

State of Oklahoma

# Clean Water State Revolving Fund Program Evaluation Report

**State Fiscal Year 2023 7/01/2022 - 6/30/2023**

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# EXECUTIVE SUMMARY

The Oklahoma Water Resources Board received their Federal Fiscal Year (FFY) 2022 Clean Water State Revolving Fund (CWSRF) capitalization grant in the amount of \$9,349,000 and combined Bipartisan Infrastructure Law (BIL) funding totaling \$15,134,000 during State Fiscal Year (SFY) 2023. During this year, OWRB has made twenty-three (23) binding commitments for a total amount of \$340.7 million in funding toward clean water infrastructure.

The EPA recognizes the marketing efforts OWRB has taken in SFY23 that include joining other entities on a funding “roadshow” to spread awareness of the SRF program. The OWRB sees that the roadshow has led to five first-time borrowers to the CWSRF, including borrowers located in areas with Environmental Justice (EJ) concerns. In addition, OWRB reported concerted efforts to perform outreach to water systems with violations or enforcement actions. These awards can help these water systems attain compliance and improve or maintain water quality in streams and groundwater. EPA notes that OWRB also made over half their awards as long term, low interest loans to communities with populations under 10,000 to ensure project affordability for small communities in Oklahoma. Additionally, two projects were awarded as part of the Sponsorship program, which was initiated in SFY21 as a pilot program designed to address nonpoint source pollution mitigation projects by offering interest rate reduction equal to the project amount.

The EPA has released a memo reminding SRF programs of the statutory and regulatory requirements for timely and expeditious use of funds SRF funds. That memo also establishes baselines for assessment of program performance. When assessed against that metric, SFY 2023 program data reflect an OWRB CWSRF program ratio of undisbursed project funds to disbursements at 2.5 years to disburse (as of June 30, 2023), which indicates that the CWSRF program is operating at an acceptable level.

Challenges that the program discussed during the review included OWRB’s difficulty attracting and retaining engineers, along with their concerns about participation in the Oklahoma Clean Watersheds Needs Survey. The agency noted that they conducted additional outreach efforts to increase participation since the prior survey conducted did not receive the desired level of participation. As result, the total project costs needs increased from the last survey and the program believes it better represents the state.



## Fiscal Year 2023 Wrap-Up

23 Binding  
Commitments  
for  
\$340.7 million

## Federal Funds Received

\$ 9,349,000  
Base Grant

\$ 14,379,000  
BIL Supplemental  
Grant

\$ 755,000  
BIL Emerging  
Contaminants Grant

## Funding for EPA Priorities

\$47,020,380  
Resolving  
Compliance  
Violations

\$215,125,959  
303d Water Quality  
Improvement

\$ 10,425,510  
Justice 40

# CHALLENGES and SUCCESSES



## Program Management and Staffing

During the onsite review, OWRB discussed difficulty with hiring and retaining engineers to work on the CWSRF and at that time, was actively searching to fill engineering positions. OWRB contracted with an external engineering firm to meet their engineering workload.



## Targeted Water Quality Impairments

In SFY23, OWRB funded fourteen (14) projects intended for reducing pollutants in threatened or impaired stream segments as identified in Oklahoma’s Integrated Water Quality Assessment Report (303(d) listing). The total budget was \$215,125,959. OWRB funded thirteen (13) of the twenty-three projects lying within: hydrologic basins where groundwater is considered highly vulnerable, hydrologic basins within/affecting a source water protection area, watersheds designated as nutrient-limited, or watersheds upstream of waters with recreational/ecological significance. In addition, OWRB also funded thirteen (13) projects that reduced pollutants from affected stream segments identified as threatened or impaired in Oklahoma’s Integrated Water Quality Assessment Report (303(d) listing).



## Addressing Compliance Violations

OWRB reported their concerted effort to select projects that received violations related to wastewater discharge permits and/or documented public health threats. EPA agrees that funding these projects can help to correct violations, reduce the risk to public health, and help borrowers to meet permit compliance.

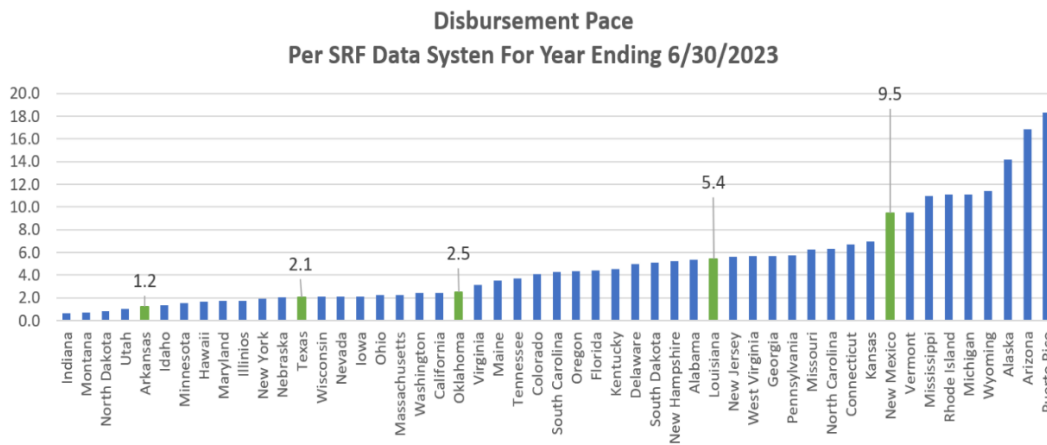
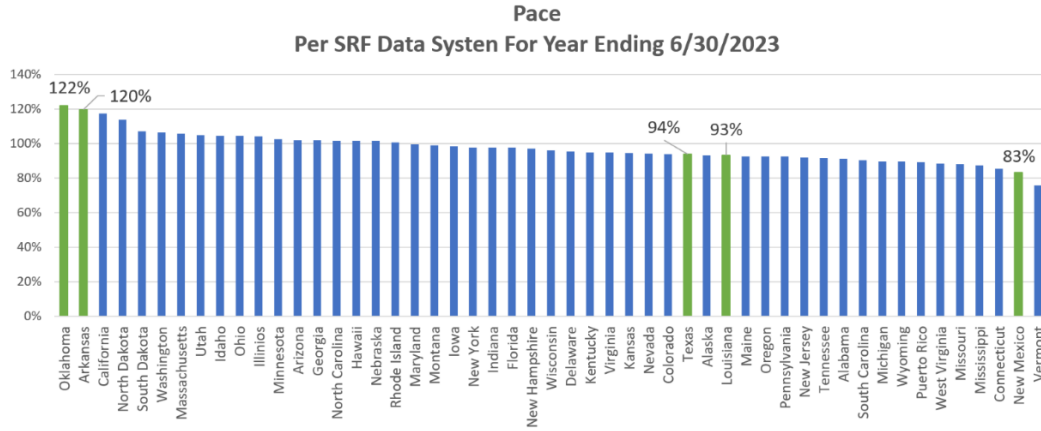


