

OKLAHOMA WATER RESOURCES BOARD MEETING INFORMATION

The Oklahoma Water Resources Board meets monthly in accordance with the date, time, and location shown on the final posted agenda. A draft Board meeting agenda and packet materials are scheduled to be prepared approximately 10 calendar days prior to the Board's meeting. A final agenda is scheduled to be posted at least 24 hours prior to the meeting. The standard sections of the agenda are numbered in a series; additional or special items will appear on the agenda subsequently. Standard sections include the following:

- 01000 = Call to Order
- 02000 = Financial Assistance Division
- 03000 = Summary Disposition Agenda
- 04000 = Items of Interest
- 05000 = Special Consideration Items

This meeting packet contains expanded information (summary documents, proposed orders, etc.) associated with individual agenda items. Each section of the packet contains a cover sheet noting the appropriate corresponding agenda item/number. (For example, to locate agenda item 2.D., concerning a grant or loan, review the packet for the section labeled, "2. Financial Assistance Division," which will begin on page 02000. Item D. is placed in alphabetical order in the section and is labeled accordingly.) The documents and information provided within the meeting packet are draft until approved by the Board. Please contact OWRB staff for the final, official documents as approved by the Board.

If you require assistance in locating an item or accompanying documents, please contact OWRB staff at (405) 530-8800.

CALL TO ORDER

The Regular Meeting of the Oklahoma Water Resources Board was called to order by Chairman Matt Muller, at 9:30 a.m., at the Oklahoma Water Resources Board located at 3800 N. Classen Blvd. Oklahoma City, Oklahoma 73118. The meeting was conducted pursuant to the Oklahoma Open Meeting Law with due and proper notice provided pursuant to Sections 303 and 311 thereof. The agenda was posted on February 10, 2023, at 10:00 a.m. at the Oklahoma Water Resources Board's offices at 3800 N. Classen Boulevard, Oklahoma City, Oklahoma.

- A. Roll Call. Chairman Matt Muller welcomed everyone to the meeting and asked for the roll call of members.

Board Members Present

Charles Darby, Vice Chairman
Ron Justice
Suzanne Landess
Robert L. Stallings, Jr.
Darren Cook
Bod Latham
Jennifer Castillo, Secretary

Board Members Absent

Thomas Gorman

Staff Members Present

Sara Gibson, General Counsel
Robby Short, Communication and Marketing Coordinator
Tamara Lilly, Executive Administrator
Joe Freeman, Chief, Financial Assistance Division
Bill Cauthron, Chief, Water Quality Programs
Division
Chris Neel, Chief, Planning and Management
Division
Cleve Pierce, Chief, Administrative Services
Division

Others Attending

Chris Sanvick, Arbuckle Master
Steven Jolly, Arbuckle Master
Ashley Slaughterback, City of Hobart
Joe Tipton, City of Hobart
Elizabeth Gray, City of Bethany
Tucker link, Knightsbridge
Brian Bowles, Town of Buffalo
James Leonard, Town of Buffalo
Darrell Davis, City of Edmond
Bryon Mitchell, Parkhill
Mike Woote, CEDA Chelsea
Christie Hillsberry, CEDA

Tim Sowecke, Crowe & Dunlevy
Andrew Welch, Guidehouse
Joe Davis
Steve Manek
Ryan McDonald, Parkhill
Eddie Rhandour, DEQ
W. Lee Stout, City of Tonkawa
Kirk Henderson, City of Tonkawa
David White, SOEE
Michael Taylor, Cowan Group
Brian Schwegal, Cowna Group
Bodie Bachlor, Centennial Law
Shana Mashburn, USGS
Amy Morris, USGS
Colin Baciocco, USGS
Shawna Cox, ORWP
Aaron Mears, Mears Engineers
Melissa Mears, Mears Engineers
Jeff Everett, OGE
Katy Feaver, OMMA
Colin Young, Freese & Nichols
Victoria Tran, SOEE

B. Discussion, Amendments and Vote to Approve Official Minutes of the January 17, 2023, Regular Meeting. Chairman Muller inquired if all members reviewed the minutes of the January 17, 2023, meeting and if no questions, or changes, requested a motion to approve. No comments or amendments; Ms. Castillo motioned to approve, and Mr. Darby seconded the motion. Chairman Muller called for the vote.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

C. **Executive Director's Report:**

Director Cunningham absent from meeting. No report given.

2023 Legislative Session:

Mr. Robby Short, Communications Coordinator, presents the legislative update noting we have multiple bills we are currently tracking, and we are in the third week of session and next week is the deadline for committees.

D. Financial Update

Mr. Cleve pierce, Chief Administrative Services Division, presents the budget report for the period ending January 2023. Mr. Pierce reports the agency has spent 53 % of it appropriated budget leaving 47 %; spent 33% of its revolving budget, leaving 67%; has spent 7% of its federal budget, leaving 83%. Overall, the total budget remaining is 74% with 42% of the year remaining. Mr. Pierce mentioned that our operational audit was completed in November 2022, and we had one finding. The auditor’s office will be presenting on this item during the March Board Meeting

There were no posed questions or comments.

2. FINANCIAL ASSISTANCE DIVISION

A. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Rural Water District #2, Comanche County. Recommended for Approval.

The district is requesting a \$1,8040,00 loan to go along with \$500,000 from Comanche County ARPA funds for replacing 15,000 feet of 8-inch water line, 12,440 feet of ten-inch water line, to install a 500 gallon per minute booster pump station, and to replace a 200 gallon per minute booster pump station. The loan will be funded through the drinking water srf loan program with a fixed interest rate plus a half point administrative fee. The loan will be secured with a lien on the district’s water revenues as well as a mortgage and will mature within 30 years of the completion of the project. They currently have two loans with the Board with a principal balance of \$3,051,700. The district’s water connections have increased by six and half percent over the last ten years and their debt coverage ratio stands at 1.54 times. Staff recommends approval.

Chairman Muller asked for questions or a motion. Mr. Darby motioned, and Mr. Latham seconded. No further comments or questions and Chairman Muller called for the vote.

- AYE Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
- NAY: None
- ABSTAIN: None
- ABSENT: Gorman

B. Consideration of and Possible Action on a Proposed Order Approving Drinking Water Funding Application for Creek County Rural Water District #2, Creek County. Recommended for Approval.

The district is requesting a \$15,000,00 loan for construction of a 750,000-gallon elevated water storage tank, a duplex booster pump station, approximately 12 miles of 12-inch distribution water line, approximately ½ mile of 10-inch distribution water line, approximately 4 miles of 12-inch transmission water line between the elevated storage tank and the booster pump station and 10 leak detection flow meters.

The loan will be funded through the drinking water srf loan program with a fixed interest rate and a half point administrative fee. The loan will be secured with the district's water system revenues and will mature within 30 years of the completion of the project. The district has approximately 5300 water connections which is a 12% increase over the last ten years. Their debt coverage ratio stands at 1.33 times. Staff recommends approval.

Chairman Muller asked for further questions, comments, or a motion. Ms. Castillo motioned, and Mr. Stallings seconded. No further comments or questions and Chairman Muller called for the vote.

AYE Stallings, Justice, Landess, Latham, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

C. Consideration of and Possible Action on a Proposed Resolution Consenting to Amendment of Lien Position Securing Loan for Idabel Public Works Authority, McCurtain County. Recommended for Approval.

The Idabel Public Works Authority located in McCurtain County for an amendment to the lien position on a \$4,065,000 FAP loan obtained from the Board in June of 2017. The 2017 loan was for construction of two 500,000-gallon water storage tanks and was secured with a lien on Idabel's water, sewer, and sanitation system revenues as well as a one cent sales tax. The loan currently has a principal balance of \$3,655,000. The community is needing to undertake a major rehabilitation and renovation of their water treatment plant. Idabel has been working with Rural Utilities Service formerly the Farmers Home Administration to obtain financing for the project. Idabel has been able to receive Rural Utilities Service approval for a \$15,463,000 loan at 1.5% fixed interest rate with a 40-year amortization as well as \$6,611,000 in grant funds. To receive the funding the Rural Utilities Service is requiring a first lien on the Authority's water revenues. Idabel's debt coverage ratio is 7.63 times currently and with a release of the water lien their debt coverage ratio on their loan with us is still an extremely strong 5.82 Times. A very strong factor is our lien includes a one cent sales tax which in 2018 generated \$1.2 million in revenue and in 2022 grew to \$1.5 million, a 25% increase in just 4 years. The approval of this lien release request would be very beneficial to the community in obtaining a very favorable financing package for the water treatment plant and we will still have a loan with a very strong debt coverage with a strong repayment stream especially with the sales tax. Staff recommends approval.

Chairman Muller asked for further questions, comments, or a motion. Mr. Stallings motioned, and Ms. Castillo seconded. No further comments or questions and Chairman Muller called for the vote.

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

D. Report of the January 17, 2023, Board Audit Committee Meeting Including Oklahoma Water Resources Board State Loan Program Revenue Bonds and Clean Water State Revolving Fund Program (CWSRF) Financial Statements as of June 30, 2022, and 2021, Audits of the

CWSRF Administration Fund and the Drinking Water Treatment Loan Administrative Fund as of June 30, 2022, and 2021.

The committee reviewed the auditor’s management letter and audits by our auditors from Arledge and associates and the annual EPA evaluation reports of the SRF programs.

We discussed our arbitrage rebate reports and that they are all current.

We reviewed our borrower’s annual audited debt coverage ratio report and were able to report that as of January 10th of this year based on borrower’s last audits that 96% are meeting their debt coverage ratio requirements (1.25X or 1.4X).

Our continuing disclosure policy and standard operating procedure for disclosure was discussed. We reviewed our loan documentation exceptions reports as of the end of December. These are borrower loan agreement items such as borrowers maintaining property insurance, fidelity bond coverage, liability insurance, workers compensation coverage, that borrowers have licensed operators, and annual audits.

We were able to report that we do not have any loan payment defaults in any of our three loan programs. We reviewed our debt service reserve balances.

The Board’s financial assistance division investment portfolio for reserves, defeasances, operating funds, and second round loan funds was reviewed with the committee.

In addition, we discussed our srf bond ratings from Standard and Poors and Fitch and our FAP loan program bond rating from Standard and Poors and Fitch of which all our ratings are AAA. Our auditors at Arledge reviewed the fiscal year end 2022 audit with the Board and public.

3. SUMMARY DISPOSITION AGENDA ITEMS

All the items listed below under this Summary Disposition Agenda are recommended for approval. Any item listed under this Summary Disposition Agenda may, at the request of any member of the Board, the Board’s staff, or any other person attending this meeting, be transferred to the Special Consideration Agenda. Under the Special Consideration Agenda, separate discussion and vote or other action may be taken on any items already listed under that agenda or items transferred to that agenda from this Summary Disposition Agenda.

A. Request to transfer items from Summary Disposition to the Special Consideration Agenda and Action on whether to transfer such items.

B. Discussion, questions, and responses pertaining to any items remaining on Summary Disposition agenda and possible action items listed below.

C. Consideration of and possible action on Financial Assistance Division Items:

1. Rural Economic Action Plan (REAP) Grant Applications.

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
OEDA				
a.	FAP-23-0036-R	Vici Public Works Authority	Dewey	\$99,990.00
2.	CWSRF Principal Forgiveness Loan Applications: None.			

3. DWSRF Principal Forgiveness Loan Applications:

<u>Item No.</u>	<u>Application No.</u>	<u>Entity Name</u>	<u>County</u>	<u>Amount Recommended</u>
a.	ORF-23-0004-DW	Buffalo Public Works Authority	Harper	\$314,450.00
b.	ORF-23-0049-DW	Waynoka Utilities Works Authority	Woods	\$999,999.00
c.	ORF-22-0032-DW	The Temple Utilities Authority	Cotton	Increase from \$1,000,000.00 to \$1,500,000.00

4. Sewer Overflow and Stormwater Reuse Municipal Grants (“OSG”):
None.

D. Consideration of and Possible Action on the Contracts and Agreements:

1. Resolution with Environmental Protection Agency authorizing an application for funding assistance through the EPA's Sewer Overflow and Stormwater Reuse Municipal Grant Program to provide assistance to sub-awards to address infrastructure needs for combined sewer overflows, sanitary sewer overflows and stormwater management.

2. Contract for Legal Services with the Oklahoma Office of Attorney General to provide a hearing examiner to conduct administrative hearings on behalf of OWRB.

3. Modification to Joint Funding Agreement between United States Geological Survey and OWRB increasing funding and extending term for the Hydrogeologic Investigation and Simulation of Groundwater Flow and Availability in the Salt Fork Arkansas River Alluvial Aquifer, North-Central Oklahoma

4. Grant Agreement with the Office of Management Enterprise Services for administrative services related to the American Rescue Plan Act Grant Funds designated by the Legislature for water and wastewater infrastructure and dam rehabilitation.

5. Agreement between the State of Oklahoma by and through the Office of Management and Enterprise Services for the benefit of OWRB and Phase 2 to facilitate the development of software features to allow for the submission and processing of water well intent to drill applications.

6. Participation Agreement between the State of Oklahoma-Office of the State Treasurer, BancFirst and OWRB providing remote deposit capture services consisting of complete and accurate scanning, balancing and transmitting of eligible items for deposit into the State depository account.

7. Amended Grant Agreement with the Office of Management Enterprise Services for administrative services related to the American Rescue Plan Act Grant Funds designated by the Legislature for water and wastewater and dam rehabilitation projects.

8. Amended Grant Agreement with the Office of Management Enterprise Services

for administrative services related to the American Rescue Plan Act Grant Funds designated by the Legislature for the Tribal cooperation grant matching funds for water and wastewater infrastructure projects.

9. Professional Services Agreement between the State of Oklahoma by and through the Office of Management and Enterprise Services on behalf of the OWRB and Freese and Nichols, Inc. to provide general engineering services and assistance in seeking additional federal funding related to the State of Oklahoma's comprehensive state flood plan phase 2.

