to 2020

Attachment 13

Documentation for EPA Guidelines for Enhancing Public Awareness of SRF Assistance Agreements



EMERGENCY WATER MAIN RIVER CROSSING

PROJECT NO: WBR-19-01
EAST CENTRAL OKLAHOMA WATER AUTHORITY
WEBBERS FALLS, OKLAHOMA



Drinking Water State Revolving Fund
\$1,000,000

Engineer:
Infrastructure Solutions Group, LLC
500 Village Blvd, Suite A
McAlester, OK 74501

Funded by the
Oklahoma Department of Environmental Quality
in cooperation with the
Oklahoma Water Resources Board and
U.S. Environmental Protection Agency

Contractor:
Rays Construction Co.
P.O. Box 614
Carney, OK 74832

State Senator Mark Allen
State Senator Roger Thompson
State Representative Randy Randleman
State Representative Chris Sneed

12.17.2019

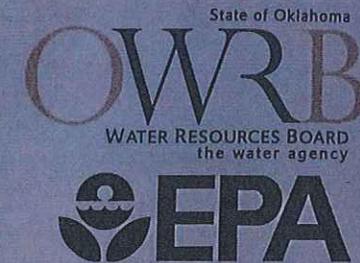


WATER TOWER MIXING SYSTEM

Bryan County RWS & SWMD #2

Loan Amount: \$54,930.00

Drinking Water State Revolving Fund



WDB Engineering, PLLC
6330 SE 74th Street
Oklahoma City, OK 73135

Sunrise Construction, LLC
418301 E. 1200 Rd.
Eufaula, OK 74432

Funded by the
Oklahoma Department of Environmental Quality
in cooperation with the
Oklahoma Water Resources Board and
U.S. Environmental Protection Agency

State Senator David Bullard - District No. 6
State Rep. Dustin Roberts - District No. 21



2020 Water Treatment Plant
Disinfection Improvements
Okmulgee Municipal Authority



\$700,000.00

Drinking Water State Revolving Fund

Holloway, Updike & Bellen
905-A South 9th Street
Broken Arrow, OK. 74012

KBC Construction, Inc.
10128 S. 259th East Ave.
Broken Arrow, OK. 74014

Funded by the
Oklahoma Department of Environmental Quality
in cooperation with the
Oklahoma Water Resources Board and
U.S. Environmental Protection Agency

State Senator - Roger Thompson (R), District 8
State Rep. - Logan Phillips (R), District 24

08.12.2020



Arcadia Lake WTP Residuals Handling and Improvements



**Owner: Edmond Public Works Authority
24 E. First Street, Edmond, OK 73034**

**Loan \$\$ Amount: \$38,111,808.00
DWSRF Project No. P40-1020723-06**

**Engineer: Carollo Engineers, Inc.
211 N. Robinson, Suite 1300, North Tower
Oklahoma City, OK 73104**

**Contractor: Crossland Heavy Contractors
408 NE 145th Place
Edmond, OK 73013**

**Funded by the
Oklahoma Department of Environmental Quality
in cooperation with the
Oklahoma Water Resources Board and
U.S. Environmental Protection Agency**

**State Senator: Sen. Adam Pugh (R), District 41
State Representative: Rep. Lewis H. Moore (R), District 96**

**CROSSLAND
HEAVY CONTRACTORS**

**CROSSLAND
HEAVY CONTRACTORS**

**TREE PRESERVATION
PROGRAM**

08.12.2020

Attachment 14

DWSRF Project Benefits Reporting

DW Benefits Loan List for Oklahoma

PBR System		Recipient	Tracking Number	Assistance Amount	Initial Agreement	Entry Complete
Number						
OK	136	Atoka Municipal Authority (II)	ORF-17-0002-DW	4,010,000	3/26/2020	<input type="checkbox"/>
OK	133	Bryan County RWS & SWMD #2 (V)	ORF-20-0005-DW	70,236	1/24/2020	<input type="checkbox"/>
OK	129	Central Oklahoma Master Conservancy District (II)	ORF-19-0008-DW	5,643,680	7/17/2019	<input type="checkbox"/>
OK	139	Cheyenne Utility Authority	ORF-20-0002-DW	100,000	5/29/2020	<input type="checkbox"/>
OK	134	Collinsville Municipal Authority	ORF-19-0003-DW	8,291,000	2/7/2020	<input type="checkbox"/>
OK	130	East Central Oklahoma Water Authority	ORF-20-0015-DW	546,694	8/30/2019	<input checked="" type="checkbox"/>
OK	142	Edmond Public Works Authority (VI)	ORF-20-0028-DW	40,000,000	6/19/2020	<input type="checkbox"/>
OK	110	Goldsby Water Authority	ORF-16-0005-DW	-2,501,181	1/9/2020	<input checked="" type="checkbox"/>
OK	115	Jay Utilities Authority (II)	ORF-18-0007-DW	-6,217	9/25/2019	<input checked="" type="checkbox"/>
OK	137	Locust Grove Public Works Authority	ORF-19-0006-DW	9,675,000	5/18/2020	<input type="checkbox"/>
OK	143	McIntosh County Rural Water, Sewer, and Solid Waste Management	ORF-20-0004-DW	490,000	6/30/2020	<input type="checkbox"/>
OK	138	Miami Special Utility Authority	ORF-19-0029-DW	2,785,000	5/19/2020	<input type="checkbox"/>
OK	141	Oklahoma City Water Utilities Trust (IX)	ORF-21-0001-DW	74,000,000	6/17/2020	<input type="checkbox"/>
OK	131	Oklahoma City Water Utilities Trust (VIII)	ORF-20-0013-DW	21,750,014	10/9/2019	<input type="checkbox"/>
OK	140	Okmulgee Municipal Authority (IV)	ORF-20-0027-DW	700,000	6/5/2020	<input type="checkbox"/>
OK	132	Roland Utility Authority	ORF-20-0021-DW	2,354,984	1/30/2020	<input checked="" type="checkbox"/>
OK	107	South Delaware County Regional Water Authority	ORF-16-0004-DW	-6,713	4/15/2020	<input checked="" type="checkbox"/>
OK	135	Weleetka Public Works Authority	ORF-20-0024-DW	95,330	3/6/2020	<input type="checkbox"/>
Total for all 18 Loans				167,997,827		

Attachment 15

Subsidy Draw Down Tracking Chart By Projects