### Timely and Expeditious Memo

On January 31, 2024, EPA released a memorandum titled, “Maximizing Water Quality and Public Health Benefits by Ensuring Expeditious and Timely Use of All State Revolving Fund Resources”, addressing the statutory and regulatory timely and expeditious use of funds requirements for the SRF programs. The memo restates the long-standing requirement that states have one year from receipt of funds to commit funds into signed final assistance agreements, as reflected by the program “pace” indicator. This includes all funds: capitalization grants, state match, repayments, and investment earnings of the fund. While the memo was released after the annual review site visit, a subsequent meeting was held with EPA Region 6 and OWRB management to discuss. EPA used the available CWSRF program information in the national SRF database to look into the Oklahoma program status and to assist with development of any needed corrective actions.

The overall program pace for the Oklahoma CWSRF program is 122% and the has consistently been above 100%. In SFY2023 it notably was the highest overall pace in the country. The exceptional pace indicates that OWRB has met their capacity of funding commitments annually. This metric reflects a significant interest in the CWSRF program and OWRB setting an annual level of funding for a given fiscal year based on expected federal capitalization and repayments that has appropriately increased to address the availability of BIL funds.

The Memo also sets new targets for the disbursement pace ratio (cash-to-average annual disbursements) with two years being viewed as adequate performance and five years or above as unacceptable performance. EPA measures effectiveness of the revolving nature of the program by calculating the years it would take to disburse the end-of-year available funds at the average drawdown rate that the program has experienced during the last three years. Undisbursed funds include federal and non-federal funds, repayments, state match, and interest earnings. Any state program whose undisbursed fund ratio exceeds five years will be required to develop a written plan of action addressing any programmatic deficiencies impacting the rate of disbursement and commitment. The OWRB CWSRF program ratio of undisbursed project funds to disbursements reflects 2.5 years to disburse (as of June 30, 2023) and indicates that the CWSRF program is operating at an adequate level. The Region will continue to monitor the program’s success and check in periodically with OWRB.



### EPA Headquarters Intended Use Plan Review

Shortly after the onsite annual review, EPA Office of Water completed a national review of FFY22 Intended Use Plans (IUP). This review was conducted to provide some insight into how states are implementing BIL. EPA Region 6 staff reviewed the comments with OWRB on March 12, 2024. Our discussions focused on the OW findings regarding identification of Disadvantaged Communities (DACs) in the program’s Project Priority List (PPL), and whether the program was offering additional assistance including priority points for affordability criteria, incentives for climate resiliency or mitigation projects, and pre-development and pre-construction funding for small or disadvantaged communities. Additional topics regarded absence in the IUP of discussions about any program efforts to reduce the burden of the loan application process, whether and what comments were received during the IUP public notice process, and why “uses” of available funding did not equal or exceed the total “sources.” As result of the OW review and the joint OWRB/Region 6 discussions, EPA looks forward to revisions to subsequent IUPs as OWRB adds clarification and links to the report and is considering adding a column to the PPL to depict the affordability ranking as well as a section about updates to the application process.

# ANNUAL REVIEW

EPA Region 6 project officers thank state staff for making themselves available for interviews and meetings during the programmatic review. The information gathered during interviews with state staff was used to complete the Annual Review Checklist and Project File Review Checklist developed by EPA Headquarters. The following sections summarize document reviews and discussions that took place.

<b>Table 1. Annual Review Participants</b>			
<b>EPA, REGION 6, ASSISTANCE PROGRAMS</b>		<b>OKLAHOMA WATER RESOURCES BOARD</b>	
<b>Claudia Hosch</b>	Branch Manager	<b>Joe Freeman</b>	Program Chief
<b>Denise Hamilton</b>	Section Manager	<b>Lori Johnson</b>	Assistant Chief
<b>Anna Pina</b>	Outgoing Project Officer	<b>Lindy Clay</b>	Environmental Programs Manager
<b>Jose Alvarez</b>	Incoming Project Officer	<b>Laura Oak</b>	Accountant
<b>Theophilus Nimpson</b>	BIL-EC Project Officer		
<b>Brian Boyd</b>	Financial Analyst		

The Oklahoma CWSRF programmatic review was conducted on-site from February 5-6, 2024. The financial review was completed on March 29, 2024. The managers meeting took place on January 23<sup>rd</sup> during which the programmatic and financial overviews were discussed. The OWRB and EPA staff that participated in the review are listed in Table 1.