- E. Consideration of and Possible Action on Applications for Temporary Permits to Use Groundwater:
 - 1. City of Welch, Craig County, 2021-538
 - 2. Cherylynne G. Lindsey and Tommie G. Hill, Kay County, 2022-545

- F. Consideration of and Possible Action on Applications to Amend Temporary Permits to Use Groundwater:
None

- G. Consideration of and Possible Action on Applications for Regular Permits to Use Groundwater:
 - 1. William E. Dulaney Living Trust, Murray County, 2022-513
 - 2. Darla Manke LLC, Blaine County, 2022-554

- H. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Groundwater:
 - 1. Western Farmers Electric Cooperative, Woodward County, 1979-613

- I. Consideration of and Possible Action on Applications to Amend Prior Right to Use Groundwater:
None

- J. Consideration of and Possible Action on Applications to for Term Permits to Use Stream Water:
None

- K. Consideration of and Possible Action on Applications for Regular Permits to Use Stream Water:
None

- L. Consideration of and Possible Action on Applications to Amend Regular Permits to Use Stream Water:
None

- M. Consideration of and Possible Action on Well Driller and Pump Installer Licensing:
 - 1. New Licenses, Accompanying Operator Certificates and Activities:

- A. Licensee: Twin Ports Testing DPC-1075
Operator: James Johnson OP-2449
Activities: Monitoring Wells
- B. Licensee: McNabbs Drilling DPC-1077
Operator: Colin McNabb OP-2450
Activities: Groundwater Wells
- C. Licensee: Rapid Water Well Service, LLC DPC-1079
Operator: Donald Stewart OP-2451
Activities: Pump Installation

2. New Operators, Licensee Name Change, and/or Activities for Existing Licenses:

- A. Licensee: GTS, Inc. DPC-1071
Operator: Dustin Tollett OP-2442
Activities: Monitoring Wells
- B. Licensee: Cascade Drilling L.P. DPC-0894
Operator: Clifford Hillman OP-2443
Activities: Monitoring Wells
- C. Licensee: S & M Waterwell Drilling DPC-0759
Operator: Jonathon Cash OP-2444
Activities: Groundwater Wells & Pump Installation
- D. Licensee: H & E Waterwells DPC-0063
Operator: Jathyn Hoffman OP-2445
Activities: Groundwater Wells, Monitoring Wells, Pump Installation, Heat Exchange and Monitoring Wells
- E. Licensee: H & E Waterwells DPC-0063
Operator: Jeshaiiah Emmert OP-2446
Activities: Groundwater Wells, Monitoring Wells, Pump Installation, Heat Exchange and Monitoring Wells
- F. Licensee: Environmental Works DPC-0667
Operator: Justin Maples OP-2447
Activities: Groundwater Wells & Monitoring Wells
- G. Licensee: Standard Testing and Engineering Company DPC-0244
Operator: Roy Khalife OP-2448
Activities: Monitoring Wells

N. Consideration of and Possible Action on Dam and Reservoir Construction:
None

1. Consideration of and Possible Action on Permit Applications for Proposed Development on State Owned or Operated Property within Floodplain Areas:

- 2. Oklahoma Department of Transportation, McClain County, #FP-2023-4
- 3. Oklahoma Department of Transportation, McClain County, #FP-2023-5
- 4. Oklahoma Department of Transportation, McClain County, #FP-2023-6

O. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:
None

P. Consideration of and Possible Action on Applications for Accreditation of Floodplain Administrators:
None

AYE	Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
NAY:	None
ABSTAIN:	None
ABSENT:	Gorman

4. PUBLIC HEARING ON PROPOSED NEW AND AMENDED PERMANENT RULES OF THE BOARD
Chairman Muller

A. Staff Presentations and Public Comment on Amendments to Permanent Rules Proposed for Adoption During 2023.

This public hearing is an opportunity for interested persons to present oral or written argument, data, and views on the new and amended rules of the Board which are being proposed for Title 785 of the Oklahoma Administrative Code specified below.

The proposed amended rules are scheduled for consideration and possible adoption or any other action by the Board at this February 21, 2023, meeting.

1. a. Summary of Proposed Amendments to Chapter 1 – Organization and Procedure of Oklahoma Water Resources Board – Ms. Sara Gibson

Subchapter 3. Organization, Meetings and Comprehensive Water Plan

785:1-3-1. Origin, composition and operations of the Board [AMENDED]

785:1-3-2. Purpose of the Board [AMENDED]

785:1-3-3. Offices of the Board [AMENDED]

Subchapter 5. Rules

785:1-5-3. Amending of rules ~~or Standards~~ by Board [AMENDED]

785:1-5-4. Petition requesting promulgation, amendment or repeal of a rule ~~or Standard~~ by others [AMENDED]

Subchapter 9. Time Periods for Permit and License Issuance and Denial

785:1-9-1. Time period for permit and license issuance or denial [AMENDED]

b. Questions and Discussion by Board Members

c. Public Comment

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller

NAY: None

ABSTAIN: None

ABSENT: Gorman

2. a. Summary of Proposed Amendments to Chapter 4 – Rules of Practice and Hearings – Ms. Sara Gibson

Subchapter 3. Board Hearings

785:4-3-7. Notice and Scheduling of Hearings [NEW]

Subchapter 5. Pre-Hearing Actions and Proceedings

785:4-5-1. Pre-hearing discovery [AMENDED]

~~Copies of motions~~ Motions, requests and orders [AMENDED]

b. Questions and Discussion by Board Members

c. Public Comment

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller

NAY: None

ABSTAIN: None

ABSENT: Gorman

3. a. Summary of Proposed Amendments to Chapter 35 – Well Driller and Pump

Installer Licensing – Mr. Chris Neel

Subchapter 1. General Provisions

785:35-1-4. Violations and penalties [AMENDED]

785:35-1-6. Well Drillers and Pump Installers Advisory Council [AMENDED]

Subchapter 5. General Requirements to Maintain Licenses and Operator Certifications

785:35-5-3. Requirements for ~~multi-purpose~~ completion and plugging report reports [AMENDED]

b. Questions and Discussion by Board Members

c. Public Comment

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller

NAY: None

ABSTAIN: None

ABSENT: Gorman

4. a. Summary of Proposed Amendments to Chapter 45 – Oklahoma's Water Quality Standards **Mr. Bill Cauthron**

Subchapter 1. General Provisions [REVOKED]

785:45-1-1. Purpose [REVOKED]

785:45-1-2. Definitions [REVOKED]

785:45-1-3. Adoption and enforceability of the standards [REVOKED]

785:45-1-4. Testing procedures [REVOKED]

785:45-1-5. Revision procedures [REVOKED]

785:45-1-6. Errors and separability [REVOKED]

Subchapter 3. Antidegradation Requirements [REVOKED]

785:45-3-1. Purpose; antidegradation policy statement [REVOKED]

785:45-3-2. Applications of antidegradation policy [REVOKED]

Subchapter 5. Surface Water Quality Standards [REVOKED]

Part 1. General Provisions [REVOKED]

785:45-5-1. Declaration of policy; authority of Board [REVOKED]

785:45-5-2. Beneficial uses: existing and designated [REVOKED]

785:45-5-3. Beneficial uses: default designations [REVOKED]

785:45-5-4. Applicability of narrative and numerical criteria [REVOKED]

785:45-5-5. Water quality standard variance [REVOKED]

785:45-5-6. Compliance schedules [REVOKED]

785:45-5-7. Site-specific criteria [REVOKED]

Part 3. Beneficial Uses and Criteria to Protect Uses [REVOKED]

785:45-5-9. General narrative criteria [REVOKED]

785:45-5-10. Public and private water supplies [REVOKED]

785:45-5-11. Emergency public and private water supplies [REVOKED]

785:45-5-12. Fish and wildlife propagation [REVOKED]

785:45-5-13. Agriculture [REVOKED]

785:45-5-16. Primary Body Contact Recreation [REVOKED]

785:45-5-17. Secondary Body Contact Recreation [REVOKED]

785:45-5-18. Navigation [REVOKED]

785:45-5-20. Fish consumption [REVOKED]

Part 5. Special Provisions [REVOKED]

- 785:45-5-25. Implementation Policies for the Antidegradation Policy Statement [REVOKED]
- 785:45-5-26. Mixing zones and zones of passage [REVOKED]
- 785:45-5-29. Delineation of NLW areas [REVOKED]
- Subchapter 7. Groundwater Quality Standards [REVOKED]
- 785:45-7-1. Scope and Applicability; Purpose [REVOKED]
- 785:45-7-2. Groundwater Quality Antidegradation Policy [REVOKED]
- 785:45-7-3. Groundwater classifications, beneficial uses and vulnerability levels [REVOKED]
- 785:45-7-4. Criteria for groundwater quality protection [REVOKED]
- 785:45-7-5. Corrective action [REVOKED]
- Appendix A. Designated Beneficial Uses for Surface Waters [REVOKED]
- Appendix A.1 [Designated Beneficial Uses of Surface Waters Water Quality Management Basin 1, Middle Arkansas River](#) [REVOKED]
- Appendix A.2 Designated Beneficial Uses of Surface Waters Water Quality Management Basin 2, Lower Arkansas River Basin [REVOKED]
- Appendix A.3 Designated Beneficial Uses of Surface Waters Water Quality Management Basin 3, Upper Red River Basin [REVOKED]
- Appendix A.4 Designated Beneficial Uses of Surface Waters Water Quality Management Basin 4, Lower Red River [REVOKED]
- Appendix A.5 Designated Beneficial Uses of Surface Waters Water Quality Management Basin 5, Canadian River [REVOKED]
- Appendix A.6 Designated Beneficial Uses of Surface Waters Water Quality Management Basin 6, Upper Arkansas River [REVOKED]
- Appendix A.7 Designated Beneficial Uses of Surface Waters Water Quality Management Basin 7, Panhandle Region [REVOKED]
- Appendix B. Areas With Waters of Recreational and/or Ecological Significance [REVOKED]
- Appendix D. Classifications for Groundwater in Oklahoma [REVOKED]
- Appendix E. Requirements for Development of Site Specific Criteria for Certain Parameters [REVOKED]
- Appendix F. Statistical Values of the Historical Data for Mineral Constituents of Water Quality (beginning October 1976 ending September 1983, except as indicated) [REVOKED]
- Appendix G. Numerical Criteria to Protect Beneficial Uses [REVOKED]
- Appendix H. Beneficial Use Designations for Certain Limited Areas of Groundwater [REVOKED]
- Appendix I. Criteria for Groundwater Protection [REVOKED]

- b. Questions and Discussion by Board Members
- c. Public Comment

A YE	Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
NAY:	None
ABSTAIN:	None
ABSENT:	Gorman

5. a. Summary of Proposed Amendments to Chapter 46 – Implementation of Oklahoma's Water Quality Standards – Mr. Bill Cauthron

- Subchapter 1. General Provisions
- 785:46-1-1. Purpose, scope and applicability [REVOKED]
- 785:46-1-3. Procedural and substantive authority [AMENDED]
- 785:46-1-4. Testing procedures [REVOKED]
- 785:46-1-6. Determination of regulatory low flow [REVOKED]
- Subchapter 3. Implementation of Narrative Toxics Criteria to Protect Aquatic Life Using Whole Effluent Toxicity (WET) Testing [REVOKED]
- 785:46-3-1. Applicability and scope [REVOKED]
- 785:46-3-2. Dilutions for whole effluent toxicity testing [REVOKED]

785:46-3-3. Sampling for whole effluent toxicity testing [REVOKED]
785:46-3-5. Reasonable potential to exceed narrative toxicity criterion for Fish and Wildlife Propagation [REVOKED]
785:46-3-6. Regulatory flow determination [REVOKED]
Subchapter 5. Implementation of Numerical Criteria to Protect Fish and Wildlife From Toxicity Due to Conservative Substances [REVOKED]
785:46-5-1. Applicability and scope [REVOKED]
785:46-5-2. Regulatory flow determination [REVOKED]
785:46-5-3. Reasonable potential [REVOKED]
785:46-5-8. pH and hardness dependent toxicity [REVOKED]
Subchapter 7. Implementation of Numerical Criteria to Protect Human Health From Toxicity Due to Conservative Substances [REVOKED]
785:46-7-1. Applicability and scope [REVOKED]
785:46-7-2. Determination and use of regulatory flow [REVOKED]
785:46-7-3. Reasonable potential [REVOKED]
Subchapter 9. Implementation of Criteria to Protect the Agriculture Beneficial Use [REVOKED]
785:46-9-1. Applicability and scope [REVOKED]
785:46-9-2. Applicable mineral criteria [REVOKED]
785:46-9-3. Regulatory flows [REVOKED]
785:46-9-5. Reasonable potential [REVOKED]
Subchapter 11. Implementation of Temperature Criteria to Protect Fish and Wildlife Propagation [REVOKED]
785:46-11-1. Applicability and scope [REVOKED]
785:46-11-2. Applicable temperatures [REVOKED]
785:46-11-3. Regulatory flows [REVOKED]
785:46-11-5. Reasonable potential [REVOKED]
785:46-11-6. Reasonable potential equations [REVOKED]
Subchapter 13. Implementation of Antidegradation Policy [REVOKED]
785:46-13-1. Applicability and scope [REVOKED]
785:46-13-2. Definitions [REVOKED]
785:46-13-3. Tier 1 protection; attainment or maintenance of an existing or designated beneficial use [REVOKED]
785:46-13-4. Tier 2 protection; maintenance and protection of Sensitive Water Supply-Reuse and other Tier 2 waterbodies [REVOKED]
785:46-13-5. Tier 2.5 protection; maintenance and protection of high quality waters, sensitive water supplies, and other tier 2.5 waterbodies [REVOKED]
785:46-13-6. Tier 3 protection; prohibition against degradation of water quality in outstanding resource waters [REVOKED]
785:46-13-7. Protection for Appendix B areas [REVOKED]
785:46-13-8. Antidegradation review in surface waters [REVOKED]
Subchapter 15. Use Support Assessment Protocols [REVOKED]
785:46-15-1. Scope and Applicability [REVOKED]
785:46-15-2. Definitions [REVOKED]
785:46-15-3. Data Requirements [REVOKED]
785:46-15-4. Default protocols [REVOKED]
785:46-15-5. Assessment of Fish and Wildlife Propagation support [REVOKED]
785:46-13-6. Assessment of Primary Body Contact Recreation support [REVOKED]
785:46-15-7. Assessment of Public and Private Water Supply support [REVOKED]
785:46-15-8. Assessment of Agriculture support [REVOKED]
785:46-15-9. Assessment of Fish Consumption support [REVOKED]
785:46-15-10. Nutrients [REVOKED]
785:46-15-13.1. Assessment of Navigation support [REVOKED]
785:46-13-14. Assessment of Aesthetics support [REVOKED]
Subchapter 19. Implementation of Dissolved Oxygen Criteria to Protect Fish and Wildlife Propagation [REVOKED]

- 785:46-19-1. Applicability and scope [REVOKED]
- 785:46-19-2. Regulatory flows [REVOKED]
- 785:46-19-3. Reasonable potential determination [REVOKED]
- Appendix B. Mean Hardness and PH by Stream Segment [REVOKED]
- Appendix C. Index of Biological Integrity [REVOKED]

- b. Questions and Discussion by Board Members
- c. Public Comment

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
 NAY: None
 ABSTAIN: None
 ABSENT: Gorman

6. a. Summary of Proposed Amendments to Chapter 50 – Financial Assistance – Mr. Joe Freeman

- Subchapter 15. American Rescue Plan Act (ARPA) Water and Wastewater Infrastructure Grant Program Requirements [NEW]
 - 785:50-15-1. Program description [NEW]
 - 785:50-15-2. Definitions [NEW]
 - 785:50-15-3. Application review and disposition [NEW]
 - 785:50-15-4. Applicable law; deadline for applications; eligible project costs [NEW]
 - 785:50-15-5. ARPA grant priority points system [NEW]
 - 785:50-15-6. Disbursement of funds [NEW]
- Subchapter 17. Oklahoma Dam Rehabilitation (OKDR) Grant Program Requirements and Procedures [NEW]
 - 785:50-17-1. Program description [NEW]
 - 785:50-17-2. Definitions [NEW]
 - 785:50-17-3. Application review and disposition [NEW]
 - 785:50-17-4. Applicable law; deadline for applications; eligible project costs [NEW]
 - 785: 50-17-5. Period of performance [NEW]
 - 785:50-17-7. OKDR grant priority system [NEW]
 - 785:50-17-8. Disbursement of funds [NEW]
- Subchapter 19. American Rescue Plan Act (ARPA) Tribal Cooperation Grant Program Requirements and Procedures [NEW]
 - 785:50-19-1. Program description [NEW]
 - 785:50-19-2. Definitions [NEW]
 - 785:50-19-3. Application review and disposition [NEW]
 - 785:50-19-4. Applicable law; deadline for applications; eligible project costs [NEW]
 - 785:50-19-5. Project Selection [NEW]
 - 785:50-19-6. Disbursement of funds [NEW]

- b. Questions and Discussion by Board Members
- c. Public Comment

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
 NAY: None
 ABSTAIN: None
 ABSENT: Gorman

A. Consideration of and Possible Action on Application for a Temporary Groundwater Right No. 2022-509, City of Tonkawa, Kay County, Oklahoma:1. Summary – **Mr. Chris Neel**

The City of Tonkawa in c/o Ryan McDonald whose address is 3300 Oklahoma Ave. Suite 1100, Woodward, OK 73801 has filed an application, #2022-509, with the Oklahoma Water Resources Board (Board) for a permit to use 570 acre-feet of groundwater per year. The groundwater is proposed to be used for Public Water Supply and taken from 285 acres located as follows: 123 acres in SW of Section 31, T26N, R01WIM; 25 acres in NW and 137 acres SW, all in Section 4, T25N, R01WIM; all land located in Kay County. The water is to be withdrawn from ten (10) wells located as follows: ten (10) wells all in SW of Section 31, T26N, R01WIM, Kay County, and used in Kay County, Oklahoma, as more specifically described in the application. Wells and dedicated lands are in the Salt Fork of the Arkansas Alluvium and Terrace deposits. The applicant gave proper Public Notice, the application was protested, and an administrative hearing was held January 10, 2023. The hearing examiner recommends approval.