## Project File Reviews

In accordance with the EPA’s Oversight Plan, Project File Review Checklists were completed for the following four CWSRF projects:

<b>Table 2. Projects that will be reviewed as part of the SFY23 CW SRF Annual Review</b>			
<b>Project Criteria</b>	<b>Recipient</b>	<b>Assistance Provided</b>	<b>Project Description</b>
<b>Equivalency Base/BIL GS</b>	Shawnee Municipal Authority	\$65,483,300	Upgrades and modifications to the existing headworks, secondary treatment processes, and sludge handling of the North WWTP.
<b>Ad Sub BIL</b>	Covington Utilities Authority	\$392,968	Replace approximately 1,470 linear feet (lf) of sanitary sewer main and to construct four new manholes.
<b>Additional BIL in Disadvantaged Community with Additional Subsidy</b>	Caddo Public Works Authority	\$615,380	Rehabilitation of existing manholes and sewer lines.
<b>Emerging Contaminants</b>	Central OK Master Conservancy District	\$755,000	Evaluate the presence, sources, concentrations, and seasonality of emerging contaminants at Lake Thunderbird.

Project, construction, and administrative loan files were examined to ensure projects are managed consistent with federal regulations and policies governing the CWSRF program. Additionally, files were checked for the inclusion of documentation to verify compliance with all applicable CWSRF programmatic and financial requirements. No significant issues were identified for the projects reviewed.



# FINANCIAL REVIEW

EPA Region 6 financial analysts thank state staff for making themselves available for interviews and meetings during the financial review. The information gathered during interviews with state staff was used to complete the Annual Review Checklist and Transaction Testing Worksheet developed by EPA Headquarters. The following sections summarize document reviews and discussions that took place.

## Transaction Testing

In accordance with the EPA’s Oversight Plan, Table 3 shows the three cash draws reviewed for the CWSRF program. Transaction testing was performed by EPA HQ contractor, Northbridge, and was completed on 6/10/2024.

<b>Date of Cash Draw</b>	<b>Amount of Cash Draw</b>	<b>Description of Transaction</b>
<b>12/14/2022</b>	\$831,563.89	Project draw from grant # CS40000222
<b>02/23/2023</b>	\$1,573,404.68	Project draw from grant # 4C02F18401
<b>06/09/2023</b>	\$7,500.00	Project draw from grant # 4X02F19501

These transactions did not duplicate any of the transactions sampled during previous reviews and all items appeared to be eligible under the CWSRF program. The back-up documents associated with these payment requests were reviewed in detail to complete the transaction testing worksheets developed by EPA Headquarters. EPA Region 6 found EPA contractor Northbridge staff to be very cooperative in providing well-organized documentation for the draws requested and answering any questions asked.

## Financial Audit

Independent financial audits are conducted annually to determine whether SRF financial statements are presented fairly in conformity with Generally Accepted Accounting Principles (GAAP) as issued by the Governmental Accounting Standards Board (GASB). Additionally, the audit should determine if there are any weaknesses in internal controls regarding the oversight of SRF funds and if the state is in compliance with the laws, regulations and the provisions of SRF capitalization grants.

The Oklahoma CWSRF financial and compliance audit for SFY23 was finalized on September 13, 2023. The audit as performed by Arledge, CPA and they issued an opinion of unmodified in the audit report. No material weaknesses were identified for either the financial or the compliance audit.

## Key Financial Indicators

Many of the indicators are incorporated into the Government Performance and Results Act (GPRA) annual performance goals for the CWSRF program. These financial indicators are tools which help EPA understand and assess a State's SRF program within the Region. The values are calculated using the data which the State provides in the SRF Data System report each year. Review of these indicators holistically provides insight into the health of the CWSRF program.

Figure 1. Executed Loans as a Percent of Funds Available

This indicator is commonly referred to as “pace” and it measures how well the state is putting its available funds into loans. In NIMS, “CWSRF/DWSRF Assistance” and “Executed Loans” are the same. Assistance includes loans, pass-through and linked-deposit loans, refinancing, guarantees, and sub-state revolving funds. Oklahoma's Executed Loans as a % of Funds Available has been steadily climbing from the previous years, increasing by 4% from 118% in SFY22 to 122% in SFY23. The program is commended for consistently exceeding the national average in committing its available funds.

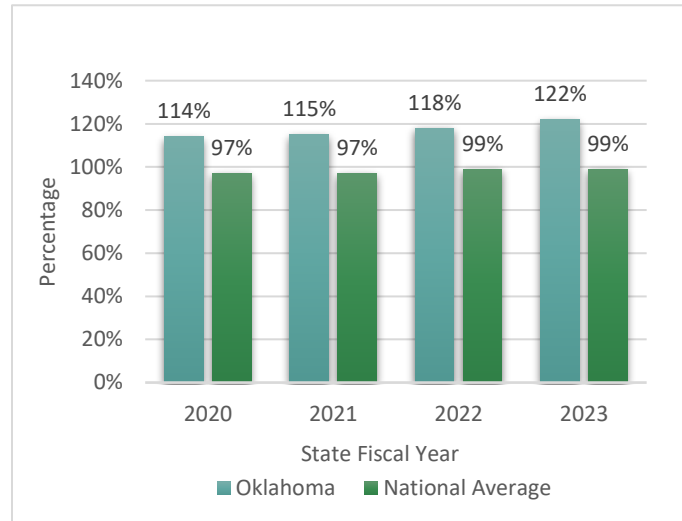


Figure 2. Ratio of Undisbursed Loan Funds to Disbursements

This measure provides some insight on how efficiently SRF funds are revolving by examining a program's disbursement rate over time and comparing it to cash on hand. The Ratio of Undisbursed Loan Funds to Disbursements shows how fast Oklahoma is getting disbursements out the door as payment requests come in. Oklahoma's disbursement rate has consistently outperformed the National Average.

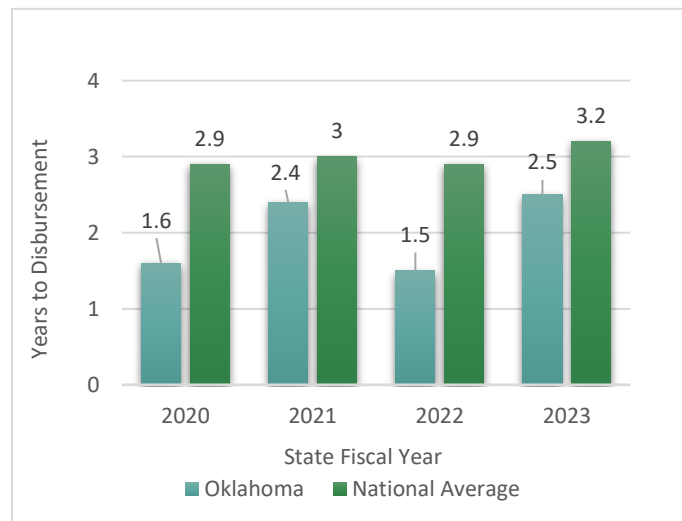


Figure 3. Federal Return on Investment

The federal return on investment reflects how successful SRF programs have been at turning capitalization grants into loans that revolve and earn interest. Oklahoma’s Federal Return on Investment has increased substantially over the years indicating how well the program is being managed.

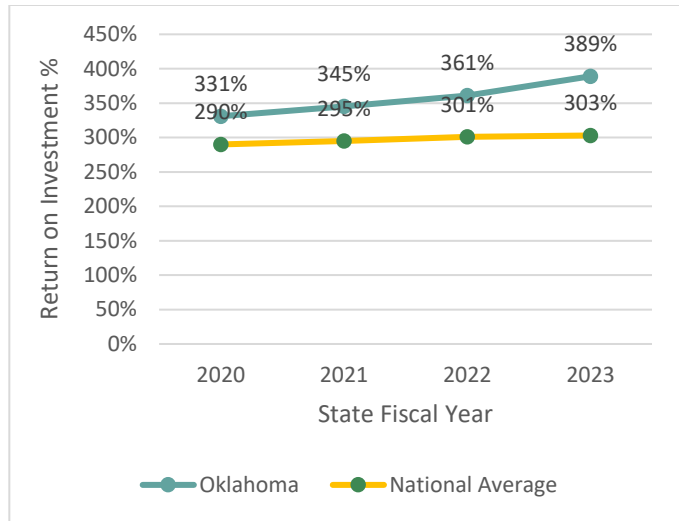


Figure 4. Total Net

Total Net augments the Operating Net by adding the loan principal revolving in the program. A positive value indicates the program is revolving and is an indicator of program sustainability. It is a measure of perpetuity and internal growth of the program. Total net helps to analyze whether the SRF is growing, and program earnings are greater than expenses. While the program has experienced a low point in SFY 2022, the SFY 2023 appears as a rebound that will be monitored in subsequent years.

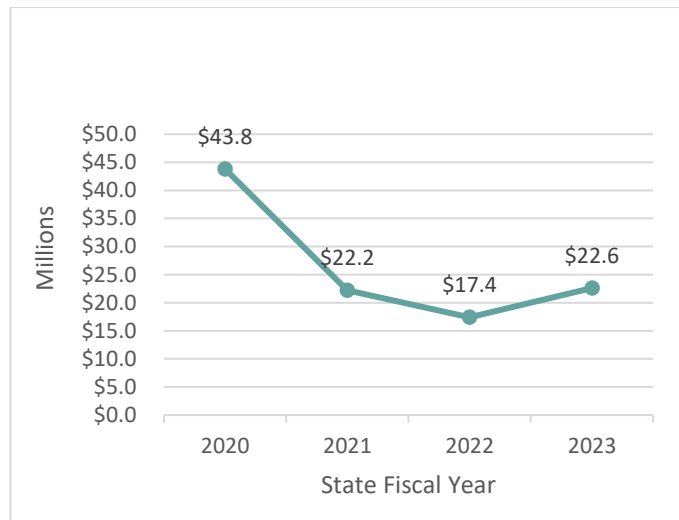
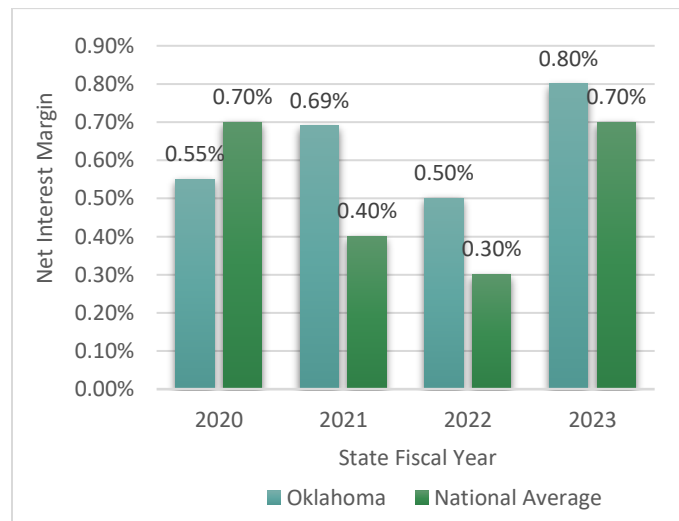