2. Discussion and presentation by parties:

On March 9, 2022, Applicant filed Application No. 2022-0509 with the Board for a temporary permit to use groundwater in Kay County. Applicant requested authorization to use 570 acre-feet of groundwater each year from the ten (10) proposed groundwater wells for public water supply (or municipal use). Applicant dedicated to the application 285 acres of land; namely 123 acres in the SW $\frac{1}{4}$ of Section 31, Township 26 North, Range 1 West, Indian Meridian, Kay County; 25 acres of land in the NW $\frac{1}{4}$ of Section 4, Township 25 North, Range 1 West, Indian Meridian, Kay County, Oklahoma; and 137 acres in the SW $\frac{1}{4}$ of Section 4, Township 25 North, Range 1 West, Indian Meridian, Kay County. The ten proposed groundwater wells are to be located as follows: SW $\frac{1}{4}$ of Section 31, Township 26 North, Range 1 West, Indian Meridian, Kay County

A hearing was held at the Board offices in Oklahoma City, Oklahoma, initially on November 30, 2022, and upon an oral motion by the Applicant after the hearing was opened, the hearing was subsequently continued on January 10, 2023 (collectively referred to as the “Hearing”) over the objection of the Protestants, so as to allow the Applicant to provide a witness who prepared a groundwater study evaluating groundwater resources underlying 160 acres of land in Kay County, Oklahoma, in a Section mostly owned (or controlled) by the City of Tonkawa, to appear and testify. The Applicant was present for the Hearing and the Protestants were present in person and through counsel, L. Mark Walker and Tim Sowecke, Crowe & Dunlevy, P. C., Oklahoma City, Oklahoma, for the Hearing on this matter. The Applicant was represented by its City Attorney, W. Lee Stout, Attorney at Law, Newkirk, Oklahoma, during the Hearing. Pursuant to Oklahoma Administrative Code (“OAC”) 785:4-7-1 and 4-7-7, records were admitted that were offered by the Oklahoma Water Resources Board (“OWRB”) pertinent to this Application, including in part the Application, ownership documents, notice documents, maps, protest of Bryan Kugel and Bryan Kugel Farms, LLC., the notice scheduling hearing, and the Order that continued the hearing to January 10, 2023. See OWRB Exhibits 1-9. After the hearing was adjourned, the matter was taken under advisement, and the record was closed. Neither the Applicant nor the Protestants submitted proposed findings of fact,

conclusions of law or a proposed order for review.

The Hearing opened and commenced on November 30, 2022, at the Board’s office in Oklahoma City, Oklahoma, and was subsequently continued to January 10, 2023. Appearing on behalf of Applicant was Attorney W. Lee Stout, Attorney at Law, Newkirk, Oklahoma and appearing on behalf of the Protestants were Attorneys L. Mark Walker and Tim Sowecke of the Crowe and Dunlevy, law firm in Oklahoma City, Oklahoma. Bryan Kugel appeared in person for himself and on behalf of Bryan Kugel Farms, LLC. The hearing was opened, appearances were entered, witnesses were sworn and testified, the hearing was continued to January 10, 2023, evidence was admitted, the protestants’ protest was presented, and the hearing was adjourned. Thereafter, a proposed order was prepared, served on the parties, and presented to the Board for consideration at its February 21, 2023, meeting.

3. Possible Executive Session

As authorized by the Oklahoma Open Meeting Act in Section 307(B)(8) of Title 25 of the Oklahoma Statutes, an executive session may be held for the purpose of “[e]ngaging in deliberations or rendering a final or intermediate decision in an individual proceeding pursuant to Article II of the Administrative Procedures Act”.

(a) Vote on whether to hold Executive Session. Before it can be held, the Executive Session must be authorized by a majority vote of a quorum of members present and such vote must be recorded.

Mr. Stallings moved the Board enter Executive Session and Ms. Castillo seconded. There was no discussion and Chairman Muller called for the vote.

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

(b) Designation of person to keep written minutes of Executive Session, if authorized.

Executive Administrator Tamara Lilly was designated to keep written minutes.

(c) Executive Session, if authorized.

The Board entered Executive Session at 10:30 a.m.

4. Return to open meeting and possible vote or action on any matter discussed in the Executive Session, if authorized.

Upon motion by Mr. Darby and seconded by Ms. Castillo, the Board returned to Regular Session at 10:56 a.m.

AYE Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

5. Vote on whether to approve the Proposed Order as presented or as may be amended or vote on any other action or decision relating to the Proposed Order.

Regular session commenced and by discussion in executive session, the Board has determined the Proposed Order shall be approved with the following exception:

Approved as ordered with the exception on setting the permitted amount at 302-acre feet.

AYE	Stallings, Justice, Landess, Latham Castillo, Cook, Darby, Muller
NAY:	None
ABSTAIN:	None
ABSENT:	Gorman

- B. Consideration of and Possible Action on Items Transferred from Summary Disposition Agenda, if any.

**06000 6. FINANCIAL ASSISTANCE DIVISION – AMERICAN RESCUE PLAN
ACT GRANT PROGRAM Mr. Joe Freeman**

- A. Introduction of Legislators and special guests.
B. Overview of OWRB's American Rescue Plan Act grant programs, including timelines, and description of the populations served by the programs.

Through Oklahoma Senate bills 429, 4, and 13 \$436,607,275 was appropriated to the water resources board for administering American Rescue Plan Act grants for eligible water and sewer projects throughout the state. At last August's board meeting rules were approved for the competitive, dam, and tribal ARPA grants. In addition, there are legislative designated ARPA grant funds. \$100 million of the \$436 million is for a competitive grant program for water, sewer, and dam rehabilitation. \$10 million is designated for dams, \$50 million for competitive grants for entities with a population less than 7000 and \$40 million for competitive grants for entities with population greater than 7000. We received approximately 300 competitive grant applications requesting over \$300 million far exceeding the \$90 million available. The plan is to be able to award a total of 86 of the competitive and dam projects.

\$57 million was made available through the tribal matching program for the Chickasaw, Choctaw, Cherokee, Iowa, and Muscogee creek nations.

Project lists are designated by the tribes with the secretary of energy and environment's approval. We have 30 identified tribal projects for various communities in the tribal areas. (RWD, towns, master Cons. Districts, rural water corps) The remaining \$279,607,275 in ARPA funds are designated by the legislator for specific projects for us to administer.

There are 44 of these type of projects for entities such as mater conservancy districts, central Oklahoma habitat for humanity, mega business industrial development sites (Fair Oaks Ranch, OKC 577), and historically underserved communities to give some examples.

Overall, we plan to bring to the board approximately 160 ARPA projects for consideration. We estimate these projects will benefit over two and half million Oklahomans and provide thousands of jobs.

- C. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for South Delaware County Regional Water Authority, Delaware County. Recommended for Approval.

This is a request from the South Delaware County Regional Water Authority. The grant is a designated tribal grant in the amount of \$301,563 which will go along with co-funding of \$416,500 in Cherokee Tribal matching funds, \$694,000 in Indian Health Service funds, and \$185,699.52 in local funds. The total funding of \$1,597,762.52 will be for providing water service to unserved areas of the Authority. The project will consist of approximately 22,900 feet of water line, an 8-inch bore under the Illinois River, 6 road bores, 3 pressure reducing stations, gate valves, air relief valves, and flush hydrants.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- D. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for The Town of Lone Grove Water and Sewerage Trust Authority, Carter County. Recommended for Approval.

This is a grant request for \$350,764 designated tribal grant and will go along with \$336,733 in Chickasaw Tribal matching funds, \$397,542.56 of local funds, \$2.4 million of department of commerce economic adjustment assistance, and \$635,000 from the Indian Health Service.

The project includes a new water well, a backup generator at their largest well, construction of a 400,000-gallon water storage tank, and for line replacement. Representing Lone Grove is Aaron Mears, consulting engineer for the community.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- E. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for El Reno Municipal Authority, Canadian County. Recommended for Approval.

This is a \$750,000 competitive ARPA grant for the El Reno Municipal Authority in Canadian county. In the medium/large competitive program El Reno scored 53 out of a possible 72 points and ranked 7th out of 26 applicants on the approvable funding list. The grant will be used along with \$750,000 in local funds for new water wells and new water lines. Representing El Reno is Allan Brooks.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- F. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Town of Waynoka, Woods County. Recommended for Approval.

This is a \$999,949.20 ARPA grant request from the town of Waynoka in Woods County. In the small community competitive program Waynoka scored 54 points out of 72 and ranked 43rd out of 50 approvable applications. The town has several locations with aged water infrastructure and some areas with no service. The grant will fund the replacement of old water lines and water lines to serve previously unserved areas of town. Representing Waynoka is Bill Meyers, engineer for Waynoka.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- G. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Alva Utility Authority, Woods County. Recommended for Approval.

This is an \$1 million ARPA grant request from the Alva Utility Authority in Woods County. They scored 58 points which ranked them 18 out of 50 in the small community competitive ARPA ranking. The grant will go along with \$57,500 in local funds for the replacement of old ductile iron water lines with new lines. Representing Alva is Bill Meyers, engineer.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- H. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Hobart Public Works Authority, Kiowa County. Recommended for Approval.

This is a \$1 million request from the Hobart Public Works Authority for an ARPA designated dam grant. The Hobart dam forms Rocky Lake which is a municipal water supply. The dam is in poor condition due to a failed/collapsed spillway. To remedy the situation spillway repairs will include removing and replacing all concrete over the damaged area and re-establishing the earthen emergency spillway. The project will be funded with the ARPA grant and funds from an \$10,180,000 FAP loan closed in June of

2021. Representing Hobart is City Manager Ashley Slaughterback and Water Waste Water Superintendent, Joe Tipton.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- I. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Stigler Municipal Improvement Authority, Haskell County. Recommended for Approval.

This is a \$1 million designated dam grant for The Stigler Municipal Authority located in Haskell County. The Stigler Lake dam is in unsatisfactory condition due to excessive and uncontrolled seepage, embankment erosion, and concrete spillway deterioration. The dam is not compliant with criteria for slope stability or spillway capacity. The proposed action is to complete the planning and engineering design for slope flattening, a toe drain system, a seepage cutoff/barrier system, reconstruction of the concrete spillway lining and a slight raise to the dam. For the town to continue to have a water source in the interim the grant will also fund a new water line from Lake John Wells to Stigler's water treatment plant. Representing Stigler is City manager Bobby Malzer.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- J. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Chelsea Economic Development Authority, Rogers County. Recommended for Approval.

This is a \$1,302,083 ARPA grant request from the Chelsea economic Development Authority located in Rogers County. The authority is under a consent order from DEQ for wastewater permit violations. To correct the situation, the authority proposes to convert their existing lagoons to a total retention lagoon system, improvements to the headworks and pump stations for a land application system. The project will be funded by the ARPA grant along with Cherokee Tribal Matching Funds of \$1,269,800, and \$655,000 from the Indian Health Service. Representing Chelsea is Mike Wooten, Wastewater Superintendent and Christy Willsberry.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- K. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Arbuckle Master Conservancy District, Garvin County. Recommended for Approval.

This is a \$1,409,648 ARPA designated project grant for the Arbuckle Master Conservancy District. The district is need of a slope mower in order to meet Arbuckle Lake dam maintenance requirements and for various improvement projects for the district. Representing the district is Chris Sandvick and Steven Jolly.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- L. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for City of Bethany, Oklahoma County. Recommended for Approval.

This is a \$4.6 million Statewide Targeted Investment ARPA grant for the Bethany Public Works Authority located in Oklahoma County. Bethany has 28 water wells of which 13 are out of service. The grant proceeds will fund the rehabilitation of 8 of the inactive wells which will increase water production to meet current and future demand. Representing Bethany is Mayor Nikki Lloyd, City Manger Elizabeth Grey and Joes Davis, engineer.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

- M. Consideration of and Possible Action on a Proposed Order Approving American Rescue Plan Act Grant Application for Edmond Public Works Authority, Oklahoma County. Recommended for Approval.

This is a \$13 million statewide targeted investment fund ARPA grant for Edmond.

Edmond's Lake Arcadia water treatment plant is facing issues with aging infrastructure and capacity concerns due to rapid population growth. To address the situation Edmond is increasing the treatment capacity of the plant by 10 million gallons a day by making improvements to the intake structure, pumping facilities and treatment processes at the water plant. The overall water improvement project will be funded with the ARPA grant proceeds along with previously approved water board fap loan for \$82 million and a drinking water srf loan for \$123,720,000.

AYE: Latham, Stallings, Justice, Landess, Castillo, Cook, Darby, Muller
NAY: None
ABSTAIN: None
ABSENT: Gorman

07000 7. NEW BUSINESS

Chairman Matt Muller

Under the Open Meeting Act, this agenda item is authorized only for matters not known about or which could not have been reasonably foreseen prior to the time of posting the agenda or any revised agenda.

No new business to discuss.

08000 8. AJOURNMENT

Chairman Matt Muller

There being no further business, Vice Chair Stallings adjourned the Regular Meeting of the Oklahoma Water Resources Board at 11:30 a.m., on February 21, 2023. The next regular meeting of the Oklahoma Water Resources Board will be held on Tuesday March 21, 2023, at 9:30 a.m., at the Oklahoma Water Resources Board located at 3800 N. Classen Blvd., Oklahoma City, Oklahoma 73118.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

Charles Darby, Vice Chairman

Darren Cook

Suzanne V. Landess

Robert L. Stallings, Jr.