Figure 5. Net Interest Margin

A positive value indicates that the CWSRF has positive earnings from its basic operations. High net interest margin indicates the program is growing more quickly. A negative figure indicates that interest expenses on bonds are greater than interest earnings, which can result in declining net position. Oklahoma has maintained a positive Net Interest Margin for 3 years, indicating that the program is growing.



# PROGRAMMATIC REVIEW

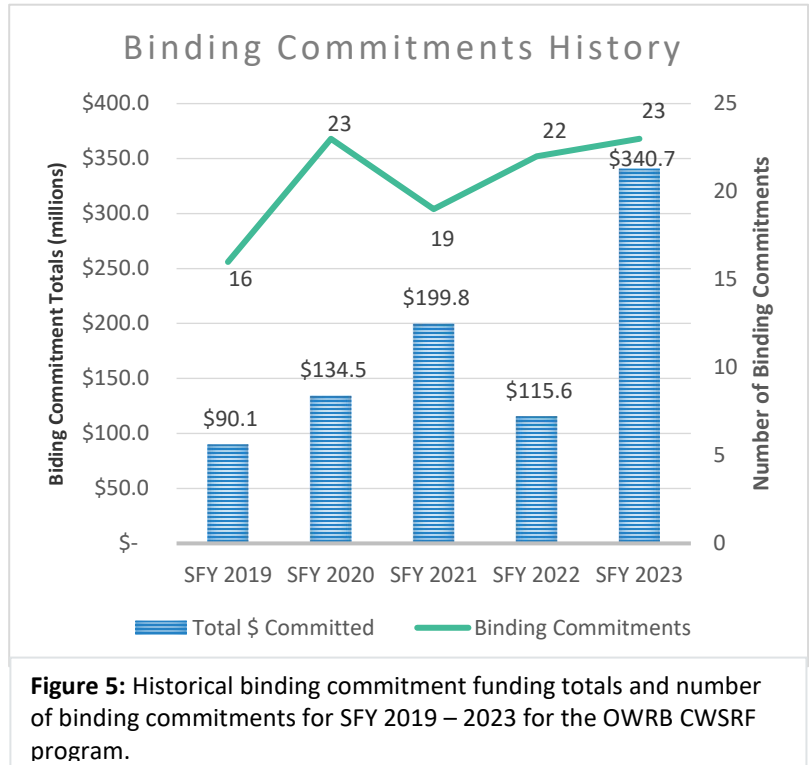
The review provided EPA with a snapshot of the program’s status. An overview of the SFY23 projects is provide in Appendix A in Tables 6-10. During SFY23, the OWRB CWSRF program continues to provide infrastructure funding to a significant number of communities across the state. SFY23 saw the OWRB awarding twenty-three (23) binding commitments for a total of \$340.7 in funding for clean water infrastructure.

## Equivalency

The CWSRF regulations define equivalency projects at 40 CFR § 35.3105(f):

*Equivalency projects. Those section 212 wastewater treatment projects constructed in whole or in part before October 1, 1994, with funds "directly made available by" the capitalization grant. These projects must comply with the requirements of section 602(b)(6) of the Act.*

Oklahoma’s equivalency project for SFY23 was for the Shawnee Municipal Authority for upgrades and modifications to the existing headworks, secondary treatment processes, and sludge handling of the North Wastewater Treatment Plant. This project, totaling \$65,483,300, included closed loans from the Capitalization Grant and BIL-General Supplemental. Committed equivalency dollar amounts are detailed in Table 4.



**Figure 5:** Historical binding commitment funding totals and number of binding commitments for SFY 2019 – 2023 for the OWRB CWSRF program.

## FFATA Reporting

Table 4. FFATA Requirements for SFY23			
Funding Source/Grant	Required Amount	Already Reported	Left to be Reported
Base Cap Grant	\$ 9,349,000	\$ 9,349,000	\$ 0
BIL - GS	\$ 14,379,000	\$ 14,379,000	\$0

applies to all federal funding awarded after October 1, 2010. FFATA requirements are considered met when loan, contract, and set-aside activity has been reported to [www.fsrs.gov](http://www.fsrs.gov) in an amount equivalent to the full capitalization grant. Satisfied FFATA reporting amounts at the time of the review are shown in Table 4.