Thomas A. Gorman

Ron Justice

B. Latham

ATTEST:

Jennifer Castillo, Secretary (SEAL)



FY 23 Revenues and Expenses through February 2023

Revenues	Fund	General Revenue	Budgeted	Expended	Balance	Percentage Remaining	
	19211	1	FY 22 Carryover	504,814	127,361	377,453	75%
19201	1	FY 23 Appropriation	4,234,610	2,715,180	1,519,430	36%	
		Total General Revenue	4,739,424	2,842,541	1,896,883	40%	
		Revolving Funds					
21000	2	Drillers Indemnity Fund	50,000	0	50,000	100%	
21500	3	OWRB Revolving Fund	3,674,907	1,675,637	1,999,270	54%	
23500	4	Phase II A-S Hydro St Rev Fund	300,441	0	300,441	100%	
24000	5	Revolving Fund	668,352	441,253	227,099	34%	
24500	6	Drillers Regulation Fund					
25000	7	Water Infrastructure Dev. Fund (OCWP)	4,370,379	1,539,847	2,830,532	65%	
42000	8	USGS Cooperative Agreement	326,525	0	326,525	100%	
44400	9	DW Loan Administration Fund	1,262,334	416,755	845,579	67%	
44500	10	CW Loan Administration Fund	2,868,453	1,348,913	1,519,540	53%	
		Total Revolving Funds	13,521,391	5,422,405	8,098,986	60%	
		Federal Funds					
40000	11	Federal Fund - General	1,469,406	542,809	926,597	63%	
40700	12	Federal Fund - Engineering and Planning	3,443,454	236,437	3,207,017	93%	
49700	13	Federal Fund - *ARRA	6,819,029	158,647	6,660,382	98%	
		Total Federal Funds	11,731,889	937,894	10,793,995	92%	
		Total Funding	29,992,704	9,202,839	20,789,865	69%	
			Budgeted	Expended	Balance	Percentage Remaining	
Expenses	510000	14	Salary Expense	13,931,811	4,419,248	9,512,563	68%
	512000	15	Insurance	1,289,996	735,014	554,982	43%
	513000	16	FICA and Retirement	1,688,281	1,032,722	655,559	39%
	515000	17	Professional Services	8,362,787	1,836,605	6,526,182	78%
	519000	18	Flexible Benefits	16,000	968	15,032	94%
			Total Personal Services	25,288,875	8,024,557	17,264,318	68%
	520000	19	Travel Expense	499,911	171,180	328,731	66%
	530000	20	Administrative Expense	1,267,095	585,254	681,841	54%
	540000	21	Furniture and Equipment Expense	618,316	72,665	545,651	88%
	550000	22	Intra Inter Agency Payments	2,318,506	349,184	1,969,322	85%
		Total Operating Expenses	4,703,828	1,178,283	3,525,545	75%	
		Total Expenditures	29,992,703	9,202,839	20,789,864	69%	

*American Recovery and Reinvestment Act (ARRA)

Budget Revised as a result of ARRA Funding % of Year Remaining 33%



OKLAHOMA WATER RESOURCES BOARD

Operational Audit

For the period January 1, 2017 through June 30, 2021

Cindy Byrd, CPA
State Auditor & Inspector

**Audit Report of the
Oklahoma Water Resources Board**

**For the Period
January 1, 2017 through June 30, 2021**



November 10, 2022

TO THE OKLAHOMA WATER RESOURCES BOARD

We present the audit report of the Oklahoma Water Resources Board for the period January 1, 2017 through June 30, 2021. The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during our engagement.

This report is a public document pursuant to the Oklahoma Open Records Act (51 O.S. § 24A.1 et seq.) and shall be open to any person for inspection and copying.

Sincerely,

A handwritten signature in blue ink that reads "Cindy Byrd".

CINDY BYRD, CPA
OKLAHOMA STATE AUDITOR & INSPECTOR

Oklahoma Water Resources Board
Operational Audit

Background

The Oklahoma Water Resources Board (OWRB) is charged with water appropriation, water infrastructure financing, long-range water planning, and technical data collection to inform state and local policy and planning development. It is also responsible for dam safety, floodplain management, and water well drilling oversight. The OWRB provides essential services to support industry in the state; many municipal, state, and federal agencies and organizations rely on OWRB data to operate their programs.

The OWRB defines policy and conducts water business through a nine-member board of directors appointed by the Governor. Members serve staggered seven-year terms and represent all geographic areas of the state and diverse groups of water users.

Board members as of October 2022 are:

- Matt Muller Board Chairman
- Charles Darby Vice-Chairman
- Jennifer Castillo Secretary
- Darren Cook Member
- Thomas Gorman..... Member
- Ron Justice..... Member
- Suzanne Landess..... Member
- Bob Latham..... Member
- Robert Stallings Member

**Oklahoma Water Resources Board
Operational Audit**

The following table summarizes OWRB's sources and uses of funds for fiscal years 2020 and 2021 (July 1, 2019 through June 30, 2021).

Sources and Uses of Funds for FY 2020 and FY 2021

	2020	2021
Sources:		
Other Revenues	\$ 36,846,722	\$ 206,800,743
Taxes	3,061,433	2,964,022
Net Appropriations	(265,269)	2,193,981
Federal Grants and Fed Reimb	2,167,953	1,408,632
Income from Money and Property	1,013,124	479,295
Licenses, Permits, Fees	739,031	657,995
Total Sources	<u>\$ 43,562,994</u>	<u>\$ 214,504,668</u>
Uses:		
Transfers and Other Disbursements	\$ 31,477,013	\$ 199,120,699
Personnel Services	8,902,438	8,821,922
Professional Services	3,471,421	2,778,123
Assistance, Payments to Local Govn'ts	1,972,982	2,651,013
Administrative Expenses	972,783	834,726
Property, Furniture, Equipment	329,764	234,006
Travel	201,954	98,253
Total Uses	<u>\$ 47,328,355</u>	<u>\$ 214,538,742</u>

Source: Oklahoma Statewide Accounting System (unaudited, for informational purposes only)

Sources and uses are higher in FY 2021 due to bond sales and subsequent transfers to the State Treasurer that occur every other year.

**Scope and
Methodology**

Our audit was conducted in response to 74 O.S. § 212, which requires the State Auditor and Inspector's office to audit the books and accounts of all state agencies whose duty it is to collect, disburse, or manage funds of the state.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

In planning and conducting our audit, we focused on the major financial-related areas of operations based on assessment of materiality and risk for the period January 1, 2017 through June 30, 2021. To assess risk and develop our audit objective, we held discussions with management, distributed surveys to OWRB personnel, and performed data analysis and prior audit follow-up. These procedures included:

- Reviewing revenue, expenditure, and asset-related data from the statewide accounting system and information gathered from personnel to assess the related financial processes and trends for any notable risk.
- Analyzing top vendors and expenditures by dollar amount and reviewing a selection of miscellaneous expenditures in detail.
- Reviewing inventory listings and discussing the inventory count process with staff.
- Reviewing Board meeting minutes and pertinent statutes and regulations and assessing related risks.

One objective related to revenues was developed, as discussed in the next section. No other significant risks or findings were identified as a result of these procedures.

We utilized sampling of transactions to achieve our objective. To ensure the samples were representative of the population and provided sufficient, appropriate evidence, the random sample methodology was used. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, errors or fraud may occur and not be detected. Also, projections of any evaluation of internal control to future periods are subject to the risk that conditions may change or compliance with policies and procedures may deteriorate.

Internal Control Considerations

The Government Accountability Office (GAO) emphasizes the importance of internal controls at all levels of government entities. Their *Standards for Internal Control*¹ outline the five overarching components of internal control: the control environment, risk assessment, information and communication, monitoring, and detailed control activities. Any component considered significant to our audit objectives is assessed during our procedures and included as appropriate in this report.

The *Standards for Internal Control* underscore that an internal control system is effective only when the five components of internal control are operating together in an integrated manner. They also stress that documentation is a necessary part of an effective internal control system and is required to demonstrate its design, implementation, and operating effectiveness.

¹ *Standards for Internal Control in the Federal Government*, or the “Green Book,” sets standards and the overall framework for an effective internal control system in federal agencies and is treated as best practices for other levels of government. Last update 2014, accessible online at <https://www.gao.gov/products/GAO-14-704G>.

OBJECTIVE Determine whether effective internal controls are in place to ensure all funds physically received by the agency are deposited in line with Government Accountability Office *Standards for Internal Control*

Conclusion While OWRB has designed an appropriate reconciliation to ensure all funds physically received are deposited in line with GAO *Standards for Internal Control*, we were unable to confirm those controls were operating effectively due to inadequate documentation.

Methodology To accomplish our objective, we performed the following:

- Documented our understanding of the revenue processes through discussion with staff and review of documentation.
- Evaluated those processes and identified significant internal controls related to our objective.
- Reviewed a random sample of 23 monthly deposit reconciliations (43% of audit period months) for evidence of appropriate deposit reconciliation.

FINDINGS AND RECOMMENDATIONS

**Reconciliation
Documentation
Should Be
Retained**

The receptionist is responsible for receipting payments and logging the payments on a mail log. The Chief of Administrative Services reconciles the mail log to the checks. At the end of the month, the Comptroller reportedly reconciles the mail log to the deposits posted in the Statewide Accounting System. The Comptroller then emails the reconciliation to the Chief of Administrative Services. There is no formal documentation of the reconciliation taking place.

We reviewed 23 monthly reconciliation packets from the audit period, which included the Oklahoma State Treasurer's (OST) report from the Statewide Accounting System and the mail log. In 19 of the 23 reconciliation packets, the OST Report included markings indicating review.

In a further effort to confirm the reconciliation was performed, we requested the emails from the Comptroller to the Chief of Administrative Services that contain the deposit reconciliations for the corresponding months. While we were able to review seven such emails, sixteen deposit reconciliation emails were not able to be recovered due to the previous Comptroller no longer being at OWRB.

The deposit reconciliation was not consistently documented during the audit period. Without an independent reconciliation between the mail log and the deposits made to the bank, there is increased risk that the

individuals involved in the receipting and deposit processes could misappropriate or lose a payment without detection.

According to *GAO Standards for Internal Control*:

- Management may design a variety of transaction control activities for operational processes, which may include verifications, reconciliations, authorizations and approvals, physical control activities, and supervisory control activities.
- Management should remediate identified internal control deficiencies on a timely basis.

Recommendation

We recommend that the Comptroller formally document the reconciliation of the OST report to the bank deposit records, for example by signing and dating the report. This documentation should be retained.

Views of Responsible Officials

The agency agrees with the finding. Concerning the test data sample of 23 items and the fact that most were lacking formal confirmation by the comptroller, this had not been the agency's normal practice. The CFO reviewed the reconciliation and signed them, but the preparer (comptroller) did not. The agency will adopt the recommended practice going forward.

We have started sending reconciliation forms through Adobe Sign requiring it be digitally signed by the CFO. This document will have an Adobe audit sheet attached showing the approvals and the comptrollers sign-off. All reconciliation information and the reconciliations are now scanned and filed digitally. These steps should provide the required documentation needed to satisfy the recommendation. If not, we welcome advice from the State Auditor and Inspector's Office.

We want to thank the State Auditor and Inspector's Office for their review. We are always looking for advice, guidance, and a chance to improve our operation. Audits like this assist with that goal.

O·K·L·A·H·O·M·A
S·A·I
STATE AUDITOR & INSPECTOR



Cindy Byrd, CPA | State Auditor & Inspector

2300 N. Lincoln Blvd., Room 123, Oklahoma City, OK 73105 | 405.521.3495 | www.sai.ok.gov

2. FINANCIAL ASSISTANCE DIVISION

March 21, 2023

**WATER RESOURCES FUND
EMERGENCY GRANT ACCOUNT
February 28, 2023**

Beginning Balance, 2/1/2023		\$ 652,609.43
<u>Income:</u>		
Interest Earnings	1,072.02	
Reserve Earnings		
2016 Gen Reserve		
1986 Gen Reserve		
<u>Grant Refunds:</u>		
Returned Grant Funds		
Returned Grant Funds		
	1,072.02	
Total Income	1,072.02	1,072.02
 <u>Grants Funded:</u>		
	-	
Total Grants Funded		-
Ending Balance, 2/28/2023		653,681.45
Funds obligated for approved grants		(99,450.00)
Total of grants recommended for approval		
Total unobligated funds available for grants		\$ 554,231.45

**Oklahoma Water Resources Board
Emergency Grant Program Priority
List**

March 9, 2023

<u>Priority Ranking</u>	<u>Priority Points</u>	<u>Date Requested</u>	<u>Applicant</u>	<u>County</u>	<u>Project Type</u>	<u>Amount Recommended</u>	<u>Status of Request</u>
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No Emergency Grant Applications Pending

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Altus Municipal Authority, Jackson County

Loan Application No.: ORF-23-0018-DW
 Drinking Water SRF Loan (“DWSRF Loan”)

Funding Requested: \$7,600,000.00

Loan Interest Rate: The DWSRF Loan shall bear a fixed interest rate to be determined prior to loan closing plus an administrative fee of 0.5% per annum, all on the outstanding principal balance of the loan.

Loan Payment Term: Interest, administrative fee, and principal payments shall be made on a semi-annual basis. The applicant shall commence principal repayment no later than one (1) year following Project completion and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

Loan Security Position: The DWSRF loan shall be secured with a lien on the revenues of the applicant's water and sewer systems and may include a mortgage on the applicant's water and sewer systems and other real property.

Purpose: The applicant will utilize the loan proceeds to: (i) perform an inventory and potentially replace lead service lines throughout the system, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

Sources of Funds (Est.)

Loan Proceeds	\$7,600,000.00
Total	\$7,600,000.00

Uses of Funds (Est.)

Project	\$7,462,700.00
Bond Counsel	68,400.00
Financial Advisor	68,400.00
Trustee Bank	500.00
Total	\$7,600,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-23-0018-DW IN THE NAME OF)
ALTUS MUNICIPAL AUTHORITY)
JACKSON COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of March, 2023.

WHEREAS, Altus Municipal Authority (the "Applicant") has made its Application for Funding No. ORF-23-0018-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2011, Sections 1085.71 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0018-DW in the name of Altus Municipal Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) perform an inventory and potentially replace lead service lines throughout the system, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. A loan shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$7,600,000.00. The Applicant shall pay interest on the loan at a fixed rate to be determined prior to closing plus an administrative fee at the rate of 0.5% per annum, all on the outstanding balance of disbursed loan proceeds. Interest, administrative fee, and any principal payments shall be made on a semi-annual basis. The Applicant shall commence principal repayment no later than one (1) year following

**ORDER APPROVING LOAN APPLICATION
ALTUS MUNICIPAL AUTHORITY
ORF-23-0018-DW**

Project completion, and the maturity of the loan shall be no later than thirty (30) years following the date the Project is completed.

2. The loan shall be secured with a lien on the revenues of the Applicant's water and sewer systems and may include a mortgage on the Applicant's water and sewer systems and other real property.

3. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

4. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

5. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other loan documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

6. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of March, 2023 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

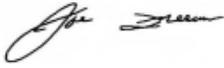
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
ALTUS MUNICIPAL AUTHORITY
ORF-23-0018-DW**

Reviewed By:



Joe Freeman, Chief
Financial Assistance Division

ARPA GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: RWSG and SWMD #7
COUNTY: Grady

DATE RECEIVED: 11/18/2022
APPLICATION NUMBER: ARP-23-0067-G
ARPA NUMBER: ARPA-YY002306
Amount Recommended: \$1,000,000.00

Amount Requested: \$1,000,000.00

PROJECT DESCRIPTION: Rural Water, Sewer, Gas and Solid Waste Management District No. 7, Grady County, Oklahoma has aging water infrastructure. The proposed project is for the installation of a new water storage standpipe as well as relocation and renovation of an existing standpipe, and all appurtenances required to complete the project. The estimated cost of the project is \$1,068,957.64 which will be funded by the ARPA grant of \$1,000,000 and County ARPA Grant funds of \$68,957.64.

Priority Ranking			Priority Points
Population/Taps <u>1237</u>			
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month: \$ 37.00	<input type="checkbox"/> Flat rate	<u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month: <u>35.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>	
Total \$ 72.00	<input type="checkbox"/> Uniform	<u>0</u>	
10 points	<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>	
	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>	
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness: \$ 0.00			<u>0</u>
Monthly Debt Payment: \$ 0.00			
Number of Customers: 1237			
Monthly Payment Per Customer: \$ 0.00			
APCI Tier Tier 1 (Maximum: 24 points)			<u>24</u>
LEGISLATIVE PORTAL REQUEST (Maximum: 5 points)			<u>0</u>
PREVIOUS GRANTS <u>0</u>			<u>0</u>
ENFORCMENT ORDER <u>No</u> (Maximum: 5 points)			<u>5</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS <u>Yes</u>			<u>5</u>
FISCAL SUSTAINABILITY			<u>10</u>
TOTAL PRIORITY POINTS			<u>56</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF THE AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0067-G)
IN THE NAME OF THE RURAL WATER, SEWER, GAS, AND)
SOLID WASTE MANAGEMENT DISTRICT NO. 7, GRADY)
COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has received a priority ranking of 56 points under Chapter 50 of the Board's Rules and that since sufficient funds are available, the grant application for an amount not to exceed \$1,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,000,000.00.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to install a new water storage standpipe, as well as, to relocate and renovate an existing standpipe. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Rural Water, Sewer, Gas, and Solid Waste Management District No.7 is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA rules, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

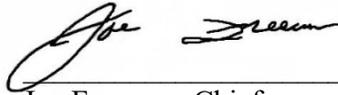
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

Central Oklahoma Master Conservancy District
OWRB ARPA Grant No. ARP-23-0019-DPG

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

Joe Freeman, Chief
Financial Assistance Division

AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Central Oklahoma Master Conservancy District, Cleveland County

Grant Application No.: ARP-23-0019-DPG
 American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$1,409,648.00

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Statewide Targeted Investment Fund

Purpose: The Central Oklahoma Master Conservancy District (COMCD), on or after March 3, 2021, had incurred costs for a backup generator, SCADA/telemetry upgrades, rehabilitation of pumping plants, and installation of pipeline replacements. They also need to perform further pumping plant rehabilitation, make more SCADA/telemetry upgrades, and other infrastructure upgrades. The proposed project is to reimburse expenses incurred within the allowed timeframe, rehabilitation of pumping plants, upgrades to SCADA, telemetry and other infrastructure, plus all appurtenances required to complete the project.

Sources of Funds (Est.)

OWRB ARPA Grant: \$1,409,648.00

Uses of Funds (Est.)

ARPA Admin. Fee: \$56,385.92

Project: \$1,353,262.08

Total \$1,409,648.00

Total \$1,409,648.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0019-DPG)
IN THE NAME OF THE CENTRAL OKLAHOMA MASTER)
CONSERVANCY DISTRICT,)
CLEVELAND COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has been identified by the legislature under Senate Bill 13, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$1,409,648.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$1,409,648.00, including up to 4% administrative fee allocated by statute to the OWRB.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to reimburse expenses incurred within the allowed timeframe, rehabilitation of pumping plants, upgrades to SCADA, telemetry and other infrastructure. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Central Oklahoma Master Conservancy District is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

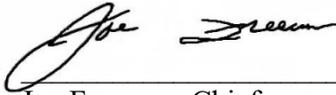
Matt Muller, Chairman

ATTEST:

Jennifer Castillo, Secretary
(SEAL)

Central Oklahoma Master Conservancy District
OWRB ARPA Grant No. ARP-23-0019-DPG

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

Joe Freeman, Chief
Financial Assistance Division

AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: The City of Shawnee, Oklahoma, Pottawatomie County

Grant Application No.: ARP-23-0015-DPG
American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$9,931,194.00

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Statewide Targeted Investment Fund

Purpose: Shawnee's water and sewer infrastructure is aged and in critical condition in certain parts of the city. To provide reliable water service to the areas of improvement, and prevent future failures in the water and sewer system, the proposed project is to replace over 2,500 linear feet of water lines and 7,500 linear feet of sewer lines, and all appurtenances required to complete the project.

Sources of Funds (Est.)

OWRB ARPA Grant: \$9,931,194.00

Uses of Funds (Est.)

ARPA Admin. Fee: \$397,247.76
Project: \$9,533,946.24

Total \$9,931,194.00

Total \$9,931,194.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT (ARPA))
GRANT APPLICATION NO. ARP-23-0015-DPG)
IN THE NAME OF THE CITY OF SHAWNEE, OKLAHOMA,)
POTTAWATOMIE COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has been identified by the legislature under Senate Bill 13, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$9,931,194.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$9,931,194.00, including up to 4% administrative fee allocated by statute to the OWRB.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to replace over 2,500 linear feet of water lines and 7,500 linear feet of sewer lines. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, The City of Shawnee, Oklahoma is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

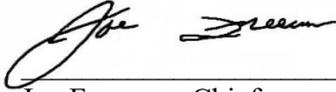
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

The City of Shawnee, Oklahoma
OWRB ARPA Grant No. ARP-23-0015-DPG

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke extending to the right.

Joe Freeman, Chief
Financial Assistance Division

AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Lugert-Altus Irrigation District, Jackson County

Grant Application No.: ARP-23-0007-DPG
 American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$25,000,000.00

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Lugert-Altus Irrigation District - ARPA-YY000010

Purpose: Lugert-Altus Irrigation District (LAID) has aging infrastructure, comprised of four primary canals which feed multiple laterals and delivers water through system turnouts. Due to extended periods of drought conditions the Lugert-Altus Reservoir has experienced considerable decline, and affects the ability of the LAID to provide water to its members due to evaporation, transpiration, seepage, percolation, and runoff. The proposed project is to modernize the LAID system to reduce water loss.

Sources of Funds (Est.)

OWRB ARPA Grant: \$25,000,000.00

Uses of Funds (Est.)

ARPA Admin. Fee: \$1,000,000.00
 Project: \$24,000,000.00

Total \$25,000,000.00

Total \$25,000,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT (ARPA) GRANT)
APPLICATION NO. ARP-23-0007-DPG)
IN THE NAME OF THE LUGERT-ALTUS IRRIGATION DISTRICT,)
JACKSON COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has been identified by the legislature under Senate Bill 429, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$25,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$25,000,000.00, including up to 4% administrative fee allocated by statute to the OWRB.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to modernize the Lugert-Altus Irrigation District system to reduce water loss. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Lugert-Altus Irrigation District is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

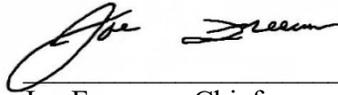
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

Lugert-Altus Irrigation District
OWRB ARPA Grant No. ARP-23-0007-DPG

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J".

Joe Freeman, Chief
Financial Assistance Division

AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: City of Oklahoma City, Oklahoma County

Grant Application No.: ARP-23-0005-DPG
American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$35,000,000.00

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Tinker Air Force Base - ARPA-YY000460

Purpose: The City of Oklahoma City has a water transmission main located at the Tinker Air Force Base which needs to be relocated. The proposed project is for installation of approximately 4 miles of 60-inch water transmission main, valving, connecting to the existing line, testing, disinfection, and all other appurtenances required to complete the project.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
OWRB ARPA Grant:	\$35,000,000.00	ARPA Admin. Fee:	\$1,400,000.00
Local Matching Funds:	\$18,400,000.00	Project:	\$52,000,000.00
Total	<u>\$53,400,000.00</u>	Total	<u>\$53,400,000.00</u>

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0005-DPG)
IN THE NAME OF THE CITY OF OKLAHOMA CITY,)
OKLAHOMA COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has been identified by the legislature under Senate Bill 13, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$35,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$35,000,000.00, including up to 4% administrative fee allocated by statute to the OWRB.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to install approximately 4 miles of 60-inch water transmission main, valving, connecting to the existing line, testing, and disinfection. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, Oklahoma City is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

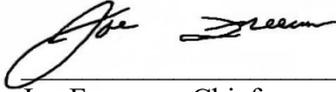
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

Oklahoma City
OWRB ARPA Grant No. ARP-23-0005-DPG

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke extending to the right.

Joe Freeman, Chief
Financial Assistance Division

**AMERICAN RESCUE PLAN ACT (ARPA) APPLICATION
RECOMMENDED FOR APPROVAL**

Applicant: City of Tulsa, Oklahoma, Tulsa County

Grant Application No.: ARP-23-0009-DPG
American Rescue Plan Act Grant (“ARPA Grant”)

Amount Requested: \$50,000,000.00

Designated Grant

Information: Name and/or number of the ARPA Grant account under which designated: Fair Oaks Ranch - ARPA-YY002728

Purpose: In partnership with Fair Oaks Ranch LLC (aka Robson Ranch), the City of Tulsa is pursuing the development of thousands of acres for industrial, commercial, retail, and residential development in east Tulsa. Critical investment in the City’s infrastructure is necessary to support this growth. In order to assist in the ongoing construction of this project, the proposed use of the ARPA funds is to construct the Catoosa Interceptor Relief Line, install a new peak flow storage facility with a 16 million gallon Flow Equalization Basin (FEB) at Lower Bird Creek, expand Lower Bird Creek WWTP capacity, expand the Spunky Creek Lift Station, and add a 4th pump at the Main Stem North Lift Station.

Sources of Funds (Est.)

OWRB ARPA Grant: \$50,000,000.00
Local Funds TMUA: 10,300,000.00

Uses of Funds (Est.)

ARPA Admin. Fee: \$2,000,000.00
Project: \$58,300,000.00

Total \$60,300,000.00

Total \$60,300,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF AMERICAN RESCUE PLAN ACT)
(ARPA) GRANT APPLICATION NO. ARP-23-0009-DPG)
IN THE NAME OF THE CITY OF TULSA, OKLAHOMA,)
TULSA COUNTY, OKLAHOMA.)

**PROPOSED
ORDER APPROVING ARPA GRANT APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has been identified by the legislature under Senate Bill 13, has met the eligibility requirements for this grant, and that since sufficient funds are available, the grant application for an amount not to exceed \$50,000,000.00 should be approved for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the ARPA grant shall not exceed \$50,000,000.00, including up to 4% administrative fee allocated by statute to the OWRB.
2. ARPA grant funds shall be accounted for separately with a federally insured financial institution.
3. The project shall be to construct the Catoosa Interceptor Relief Line, install a new peak flow storage facility with a 16 million gallon Flow Equalization Basin (FEB) at Lower Bird Creek, expand Lower Bird Creek WWTP capacity, expand the Spunky Creek Lift Station, and add a 4th pump at the Main Stem North Lift Station. Applicant is authorized to request the ARPA grant funds only for cost incurred for eligible expenses for the purposes of completing such project.
4. Furthermore, prior to and during the construction period, The City of Tulsa, Oklahoma is required to comply with the requirements of all applicable federal and state statutory provisions, all applicable ARPA regulations, and the Oklahoma Water Resources Board ARPA Grant Agreement, Board rules, regulations and grant policies. The Board Staff is authorized to determine what additional conditions may be necessary in order to assure compliance with the applicable requirements.
5. The Board's Staff is authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially or adversely affect the grant.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

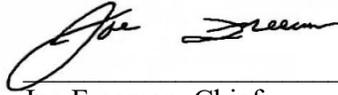
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

City of Tulsa, Oklahoma
OWRB ARPA Grant No. ARP-23-0009-DPG

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

Joe Freeman, Chief
Financial Assistance Division

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

In the Matter of a Process to Replace an)
Investment Banker(s) In Connection With the)
Issuance of One Or More Obligations to Provide)
Funding For the Clean Water and Drinking)
Water State Revolving Fund Loan Programs)

PROPOSED
RESOLUTION

WHEREAS, the Board approved a Resolution dated September 20, 2022 selecting a pool of investment bankers that may be utilized in connection with obligations to provide funding for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund Loan Programs; and,

WHEREAS, the Board approved a Resolution dated October 18, 2022 selecting specific investment bankers from the approved pool for a period of one year starting from the date the first bond issue closed in connection with the issuance of one or more obligations to provide funding for the Clean Water and Drinking Water State Revolving Fund Loan Programs; and,

WHEREAS, the Board issued the Revolving Fund Revenue Bonds Clean Water Program Series 2023 on February 23, 2023; and,

WHEREAS, the Board will be issuing the Revolving Fund Revenue Bonds Drinking Water Program Series 2023 within the one year time frame; and,

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

In the event that one or more of the specific investment bankers that were approved by the Board on October 18, 2022 are unable to complete that service, the Board gives authority to the Board's Finance Committee with recommendation by Board Staff to replace the investment banker(s) with another qualified entity from the approved investment banker pool.

ADOPTED and APPROVED this 21st day of March 2023.

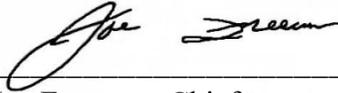
OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

ATTEST:

Jennifer Castillo, Secretary
(SEAL)

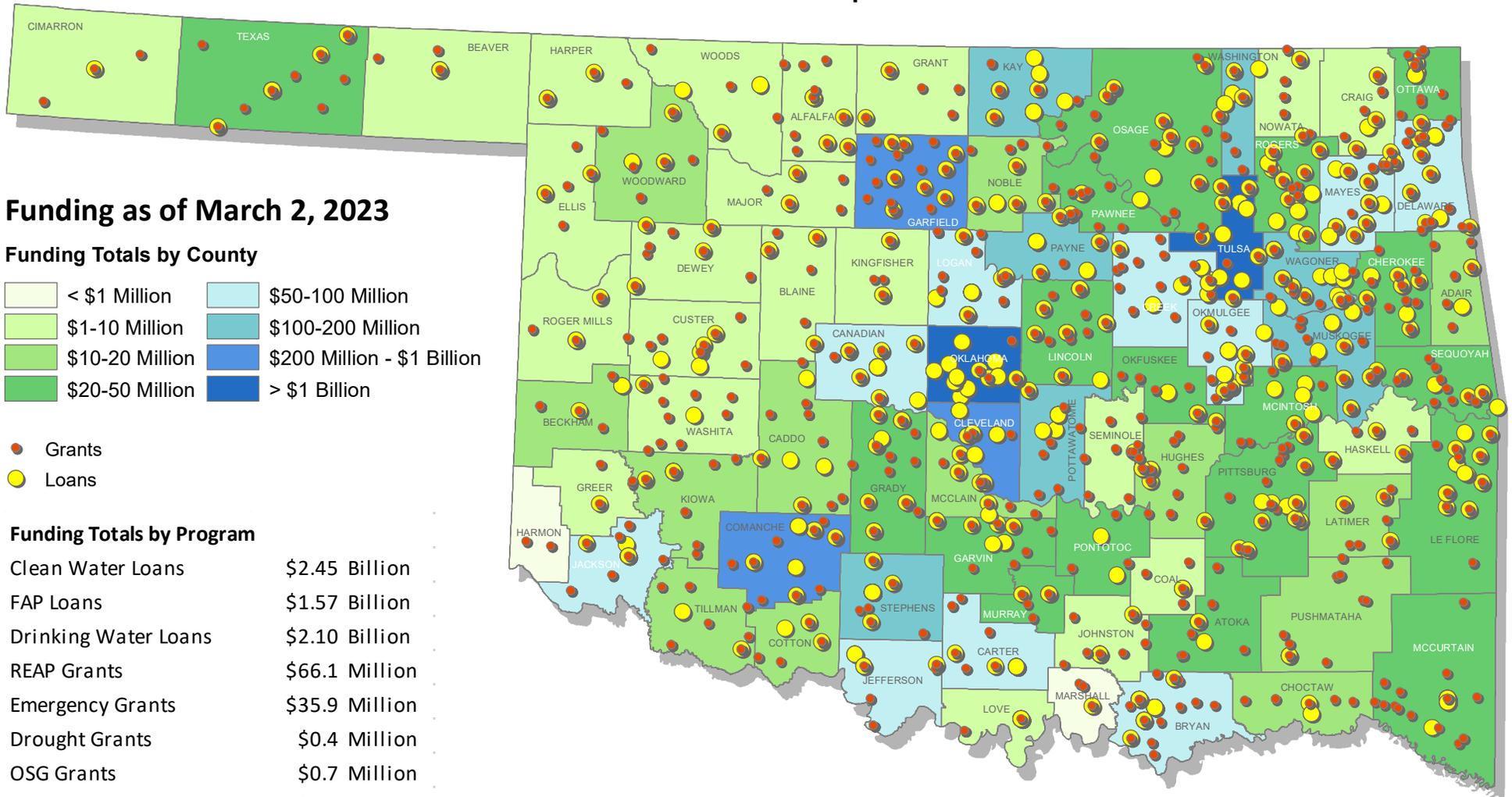
Reviewed By:

A handwritten signature in black ink that reads "Joe Freeman". The signature is written in a cursive style with a large, looping initial "J".