Subsidy

Table 5. Required subsidy percentage, dollar amount and subsidy provided in SFY23.			
	Required %	Required \$	Subsidy Provided FY23
Base Capitalization Grant	20 - 40%	\$1,869,800	\$1,869,800
BIL General Supplemental	49%	\$7,045,710	\$7,045,710
BIL - EC	100%	\$755,000	\$755,000

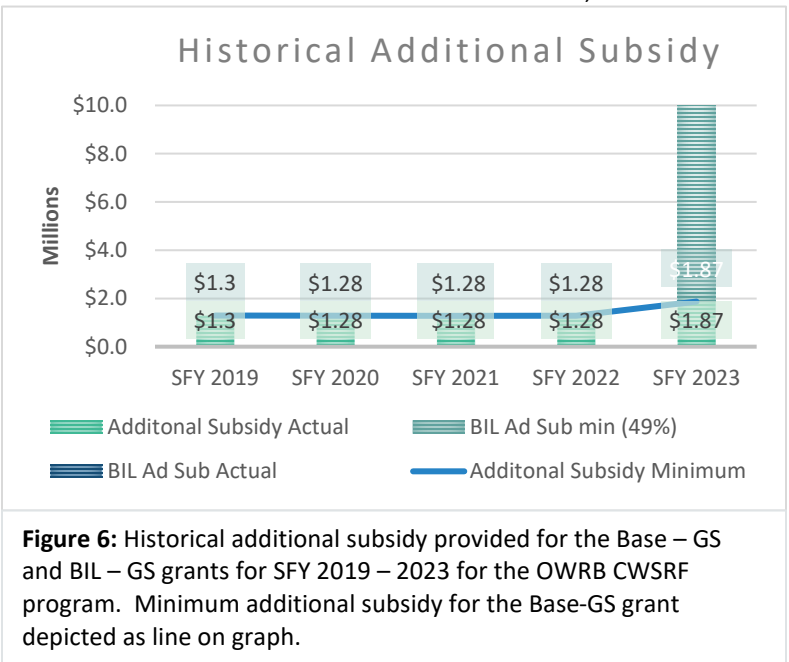
As part of the FFY 2022 Appropriations Act and The Federal Water Pollution Control Act (FWPCA) section 603(i) states must provide 20 percent and up to 40 percent of the base capitalization grant as additional subsidy. Under the Infrastructure Investments and Jobs Act, the BIL general supplemental grant stated, “the recipient agrees to use 49 percent of the funds available in the capitalization grant to provide additional subsidy to eligible recipients in section 603(i) of the CWA.” The BIL emerging contaminants grant reads the same as above with the exception of this being a 100 percent of the funds given as additional subsidy. In SFY23, OWRB provided \$8,915,510 in additional subsidy to its recipients in the form of loan forgiveness. The program has met the minimum amount of additional subsidy required for each grant programs as reflected in Table 5. With the addition of BIL, there has been a significant increase in additional subsidy provided, illustrated in Figure 6.

Green Project Reserve (GPR)

The GPR provision was determined to have been met for the 2023 capitalization grant requirements during the 2023 annual review. The GPR provision for the 2023 Appropriations Bills states that to the extent that there are sufficient eligible project applications, at least 10 percent of the capitalization grant shall be used for projects or components of projects that address energy efficiency, water efficiency, green infrastructure, or are environmentally innovative projects. As of the end of the SFY23 and according to the OWSRF



**Figure 7:** Historical green project reserve (GPR) funding totals and minimum for GPR funding required for SFY 2019 – 2023 for the OWRB CWSRF program.



**Figure 6:** Historical additional subsidy provided for the Base – GS and BIL – GS grants for SFY 2019 – 2023 for the OWRB CWSRF program. Minimum additional subsidy for the Base-GS grant depicted as line on graph.

data system, OWRB provided significantly more than the minimum required to GPR projects. This is a consistent trend as illustrated in Figure 7.

## Bipartisan Infrastructure Law

### BIL – Emerging Contaminants

After the release of FFY22 BIL EC allotments in March 2022, Oklahoma was the only state in Region 6 to apply during the initial year of funding availability. OWRB successfully solicited two projects to apply for the \$755,000 allotment by July 2022. OWRB readily having access to reports verifying the presence of emerging contaminants in its waterbodies was key to meeting the CWSRF project eligibility for these funds. A study conducted by the University of Oklahoma in 2016 confirmed the presence of poly- and perfluorinated alkyl substances (PFAS), pesticides, pharmaceutical and personal care products (PPCPs), and over 40 other emerging contaminants in Lake Thunderbird. Due to this study, the Central Oklahoma Master Conservatory District pursued the Lake Thunderbird Emerging Contaminants Assessment Project to evaluate the level of contamination, seasonal fluctuations, and determine possible sources of these contaminants. The assessment project will determine what applicable treatment process would be constructed. As one of the first projects in the nation to be approved for BIL EC funding, the Lake Thunderbird project has been featured on the EPA headquarters website as an example of a CWSRF BIL EC project that properly identifies, characteristically investigates, and intends to treat emerging contaminants. The project appropriately implements the state's nonpoint source management program plan, therefore meeting Section 603(c)(2) of the CWSRF project eligibility requirements. It also incorporates measures to manage, reduce, recapture, or treat stormwater/subsurface drainage, thus meeting Section 603(c)(5) CWSRF eligibility requirements.

### Increase Investment in Disadvantaged Communities

A primary goal of the BIL funding is to ensure that disadvantaged communities (DACs) benefit equitably from SRF assistance. DACs refer generally to communities that face significant economic, social, or environmental challenges in accessing safe and affordable water services. The Clean Water SRF considers communities as DACs based on state affordability criteria. The state of Oklahoma's affordability criteria allows communities to qualify as DACs based on a formula using per capita income, employment rate, and population change trends for the service area of the project, which is consistent with the EPA Statutory requirements, which is consistent with the EPA statutory requirements.

Executive Orders 14008 and 14096 made it a goal that 40 percent of federal grant programs benefit DACs. Forty percent of the federal SRF funds received by OWRB in SFY2023 equals \$9,670,510. During SFY23, the OWRB CWSRF program provided funding to 16 disadvantaged communities totaling over \$9 Million in Loan Forgiveness. Thus, the OWRB CWSRF program maintains a robust pipeline of disadvantaged communities and incentives for application.