Joe Freeman, Chief
Financial Assistance Division

Financial Assistance Division

Loan and Grant Recipient Status



Funding as of March 2, 2023

Funding Totals by County



- Grants
- Loans

Funding Totals by Program

Clean Water Loans	\$2.45 Billion
FAP Loans	\$1.57 Billion
Drinking Water Loans	\$2.10 Billion
REAP Grants	\$66.1 Million
Emergency Grants	\$35.9 Million
Drought Grants	\$0.4 Million
OSG Grants	\$0.7 Million
Special Purpose Grants	\$2.6 Million
ARPA Grants	\$25.7 Million

TOTAL \$6.23 Billion

TOTAL SAVINGS \$1.5 Billion

3.C. SUMMARY DISPOSITION AGENDA ITEMS

FINANCIAL ASSISTANCE DIVISION

March 21, 2023

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: Gore Public Works Authority
COUNTY: Sequoyah

DATE RECEIVED: 08/30/2022
APPLICATION NUMBER: FAP-23-0052-R

Amount Requested: \$150,000.00

Amount Recommended: \$150,000.00

PROJECT DESCRIPTION: Gore Public Works Authority has water lines that provide treated water from the water treatment plant to the storage tanks that are close to total failure due to washouts from recent extreme rainfall. Filling the washout areas would be costly and difficult due to the steep terrain. The proposed project is to abandon the current lines and construct a new 12" line on a new alignment approximately 30 feet south of the current lines, and all appurtenances required to complete the project. The estimated cost of the project is \$170,000 which will be funded by the OWRB REAP Grant of \$150,000 and \$20,000 of local funds.

Priority Ranking			Priority Points
Population/Taps <u>951</u> (Maximum: 55 points)			<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)			
Water rate per 5,000 gal/month: \$ 31.20	<input type="checkbox"/> Flat rate	<u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month: <u>39.00</u>	<input type="checkbox"/> Decreasing Block	<u>-2</u>	
Total \$ 70.20	<input type="checkbox"/> Uniform	<u>0</u>	
	<input checked="" type="checkbox"/> Increasing Block	<u>+2</u>	
<u>10</u> points	<input type="checkbox"/> Sales tax (W/S)	<u>+1</u>	
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)			
Total Indebtedness: \$ 915,000.00			<u>9</u>
Monthly Debt Payment: \$ 12,809.82			
Number of Customers: 720			
Monthly Payment Per Customer: \$ 17.79			
MEDIAN HOUSEHOLD INCOME \$ 68,125.00 (Maximum: 10 points)			<u>3</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)			
FP = $\frac{(\$150,000.00)}{(720)} \cdot \frac{(0.0710)}{(12)}$	=	\$ 1.24	<u>2</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)			
AR = \$150,000.00			<u>-5</u>
REQUEST NUMBER <u>0</u>			<u>0</u>
ENFORCMENT ORDER <u>No</u> (Maximum: 5 points)			<u>0</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS <u>Yes</u>			<u>5</u>
FISCAL SUSTAINABILITY			<u>3</u>
TOTAL PRIORITY POINTS			<u>84</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-23-0052-R IN THE NAME OF THE)
GORE PUBLIC WORKS AUTHORITY,)
SEQUOYAH COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has received a priority ranking of 84 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$150,000.00 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$150,000.00.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to abandon the current lines and construct a new 12" line on a new alignment approximately 30 feet south of the current lines as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.
7. Furthermore, prior to and during the construction period, Gore Public Works Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

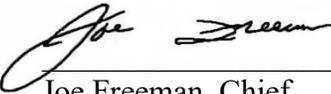
Matt Muller, Chairman

ATTEST:

Jennifer Castillo, Secretary

(SEAL)

Reviewed By:



Joe Freeman, Chief
Financial Assistance Division

REAP GRANT APPLICATION
RECOMMENDED FOR APPROVAL

APPLICANT: The Jet Utilities Authority
COUNTY: Alfalfa

DATE RECEIVED: 08/10/2022
APPLICATION NUMBER: FAP-23-0073-R

Amount Requested: \$148,828.12

Amount Recommended: \$148,828.12

PROJECT DESCRIPTION: Jet Utilities Authority has an aging water system that needs to be upgraded and upsized to serve their needs and the needs of the Town of Goltry to whom they sell water. They also need to replace gate valves allowing them to make system repairs and replace water meters to reduce water loss. The proposed project is to replace approximately 5,600 LF of 6" water line, replace existing gate valves, old water meters, and all appurtenances required to complete the project. The total estimated cost of the project is \$148,828.12 which will be funded by the OWRB REAP Grant in the amount of \$148,828.12.

Priority Ranking		Priority Points
Population/Taps <u>197</u> (Maximum: 55 points)		<u>55</u>
WATER AND SEWER RATE STRUCTURE (Maximum: 13 points)		
Water rate per 5,000 gal/month: \$ 44.75	<input type="checkbox"/> Flat rate <u>-3</u>	<u>12</u>
Sewer rate per 5,000 gal/month: <u>20.45</u>	<input type="checkbox"/> Decreasing Block <u>-2</u>	
Total \$ 65.20	<input type="checkbox"/> Uniform <u>0</u>	
	<input checked="" type="checkbox"/> Increasing Block <u>+2</u>	
<u>10</u> points	<input type="checkbox"/> Sales tax (W/S) <u>+1</u>	
INDEBTEDNESS PER CUSTOMER (Maximum: 10 points)		
Total Indebtedness: \$ 861,500.00		<u>7</u>
Monthly Debt Payment: \$ 2,247.00		
Number of Customers: 146		
Monthly Payment Per Customer: \$ 15.39		
MEDIAN HOUSEHOLD INCOME \$ 46,875.00 (Maximum: 10 points)		<u>2</u>
ABILITY TO FINANCE PROJECT (Maximum: 12 points)		
FP = $\frac{(\$148,828.12)}{(146)} \times \frac{(0.0710)}{(12)}$ = \$ 6.03		<u>10</u>
AMOUNT OF GRANT REQUESTED (Maximum: 5 points)		
AR = \$148,828.12		<u>-5</u>
REQUEST NUMBER <u>2</u>		<u>-8</u>
ENFORCMENT ORDER <u>No</u> (Maximum: 5 points)		<u>5</u>
BENEFIT OF PROJECT TO OTHER SYSTEMS <u>No</u>		<u>0</u>
FISCAL SUSTAINABILITY		<u>10</u>
TOTAL PRIORITY POINTS		<u>88</u>

BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA

IN THE MATTER OF REAP GRANT APPLICATION)
NO. FAP-23-0073-R IN THE NAME OF THE)
THE JET UTILITIES AUTHORITY,)
ALFALFA COUNTY, OKLAHOMA.)

PROPOSED
ORDER APPROVING REAP GRANT APPLICATION

This matter came on for consideration before the Oklahoma Water Resources Board on the 21st day of March 2023. The Board finds that since the application for this grant has received a priority ranking of 88 points under Chapter 50 of the Board's Rules and that since sufficient funds are available in the REAP Grant Account of the Water Resources Fund, the grant application for an amount not to exceed \$148,828.12 should be approved to be advanced for the following purpose and subject to the following conditions:

Conditions:

1. The amount of the REAP grant shall not exceed \$148,828.12.
2. REAP Grant funds shall be deposited in a separate account with a federally insured financial institution.
3. Applicants who have raised water and/or sewer rates resulting in an advancement in position of priority for assistance shall not modify those rates after receipt of the REAP grant without the prior written consent of the Board, unless such modification would not result in a change in position of priority.
4. The applicant shall fully document disbursement of REAP grant funds as required by the Board or its staff. Further, applicant shall maintain proper books, records, and supporting documentation, and make the same available for inspection by the Board or its staff. Disbursement of grant funds without supporting documentation shall be considered and deemed unauthorized expenditure of grant funds.
5. The applicant shall return any unexpended REAP grant funds to the Board within thirty (30) days of completion of the project or within thirty (30) days from the applicant's receipt of all invoices, whichever is later.

6. The project shall be to replace approximately 5,600 LF of 6" water line, replace existing gate valves, old water meters as well as other related construction and necessary appurtenances, as more fully described in the engineering report included in applicant's grant application. Applicant is authorized to expend the REAP grant funds only for purposes of completing such project. The applicant shall return or otherwise pay to the Board, any REAP grant funds expended for unauthorized or unallowable purposes. Any funds due to be returned by the applicant under this paragraph shall additionally bear interest at the maximum rate allowed by law until repaid in full. Whenever there is any doubt as to whether an expenditure is authorized, the applicant shall consult with Board staff and obtain staff's answer before making the expenditure.

7. Furthermore, prior to and during the construction period, Jet Utilities Authority is required to comply with the requirements of all applicable federal and state statutory provisions and all Oklahoma Water Resources Board rules, regulations and grant policies.

SO ORDERED this 21st day of March 2023, in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

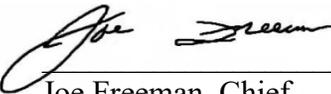
Matt Muller, Chairman

ATTEST:

Jennifer Castillo, Secretary

(SEAL)

Reviewed By:



Joe Freeman, Chief
Financial Assistance Division

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: The Geronimo Public Works Authority, Comanche County

Loan Application No.: ORF-23-0040-DW
 Drinking Water SRF Loan (“DWSRF Loan”)

Amount Requested: \$800,000.00

Payment Term: The applicant shall be required to comply with all DWSRF loan provisions. If all DWSRF loan provisions are met to the satisfaction of the OWRB, then the funding shall be forgiven in total without fees for administration or interest.

Purpose: The applicant will utilize the loan proceeds to: (i) replace approximately 6,100 feet of water lines throughout the system, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
Loan Proceeds	\$800,000.00	Project	\$777,500.00
		Bond Counsel	20,000.00
		Local Counsel	2,500.00
Total	\$800,000.00	Total	\$800,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-23-0040-DW IN THE NAME OF)
THE GERONIMO PUBLIC WORKS AUTHORITY)
COMANCHE COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of March, 2023.

WHEREAS, The Geronimo Public Works Authority (the "Applicant") has made its Application for Funding No. ORF-23-0040-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2011, Sections 1085.71 *et seq*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0040-DW in the name of The Geronimo Public Works Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) replace approximately 6,100 feet of water lines throughout the system, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. Funding shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$800,000.00.

2. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all

**ORDER APPROVING LOAN APPLICATION
THE GERONIMO PUBLIC WORKS AUTHORITY
ORF-23-0040-DW**

or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

3. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

4. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other funding documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

5. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of March, 2023 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

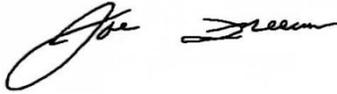
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
THE GERONIMO PUBLIC WORKS AUTHORITY
ORF-23-0040-DW**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman". The signature is written in a cursive style with a large initial "J" and "F".

Joe Freeman, Chief
Financial Assistance Division

LOAN APPLICATION
RECOMMENDED FOR APPROVAL

Applicant: Hollis Public Works Authority, Harmon County

Loan Application No.: ORF-23-0045-DW
 Drinking Water SRF Loan (“DWSRF Loan”)

Amount Requested: \$800,000.00

Payment Term: The applicant shall be required to comply with all DWSRF loan provisions. If all DWSRF loan provisions are met to the satisfaction of the OWRB, then the funding shall be forgiven in total without fees for administration or interest.

Purpose: The applicant will utilize the loan proceeds to: (i) replace water lines from the well field to the City of Hollis, all related appurtenances (the “Project”), and (ii) pay related costs of issuance.

<u>Sources of Funds (Est.)</u>		<u>Uses of Funds (Est.)</u>	
Loan Proceeds	\$800,000.00	Project	\$777,500.00
		Bond Counsel	20,000.00
		Local Counsel	2,500.00
Total	\$800,000.00	Total	\$800,000.00

**BEFORE THE OKLAHOMA WATER RESOURCES BOARD
STATE OF OKLAHOMA**

IN THE MATTER OF LOAN APPLICATION)
NO. ORF-23-0045-DW IN THE NAME OF)
HOLLIS PUBLIC WORKS AUTHORITY)
HARMON COUNTY, OKLAHOMA)

**PROPOSED
ORDER APPROVING LOAN APPLICATION**

This matter came on for consideration before the Oklahoma Water Resources Board (the "Board") on the 21st day of March, 2023.

WHEREAS, Hollis Public Works Authority (the "Applicant") has made its Application for Funding No. ORF-23-0045-DW (the "Loan Application") to the Board and to the Oklahoma Department of Environmental Quality (the "DEQ") for a loan from the Drinking Water Treatment Revolving Loan Account (the "DWSRF"), pursuant to Title 82 Oklahoma Statutes 2011, Sections 1085.71 *et seq.*, as amended; and

WHEREAS, the Applicant intends to use the loan for drinking water system improvements, to further compliance with State and Federal standards and/or to refinance existing indebtedness originally incurred for such purposes; and

WHEREAS, the DEQ has certified the Loan Application with regards to compliance with applicable technical program requirements and forwarded it to the Board with a recommendation that the Loan Application be considered and approved for a DWSRF Loan; and

WHEREAS, the Board has completed its review of the Loan Application and related information, and finds that the Loan Application should be approved according to the terms and conditions set forth below.