Identification and delivery of additional assistance to DACs is a statutorily required element of the CWSRF programs. Identifying which applicants qualify for this assistance and organizing information in a way that enables the reader of an IUP to easily understand which communities qualify for additional assistance promotes transparency and program accountability to potential applicants. Additionally, EPAs national SRF database requests that states identify any DACs that receive SRF funding.

With increased investment in disadvantaged communities as a priority for the agency, the EPA recommends that projects/recipients are identified as DACs on the annual report to allow the state and EPA to track their successes in reaching DACs for SRF program participation.

## Marketing

OWRB reflects that its primary marketing success for SFY23 was engagement in the FACT Road Show, where they engaged with communities statewide on water and wastewater topics; thereby, broadening their reach to smaller communities and those with environmental justice concerns. OWRB attributes this additional outreach to first-time borrowers to the CWSRF in SFY 2023: Talala PWA, Marietta MA, Davis MA, Covington UA, and Barnsdall PWA.

## Annual Awards

### 2023 PISCES Nomination

The Performance and Innovation in the SRF Creating Environmental Success program (PISCES) highlights the CWSRF's benefits, recognizing innovative ways communities are using the CWSRF to achieve their local water quality objectives. For SFY23, OWRB nominated the Clear Creek Lake Dam Rehabilitation Project in Duncan, Oklahoma. The Clear Creek Lake Dam located nine miles northeast of the city and is currently considered to be a low-hazard dam, however, breach analyses determined that increased storm intensity related to climate change may lead to a failure in the dam. This project includes construction of a new spillway designed to proactively address potential direct impacts to the area environment, downstream roads and bridges, and the surrounding population.

According to the Climate and Economic Justice Screening Tool, Duncan is considered disadvantaged with 100% of its tract being documented under the lands of Federally Recognized Tribes which is also considered disadvantaged.

EPA's PISCES program celebrates innovative CWSRF programs implemented by assistance recipients. Pisces award recipients were announced April 3, 2024. OWRB received an Honorable Mention for the City of Duncan Clear Creek Lake Dam Rehabilitation project.

## CONCLUSIONS

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Overall, the state is implementing a well-organized, well-managed, efficient, and effective CWSRF program. EPA commends Oklahoma Water Resources Board staff for working diligently to meet their commitments under the CWSRF program. The state's goals of addressing risks to public health and water quality objectives through the development and implementation of the CWSRF Program appear to have been met while running the program in accordance with pertinent 2 CFR Part 200 administrative requirements for grants to state and local governments.

## Current Year Action Items and Recommendations

1. OWRB response to the draft report requested additional clarification regarding the EPA recommendations.
  - a. EPA provided additional context and explanation for the Current Year Action Items and Recommendations.

2. OWRB requested national averages and explanation added to the financial indicators section.
  - a. EPA revised the figures to include annual National Averages to compare OWRB's performance. In addition, additional details were added to the financial indicators descriptions context and explanations.
3. EPA's January 31, 2024, memorandum titled, "Maximizing Water Quality and Public Health Benefits by Ensuring Expeditious and Timely Use of All State Revolving Fund Resources", restates the long-standing requirement that states have one year from receipt of funds to commit funds into signed final assistance agreements, as reflected by the program "pace" indicator. Additionally, new targets are established for the disbursement pace ratio (cash-to-average annual disbursements) with two years being viewed as adequate performance and five years or above as unacceptable performance. EPA has reviewed available data to provide a status baseline and notes that retrospectively, the OK CWSRF program is exceeding the commitments metric and is performing satisfactorily based on the disbursements metric.
  - a. EPA Recommends that the OWRB CWSRF program remain diligent in commitments and reimbursements to continue to meet and exceed the timely and expeditious program requirements. Not only will this help satisfy the policy requirements but will also help to maintain the overall pace of the program to over 100%.
  - b. OWRB response to the draft report requesting that EPA remove sections discussing the Timely and Expeditious Expenditure of Funds Memo, as the memo was released after the annual onsite review was performed.
    - i. EPA Response: Additional explanation has been provided regarding the decision to include discussion of the Timely and Expeditious memorandum and the program's performance in this report.
4. A Key priority of BIL is to ensure that disadvantaged communities benefit equitable from investments in water infrastructure.
  - a. EPA Recommends that the program add a section its Annual Report to identify Disadvantaged Communities, including the number of awards given, the dollar amount of awards, the amount of principal forgiveness awarded to disadvantaged communities, and any efforts to target disadvantaged communities. Any OWRB efforts towards revising affordability criteria, the priority point system, or technical assistance should be noted.
5. The May 2024 draft report from EPA Office of Water national review of FFY22 IUPs, reflected expectations that IUPs should include details of SRF program's treatment and discussion of Disadvantaged Communities (DACs), including whether the program was offering additional assistance. Additionally highlighted was a request for additional details regarding the state's incentives for climate resiliency and mitigation projects, as well as more detail about the IUP public comment process and the program's sources and uses.
  - a. EPA Recommends OWRB adds clarification and links to the IUP, information in the PPL that depict a project's affordability ranking, as well as a section about updates to the application process.

### Previous Year Recommendations

1. EPA recommends that the program becomes fully aware of the Executive Order (EO) 14030, Climate-Related Financial Risk, reinstating EO 13690, Establishing a Federal Flood Risk Management Standard impacts to ensure that they are compliant for CWSRF equivalency projects.
  - o Recommendation has been addressed by OWRB: Our team has reviewed the EO and appears to be in compliance with it.



2. After reviewing the project documents provided it was determined that the files did not contain documents related to AIS and Signage, such as certification letters. However, inspection reports did list AIS compliance. With changes and increases in staff, standard operating procedures and training should take place to ensure these documents are properly filed through these transitions.
- Recommendation has been addressed by OWRB: The PER dated July 2020 has the request to start including the specific signage language. OWRB also does press releases to meet the signage requirement for each of our projects in addition to the physical sign. This documentation was included in the project files.

## Appendix A – Tables

<b>Table 6. Binding Commitments for SFY23 with designations of Green Project Reserve subsidy, Additional Subsidy, or other funding sources</b>				
<b>Recipient</b>	<b>Binding Commitment Amount</b>	<b>GPR</b>	<b>Ad Sub</b>	<b>Other</b>
Altus Municipal Authority	\$22,500,000	X		
Barnsdall Public Works Authority	\$275,373		X	
Broken Arrow Municipal Authority	\$19,305,000	X	X	
Broken Bow Public Works Authority	\$617,710	X	X	
Caddo Public Works Authority	\$615,380			
Central Oklahoma Master Conservancy District	\$755,000		X	BIL-EC
Covington Utilities Authority	\$392,968	X	X	
Coweta Public Works Authority	\$4,600,000			
Davis Municipal Authority	\$17,250,000			
El Reno Municipal Authority	\$440,000		X	
Geronimo Public Works Authority	\$653,500	X	X	
Inola Public Works Authority	\$171,000		X	
Lawton Water Authority	\$70,000,000	X		Sponsorship
Marietta Municipal Authority	\$690,000		X	
Norman Utilities Authority	\$15,000,000	X		
Oklahoma City Water Utilities Trust	\$104,113,000			Sponsorship
Pawhuska Public Works Authority	\$470,900		X	
Salina Public Works Authority	\$2,242,000		X	
Shawnee Municipal Authority	\$65,635,000	X	X	

Stillwater Utilities Authority	\$6,000,000		X	
Talala Public Works Authority	\$88,679		X	
Tishomingo Municipal Authority	\$1,000,000		X	

<b>Table 8. Recipients that received additional subsidy from OWRB in SFY23</b>			
<b>Recipient</b>	<b>Assistance Provided</b>	<b>Recipient</b>	<b>Assistance Provided</b>
Broken Bow PWA	\$141,950	El Reno MA	\$440,000
Covington UA,	\$392,968	Geronimo PWA	\$653,500
Shawnee MA,	\$65,483,300	Stillwater UA,	\$6,000,000
Broken Arrow MA	\$18,074,312	Pawhuska PWA,	\$470,899
Talala PWA	\$88,679	Marietta MA	\$690,000
Tishomingo MA,	\$1,000,000	Barnsdall PWA	\$275,372
Caddo PWA,	\$615,380	Inola PWA	\$171,000
Salina PWA,	\$2,242,000	Central Oklahoma Master Conservancy District (COMCD)	\$755,000

**Table 9. Projects targeting water quality impairments funded in SFY23.**

<b>Recipient</b>	<b>Assistance Provided</b>	<b>Impaired Waterbody</b>	<b>303(d) Impairment</b>
Broken Arrow Municipal Authority	\$19,305,000	Arkansas River	Enterococcus, Lead, Turbidity, and Cadmium
Caddo Public Works Authority	\$615,380	Caddo Creek	Enterococcus
Central Oklahoma Master Conservancy District - EC	\$755,000	Lake Thunderbird	Chlorophyll-a, Dissolved Oxygen, and Turbidity
Coweta Public Works Authority	\$4,600,000	Arkansas River	Enterococcus
El Reno Municipal Authority	\$440,000	North Canadian River	pathogens and turbidity
Inola Public Works Authority	\$171,000	Verdigris River	Enterococcus
Marietta Municipal Authority	\$690,000	Red River	Enterococcus, Lead and Turbidity
Norman Utilities Authority	\$15,000,000	Canadian River	Enterococcus and Total Dissolved Solids
Oklahoma City Water Utilities Trust	\$104,113,000	North Canadian River	Enterococcus and pH
Pawhuska Public Works Authority	\$470,900	Bird Creek	Enterococcus and Turbidity
Salina Public Works Authority	\$2,242,000	Lake Hudson	Dissolved Oxygen
Shawnee Municipal Authority	\$65,635,000	North Canadian River	Enterococcus, Total Dissolved Solids, and Turbidity
Talala Public Works Authority	\$88,679	Oolagah Lake	Dissolved Oxygen and Turbidity
Tishomingo Municipal Authority	\$1,000,000	Pennington Creek	Macroinvertebrate Bio

<b>Table 10. Projects funded in SFY23 aimed and addressing compliance violations.</b>		
<b>Recipient</b>	<b>Assistance Provided</b>	<b>Compliance violations addressed by project</b>
Altus Municipal Authority	\$22,500,000	Brick manholes within the system, which no longer comply with ODEQ regulations for new construction.
Coweta Public Works Authority	\$4,600,000	System not equipped to handle projected community growth over the next 20 years.
Broken Arrow Municipal Authority	\$19,305,000	Meter reading infrastructure is outdated, some lift stations and their subsequent force mains are nearing the end of their useful life.
Caddo Public Works Authority	\$615,380	Significant inflow and infiltration (I/I) and frequently illegally bypass wastewater in violation of their NPDES permit.