NOW, THEREFORE, LET IT BE RESOLVED AND ORDERED BY THE OKLAHOMA WATER RESOURCES BOARD:

Application for Funding No. ORF-23-0045-DW in the name of Hollis Public Works Authority be and the same is hereby approved. Subject to and contingent upon the Board's receipt of sufficient funds, a loan shall be made to the Applicant for the following purpose and subject to the following terms and conditions:

Purpose

The loan proceeds, along with other funds of the Applicant, if any, will be used to (i) replace water lines from the well field to the City of Hollis, all related appurtenances (the "Project"), and (ii) pay related costs of issuance, all as more specifically set forth in the Application.

Terms and Conditions

1. Funding shall be made to the Applicant to provide funds for the Project described in the Loan Application in an aggregate principal amount not to exceed \$800,000.00.

2. Upon the Applicant's acceptance of the DEQ's Letter of Binding Commitment, the funds shall be reserved for the Applicant for a period of one (1) year from the date of this Order. In the event the loan is not closed on or before such date, the Board reserves the right to (i) approve, at the Applicant's request, a reasonable extension of time to close the loan, or (ii) de-obligate all

**ORDER APPROVING LOAN APPLICATION
HOLLIS PUBLIC WORKS AUTHORITY
ORF-23-0045-DW**

or a portion of the loan funds in order to be used by the Board to make other DWSRF loans, as the Board determines shall permit the best use of the funds. Funds shall be provided to the Applicant from the DWSRF in accordance with the DWSRF program regulations as approved by the United States Environmental Protection Agency.

3. The Board's Staff is authorized to determine what additional conditions or requirements shall be necessary in order to assure the soundness of the loan and compliance with applicable financial, legal, DWSRF, and Bond Resolution requirements. In accordance with applicable authority and the United States Environmental Protection Agency ("EPA") guidelines for the implementation of the DWSRF Capitalization Grant, the loan conditions may include principal forgiveness to be used to pay a portion of the costs of the Project as described in the Application or for other purposes authorized by applicable authority and EPA guidelines. The Board's Staff is further authorized to approve future modifications or additions to the project purposes and uses of funds approved herein, provided such modifications or additions will not materially and adversely affect the loan.

4. The loan shall be subject in all respects to the provisions of the Applicant's promissory note(s), loan agreement(s), and other funding documents which shall be executed by proper officials of the Applicant and a Board Member at or prior to loan closing as appropriate.

5. Additional loans may be made at such times, for such projects of the Applicant, at such repayment periods and interest rates, and upon such other terms and conditions as may be agreed to and approved by the Board and the Applicant.

So ordered this 21st day of March, 2023 in regular and open meeting of the Oklahoma Water Resources Board.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

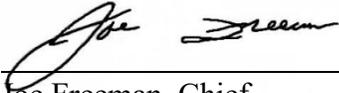
ATTEST:

Jennifer Castillo, Secretary

(SEAL)

**ORDER APPROVING LOAN APPLICATION
HOLLIS PUBLIC WORKS AUTHORITY
ORF-23-0045-DW**

Reviewed By:

A handwritten signature in black ink, appearing to read "Joe Freeman", is written above a horizontal line.

Joe Freeman, Chief
Financial Assistance Division

3. SUMMARY DISPOSITION AGENDA ITEMS

D. Contracts and Agreements Recommended for Approval

March 21, 2023

AGENDA ITEM 3D(1)

PROFESSIONAL SERVICES AGREEMENT

WITH: Freese and Nichols, Inc.

PURPOSE: To provide general engineering services related to the State of Oklahoma's comprehensive state flood plan according to the Oklahoma Statutes 16623 of Title 82

AMOUNT: Not to exceed \$167,798.00

TERM: Through October 31, 2023

**AGREEMENT
FOR
PROFESSIONAL ENGINEERING SERVICES
FOR
COOPERATING TECHNICAL PARTNER PROGRAM (CTP) ASSISTANCE**

This “Agreement”, dated for convenience of reference as of the 31st day of October, 2022 but to be effective as provided below, by and between Freese and Nichols, Inc. (“Contractor”) and the Oklahoma Water Resources Board (“OWRB”), a body corporate and politic and an instrumentality, agency and department of the State of Oklahoma (“State”),

WITNESSETH:

WHEREAS, 27A O.S. § 1-3-101(C) provides that the OWRB has the jurisdictional area of environmental responsibility in the State for, among other things, flood plain management; and

WHEREAS, the OWRB is authorized pursuant to 82 O.S. § 1085.2 to aid counties, incorporated cities and towns and special purpose districts in promoting and developing flood control; and

WHEREAS, the OWRB has entered into a Cooperating Technical Partner Partnership Agreement (“CTP Agreement”) dated November 6, 2002 with the Federal Emergency Management Agency (“FEMA”) to work together with FEMA to create and maintain accurate, up-to-date flood hazard data for OWRB or communities served in the State; and

WHEREAS, funding has become available from FEMA to the OWRB to implement the CTP Agreement; and

WHEREAS, the OWRB requires professional engineering services in order to carry out the CTP Agreement; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants provided below, it is hereby agreed as follows:

1. Services by the Contractor. Contractor shall perform tasks and assignments made by, and report to and consult with, the OWRB’s Key Personnel to assist the OWRB in implementing the CTP Program in Oklahoma, as outlined in the Scope of Work attached hereto as Exhibit A and incorporated herein by reference.

2. Payment. Subject to the availability of adequate funding as provided below, Contractor shall be paid for performance as follows:

a. Requisitions; payment procedure. On or before the 10th day of the month following the end of each month that work is performed, Contractor shall submit a requisition to OWRB for services performed and expenses incurred, if any, during the previous month described in the requisition. Each requisition shall be in form and content acceptable to the OWRB; among

other requirements, it shall contain information about the work performed, along with pertinent supporting documentation. The requisition shall utilize the rates and terms contained within the rate schedule attached hereto as Exhibit B. This shall be interpreted to include reimbursement for Contractor's out-of-pocket expenses incurred in travel necessary for Contractor's performance under this Agreement, as limited by and in accordance with the State Travel Reimbursement Act, 74 O.S. § 500.1 et seq. If the OWRB does not approve the requisition, the OWRB shall return it to Contractor with the reason(s) for disapproval. If the OWRB approves the requisition, OWRB shall pay Contractor the amount of the requisition, subject to any necessary matching requirements.

b. Total monetary limit. Notwithstanding any other provision of this Agreement, the total amount paid to Contractor under this Agreement for a not to exceed fee of One Hundred Sixty-seven Thousand, Seven Hundred Ninety-eight Dollars (\$167,798.00).

- MAS 21-2 Discovery – Poteau, Lower Salt Fork Arkansas & Black Bear/Red Rock Watersheds = \$71,232
- MAS 21-5 Medicine Creek – Medicine Park, Comanche County = \$96,566

3. Agreement Subject to Funding. It is understood and agreed that funding for this Agreement depends upon and is subject to the availability to OWRB of funds from State and/or Federal sources, including but not limited to funding from FEMA through OEM and State and Federal appropriations. In the event funds for this Agreement become unavailable, either in full or in part, for whatever reason as determined by the OWRB, the OWRB may unilaterally terminate this Agreement or reduce the consideration upon notice in writing to the Contractor. The OWRB shall be the final authority as to the availability of funds.

4. Term; Renewal; Amendment. The term of this Agreement shall be from and after the date all necessary signatures and approvals are obtained, through October 31st, 2023, unless sooner terminated pursuant to section 5 below; provided, the Agreement may be renewed by the OWRB with the same terms and conditions for up to three (3) additional option periods each not to exceed twelve (12) months, not to extend past September 30th, 2026. Provided further, this Agreement may be amended at any time upon such terms and conditions as the parties mutually agree and execute in writing.

5. Termination.

a. Termination for Cause.

(1) The Contractor may terminate the Agreement for default or other just cause with a 30-day written request and upon written approval from the OWRB. The OWRB may terminate the Agreement for default or any other just cause upon a 30-day written notification to the Contractor.

(2) The OWRB may terminate the Agreement immediately, without a 30-day written notice to the Contractor, when violations or breaches are found to be an impediment to the function of the OWRB and detrimental to its cause, when conditions preclude the 30-day notice, or when the OWRB determines that an administrative error occurred prior to contract performance.

(3) If the Agreement is terminated, the OWRB shall be liable only for payment for products and/or services performed and accepted.

b. Termination for Convenience.

(1) The OWRB may terminate the Agreement, in whole or in part, for convenience if the OWRB determines that termination is in the OWRB's best interest. If the Agreement is so terminated, the OWRB shall deliver to the Contractor a Notice of Termination for Convenience specifying the terms and effective date of Agreement termination. The termination date shall be a minimum of 30 days after the date the Notice of Termination for Convenience is issued by the OWRB.

(2) If the Agreement is terminated, the OWRB shall be liable only for products and/or services delivered and accepted, and for costs and expenses (exclusive of profit) reasonably incurred prior to the date upon which the Notice of Termination for Convenience was received by the Contractor.

6. Audit and Records. Contractor agrees that all records of the Contractor relating to Contractor performance under this Agreement shall be subject to examination by the OWRB and the State Auditor and Inspector of the State of Oklahoma. Access to such records and documentation shall be made available during reasonable business hours to any proper representative of the OWRB and State Auditor and Inspector for inspection, copying and audit purposes. The term "records" includes books, documents, accounting procedures and practices, claims, and other data regardless of type whether in written form, computer data, or other form of Contractor relating to this Agreement. Contractor shall maintain accurate records and documentation of all expenditures of time and resources in fulfilling its obligations under this Agreement and shall retain all records relative to this Agreement for a period of time not less than three (3) years following completion and/or termination of this Agreement. If an audit, litigation or other action involving the records is commenced before the end of the foregoing three (3) year period, then the records shall be maintained for three (3) years after the date that all issues arising out of the action are resolved.

7. Key Personnel. The personnel designated for the performance of the services under this Agreement by the Contractor in its proposal shall be the personnel assigned to the performance of this Agreement. Any changes in these key personnel shall be subject to the approval of the OWRB. The OWRB's Aaron Milligan, or other person designated by the Planning and Management Division Chief, shall be the OWRB's principal contact for these services.

Any notice, demand, or request required by or made pursuant to this Agreement shall be deemed properly made if personally delivered in writing or deposited in the United States mail, postage prepaid, to the address specified below.

To Contractor:

Jeremy Rice
Freese and Nichols, Inc.
4200 Skelly Drive
Suite 410
Tulsa, Oklahoma 74135

To OWRB:

Aaron Milligan
Oklahoma Water Resources Board
3800 North Classen Blvd.
Oklahoma City, Oklahoma 73118

Nothing contained in this Section shall be construed to restrict the transmission of routine communications between representatives of Contractor and OWRB.

8. Independent Contractor; Workers Compensation and Other Insurance and Liability Coverage. For all purposes, Contractor is an independent contractor. It is expressly understood and intended that Contractor is not, nor shall be, an employee of the OWRB for any purpose. Contractor is solely responsible for the payment of any required State and Federal income or other taxes, periodic withholding thereof, and all other liabilities including but not limited to the payment of workers compensation insurance, other taxes, Social Security payments and adjustments relating to retirement benefits. Contractor is not authorized to operate any motor vehicle of the State. Contractor shall have the right to control and determine the method and means of performing the services subject of this Agreement; the OWRB shall not have the right to control or determine such method or means. Contractor retains the right to perform services for other parties. Contractor agrees, acknowledges, and warrants that it currently provides for and shall continue to provide for, in full force and effect during the term of this Contract, such insurance and/or liability coverage otherwise as is due, sufficient, and required by law (including 85 O.S. § 1 et seq.) and as may be necessary to meet and satisfy any and all liability for any and all compensable injuries such as may be sustained by Contractor's employees, agents, and representatives during the course of and/or arising out of the performance of any and all acts incidental to the work and services to be or as may be provided and performed by Contractor hereunder. Contractor shall, no later than ten (10) days after request by the OWRB, provide to OWRB an acceptable written certification of insurance coverage as follows:

- a. General Liability Insurance with a bodily injury and property damage combined single limit of not less than \$1,000,000 for each occurrence.
- b. Automobile Liability Insurance with a bodily injury and property damage combined single limit of not less than \$1,000,000 for each occurrence.
- c. Worker's Compensation Insurance in accordance with Oklahoma statutory requirements and Employers' Liability Insurance with limits of not less than \$100,000 for each occurrence.
- d. Professional Liability Insurance with limits of not less than \$1,000,000.00 with prior act endorsement for the insurance to remain in effect for a minimum of two (2) years after OWRB acceptance of the work performance.

9. Assignment. This Agreement is personal in nature and may not be sold, assigned, or otherwise transferred to any other person or entity without the express written approval of the OWRB. Nothing contained in this Section shall prevent Contractor from employing such

independent consultants, associates, and subcontractors as Contractor may deem appropriate to assist Contractor in the performance of the work hereunder.

10. Indemnification. The Contractor hereby agrees to indemnify, hold harmless, and defend the OWRB and the State from all claims and liability arising out of the negligent, intentionally wrongful, or willful acts, errors, or omissions of the Contractor, its agents, and/or employees in performing the work required by this Agreement.

11. Data. All information, data, and analyses gathered, generated, or otherwise prepared by the Contractor during the performance of this Agreement, including, but not limited to: all analyses in whatever form; published reports, articles, and documents of any nature; written, typed, and printed documents; visual aids; computer programs developed for or used in the assignment; and all current computer input and output data; shall become the property of the OWRB and shall be delivered, appropriately indexed, to the OWRB by the Contractor upon demand at any time prior to or after the termination of this Agreement. One or more copies of all documents prepared under this Agreement may be retained by the Contractor, but shall not be used for or supplied to any third party without the written consent of the OWRB.

12. Dispute Resolution Procedure. In the event of a dispute between the Contractor and the OWRB over the interpretation or application of the terms of this Agreement, the matter shall be referred to the OWRB's Planning and Management Division Chief for resolution. If the Division Chief is unable to resolve the dispute, the matter may, in the Division Chief's discretion, be referred to the OWRB's Executive Director for resolution. Regardless of these procedures, neither party shall be precluded from exercising any rights, privileges or opportunities permitted by law to resolve any dispute.

13. Entire Agreement. This Agreement is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or affect whatsoever unless embodied herein in writing or specifically incorporated herein by reference. No subsequent notation, renewal, addition, deletion, or other amendment hereto, except as provided for in Section 4 hereof, shall have any force or effect unless embodied in a written contract duly executed and approved.

14. Agreement Inconsistencies. In the event that any provision of the Scope of Work attached hereto as Exhibit A should be in any way inconsistent or in conflict with the terms and conditions of this Agreement, then the terms and conditions of this Agreement shall control.

15. Severability. If any provision of this Agreement shall for any reason be held to be invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

16. Governing Law; Venue. This Agreement shall be governed by and subject to the laws of the State of Oklahoma. Venue for any action, claim, dispute or litigation relating in any way to the Agreement shall be in the District Court of Oklahoma County, Oklahoma.

17. Compliance with Federal and Other Laws and Requirements. In performance of this Agreement, Contractor shall comply with applicable regulatory requirements including Federal, State, and local laws, rules, regulations, orders, codes, criteria and standards, including but not limited to 44 C.F.R. Part 13 and laws and regulations relating to civil rights, a drug free workplace, and disadvantaged business enterprises.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties on the date(s) shown below.

Freese and Nichols, Inc. (“Contractor”)

Tricia H. Hatley, P.E. Executive Vice President Date

OKLAHOMA WATER RESOURCES BOARD (“OWRB”)

Matt Muller, Chairman Date

ATTEST:

Jennifer Castillo, Secretary

(SEAL)

AGENDA ITEM 3D(2)

AMENDED GRANT AGREEMENT

WITH: Office of Management Enterprise Services

PURPOSE: Amended Grant Agreement with the Office of Management Enterprise Services for administrative services related to the American Rescue Plan Act Grant Funds designated by the Legislature for the Lugert-Altus Irrigation District Project

AMOUNT: Not to exceed \$25,000,000.00

TERM: Through August 31, 2026

GRANT AGREEMENT

(American Rescue Plan Act Grant Funding)

This Grant Agreement ("Agreement") is entered into by and between the Office of Management and Enterprise Services Grants Management Office (OMES) and the non-federal entity listed in the application(s) attached hereto as Exhibit A (Subrecipient), a political subdivision of The State of Oklahoma, (the "State") or non-federal entity located within the territorial boundaries of the State (the "Grantee", hereinafter known as the "Subrecipient") effective on the effective date of the legislation in which the distribution was made by the Legislature. This grant agreement and its language shall supersede and take precedence over any previous grant agreement and its language. In the case of a conflict of terms or agreement between any prior Grant Agreement and this Grant Agreement this document shall take precedence and be the controlling document in regards to those conflicting terms or agreement.

On behalf of the State, the Legislature is the Pass-Through Entity as defined by 2 CFR § 200.1 of a grant made available under the American Rescue Plan Act ("ARPA") from the United States Treasury; Senate Bill xx1, codified as 62 O.S. §255.1 and amending 62 O.S. §2021, Section 34.6 mandates that OMES act as a pass-through entity to administer the funds in a manner determined by the Legislature, and OMES is further required to execute grant agreements by the above listed laws.

The Subrecipient has received an appropriation from the State Recovery Fund for one or more grant applications to be funded from Coronavirus State and Local Fiscal Recovery Funds, each distributed by OMES and attached hereto from time to time in (**Exhibit A**), an "Application" and in reliance on the representations, certifications and warranties made by the Subrecipient or an Applicant acting on behalf of the Subrecipient herein and in the Applications, OMES will provide one or more restricted grants in the Grant Amount of **\$25,000,000.00** as identified in controlling legislation to the Subrecipient on the terms and conditions stated herein;

The Subrecipient will accept the Grant evidenced by each Application, and to thereby become a sub-recipient of the ARPA Grant, on the terms and conditions stated herein. The Subrecipient additionally certifies to the State Fiscal Recovery Fund Program Assurances Issued on June 2, 2021, as identified in (**Exhibit B**).

Therefore, in consideration of the premises and the mutual covenants herein contained, the parties agree and bind themselves as follows:

ARTICLE I-REPRESENTATIONS OF THE SUBRECIPIENT

Recognizing that OMES is relying hereon, the Subrecipient represents, as of the date of this Agreement, as follows:

- A. **Organization; Power, Etc.** The Subrecipient is a political subdivision of the State or a non-federal entity located entirely within the geographic boundaries of the State, and has full legal right and power to authorize, execute, and deliver this Agreement, to receive each Grant, to undertake and implement the use of Grant funds described in each Application and to carry out and consummate all transactions contemplated by the foregoing (including without limitation the recordkeeping and reporting described herein).
- B. **Authority.** The Subrecipient has duly and validly authorized the execution and delivery of this Agreement and has or will have so authorized the execution of each Application, and all approvals, consents, and

other governmental or corporate proceedings necessary for the execution and delivery of the foregoing or required to make this Agreement the legally binding obligation of the Subrecipient that it purports to be, in accordance with its terms, have been obtained or made. The representatives of the Subrecipient executing this Agreement have all necessary power and authority to execute this Agreement and to bind the Subrecipient to the terms and conditions herein.

- C. No Litigation. No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, other than as disclosed to OMES in writing, is pending or, to the knowledge of the authorized representatives of the Subrecipient executing this Agreement, threatened (1) seeking to restrain or enjoin the execution and delivery of this Agreement, or the undertaking of any Project (defined below) or (2) contesting or affecting the validity of this Agreement; and neither the corporate existence of the Subrecipient nor the title to office of any authorized representatives of the Subrecipient executing this Agreement, is being contested.
- D. No Conflicts. The authorization, execution and delivery of this Agreement, and performance by the Subrecipient of each Project and of its obligations under this Agreement, will not constitute a breach of, or a default under, any law, ordinance, resolution, agreement, indenture, or other instrument to which the Subrecipient is a party or by which it or any of its properties is bound.
- E. SAM Registration. Subrecipient is registered with the U.S System for Award Management (SAM) and confirms that the Data Universal Numbering System (DUNS) number or Unique Entity Identifier (UEI) listed in Exhibit A is the correct such number for the Subrecipient as of the date hereof.
- F. Binding Agreement. This Agreement is, or when executed and delivered will be, the legal, valid, and binding obligation of the Subrecipient, enforceable in accordance with its terms, subject only to limitations on enforceability imposed in equity or by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally.
- G. Information Submitted. All information, reports, and other documents and data submitted to the State and its Representatives in connection with this Agreement (including without limitation, the Application(s) and Funding Review Packet attached hereto as of the date of execution and each other Application as well as the Funding Review Packet, if any, to be later attached and made a part hereof pursuant to the terms hereof) were, at the time the same were (or will be) furnished, and are, as of the date hereof (or will be as of the date the same are furnished), true, correct and complete in all material respects.
- H. Ratification. By executing this Agreement, the Subrecipient (i) affirms and ratifies all statements, representations and warranties contained in all written documents that it has submitted to OMES in connection with this Agreement (including, without limitation, this Agreement and the Application(s) attached hereto as Exhibit A as of the date hereof) and (ii) agrees that on each date, if any, that an additional Application is attached hereto and made a part hereof, it will be deemed to have affirmed and ratified all such statements, representations and warranties (including, without limitation, those contained or provided in connection with such additional Application).
- I. Competitive Bidding. All funds received by the Subrecipient herein subject to the property standards found in 2 CFR § 200.310 through 2 CFR § 200.316 if applicable, and the procurement standards found in 2 CFR §200.317 through 2 CFR §200.327. The Subrecipient acknowledges and agrees that these funds must be competitively bid or covered by an exemption as described therein. More information on those requirements can be found on the OMES website found here: <https://oklahoma.gov/omes/services/purchasing.html>.

- i. Subrecipient shall maintain, and supply to the OMES, upon request procurement-related documentation, including but not limited to:
 - i. open solicitations,
 - ii. non-competitive procurement justification memos,
 - iii. cost or price analysis,
 - iv. signed and executed contracts, change orders, purchase orders,
 - v. invoices with supporting materials such as timesheets, usage logs for rented or leased equipment, and proof of receipt of materials, e.g. a bill of lading,
 - vi. where applicable, documentation that substantiates a high degree of contractor or supplier oversight such as daily or weekly logs and records of performance meetings,
 - vii. equipment and supply asset inventory, including disposition.

J. Performance and Financial Monitoring and Reporting. All funds received by the Subrecipient herein are subject to the financial monitoring and reporting requirements found in 2 CFR§ 200.328 to 2 CFR§ 200.330 regarding oversight of information and information collection. An amendment to this Agreement will be provided by OMES at least 30 days prior to any required reporting that identifies required cadence and format for reporting. Subrecipient acknowledges that the receipt of these funds obligates the Subrecipient to provide oversight and information collection on an internal basis as well as to be the subject of external oversight and information collection as described in those regulations.

K. Subrecipient Monitoring and Management. The Subrecipient acknowledges that OMES is acting as a pass-through entity for the ARPA Grant and the Subrecipient agrees to meet the requirements found in Sections 2 CFR §200.331 and §200.332 as a subrecipient as well as aid OMES upon request in its monitoring capacity by providing access to as well as any information requested by OMES for that purpose.

L. Record Retention Requirements. The Subrecipient acknowledges that the funds for the ARPA Grant are subject to the requirements found in Section 2 CFR §200.334 through 2 CFR §200.338 and agrees to the meet the same. Subrecipient is required to maintain and retain records and provide access to such records are required. **Name: Jennifer Castillo, Secretary**

M. Audit Requirements. The Subrecipient acknowledges that the funds for the ARPA Grant are subject to the requirements found in Sections 2 CFR §200.500 through 2 CFR §200.520 and agrees to meet the same. Subrecipient is subject to audit by Federal and State entities and ~~(SEAL)~~ be prepared to perform those responsibilities required for Auditees.

Subrecipient shall maintain and retain its financial records, supporting documents, statistical records, and all other records pertinent to this Subaward for seven (7) years from the date of submission of the Final Expenditures Report, and longer if any litigation, claims, or audit is started before the end of that seven (7) year period; in which case, records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action has been taken.

Subrecipient shall retain all records related to real property until seven (7) years after final disposition of the property.

If the U.S. Department of Treasury requests transfer of any of Subrecipient’s records to it, Subrecipient must collect and transmit all required records to Treasury within the time allowed by Treasury in the request and in the format required in section 2 CFR § 200.336 of the Uniform Guidance.

ARTICLE II-STATE FISCAL RECOVERY PROGRAM ASSURANCES

The Grantee, as a subrecipient (hereinafter “Subrecipient”) further acknowledges and agrees to the additional assurances described below.

A. Subaward Information to collect from Subrecipient for the State Fiscal Recovery Fund “SFRF” reporting

- i. Project Expenditure Category
- ii. Subrecipient Name (must match SAM.gov)
- iii. Subrecipient DUNS or Unique Entity Identifier (UEI)
- iv. Subaward period of performance start and end date
- v. Total amount of federal funds obligated to this Subrecipient in this Agreement
- vi. Description of the purpose of the subaward
- vii. Other data as required by OMES to fulfill its obligations under the most recent version of the Department of Treasury’s State and Local Fiscal Recovery Funds Reporting and Compliance Guidance

B. SFRF Program Assurances

A Subrecipient must attest to the following:

i. Compliance with Federal Requirements

- a. Subrecipient confirms understanding it is a Subrecipient of State Fiscal Recovery Funds, and agree to comply with applicable federal compliance, reporting, and contract requirements, including but not limited to:
 - The American Rescue Plan Act of 2021, P.L. 117-2, March 11, 2021, as amended.
 - US Department of Treasury Final Rule, Coronavirus ~~Name: Jennifer Castillo~~ State and Local Fiscal Recovery Funds, 87 Fed. Reg. 4338, January 27, 2022 and all other applicable federal rules, policies, guidance, procedures, and directives including Reporting and Compliance Guidance, as may be amended.
 - Uniform Guidance (2 CFR Part 200), including Uniform Administrative Requirements, Cost Principles, and Audit Requirements.
 - Notice of Davis Bacon Act Requirements: The federal requirements to report and certify prevailing wage rates under the Davis Bacon Act, 40 USC §3141, et. seq., do not apply to capital projects funded solely with State and Local Fiscal Recovery Funds (SLFRF) provided under the American Rescue Plan Act, except for certain construction projects in the District of Columbia. Thus, recipients of SLFRF funds provided by the State of Oklahoma Grantee for the purposes provided in this Agreement and expended for capital project(s) are not subject to Davis-Bacon requirements, provided that the SLFRF funds are the only funds expended for the capital project(s). Should the capital project(s) funded under this Agreement also receive funding from other state and/or federal sources, then the Davis-Bacon requirements may

apply. Grantee is solely responsible for determining the applicability of and compliance with Davis-Bacon requirements for all capital projects funded under this Agreement.

- b. Subrecipient acknowledges that federal requirements include, but are not limited to:
- All funds expended under this award must be in compliance with the American Rescue Plan Act and applicable US Department of Treasury guidance (as may be amended from time to time).
 - The Subrecipient will be subject to a single audit or program specific audit when the subrecipient expends \$750,000 or more in a fiscal year
 - Subrecipient must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the Subrecipient is managing the award in compliance with Federal statutes, regulations, and the terms and conditions of the award.

ii. Subawards

- a. Subrecipient acknowledges that any subaward issued by it to any additional subrecipients (“secondary subrecipients”) must require the secondary subrecipient or subawardee to comply with all existing federal requirements described in this Agreement and the Subrecipient will be held liable for any mishandling or misuse of these funds by the secondary subrecipient.
- b. The Subrecipient acknowledges this award is subject to 2 CFR§ 200.330 regarding subrecipient monitoring and management, and the subrecipient will be required to conduct a risk assessment and monitor the secondary subrecipient’s compliance with federal requirements. Per 2 CFR § 200, monitoring of any secondary subrecipients will include:
- Reviewing financial and performance reports
 - Following-up and ensuring that the secondary subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to secondary subrecipient from Subrecipient detected through audits, on-site reviews, and other means.
 - Issuing a management decision for audit findings pertaining to the Federal award provided to Subrecipient from secondary Subrecipient as required by 2 CFR.§ 200.521 Management decision.
 - Verifying that secondary Subrecipient is audited as required by 2 CFR Part 200 Subpart F— Audit Requirements when it is expected that Subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 CFR§ 200.501 Audit requirements.

iii. Subrecipient Compliance Monitoring

- a. The Subrecipient agrees to undergo the monthly or quarterly monitoring schedule attached as Exhibit C, the Subrecipient Monitoring Schedule. Monitoring in accordance with (**Exhibit C**) and will provide timely and ongoing assistance and information to OMES to monitor and evaluate compliance with the terms of the award. OMES, at its discretion, may perform periodic fiscal and program monitoring reviews.

- b. The Subrecipient agrees to maintain and make available to the State of Oklahoma and/or US Department of Treasury, upon request, all documents and financial records sufficient to establish compliance with ARPA. Records to support compliance with ARPA may include, but are not limited to, copies of the following:
- General ledger and subsidiary ledgers used to account for (a) the receipt of SFRF payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19;
 - Budget records;
 - Payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
 - Receipts of purchases made related to addressing the public health emergency due to COVID-19;
 - Contracts and subcontracts entered into using SFRF payments and all documents related to such contracts;
 - Grant agreements and grant subaward agreements entered into using SFRF payments and all documents related to such awards;
 - All documentation of reports, audits, and other monitoring of contractors, including subcontractors, grant subrecipients and secondary subrecipients;
 - All documentation supporting the performance outcomes of contracts, subcontracts, grant awards, and grant recipient subawards;
 - All internal and external email/electronic communications related to use of SFRF payments; and
 - All investigative files and inquiry reports involving SFRF payments.

iv. Capital Expenditures

- a. In accordance with Section 35.6 (b)(4) of the Treasury Final Rule, Subrecipients expending \$1 million or more for capital expenditures, under this award in expenditure categories related to response to the COVID-19 public health emergency or its negative economic impacts, must provide the following written justification for the capital expenditure:
- Description of the harm or need to be addressed. Provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Subrecipient may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
 - Explanation of why a capital expenditure is appropriate. For example, Subrecipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
 - Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior. Subrecipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the

expected total cost (including pre-development costs) against at least two alternative capital expenditures.

- Funding for Subrecipients expending \$1 million or more for capital expenditures under this award will not be distributed until the complete written justification for capital expenditure as detailed above is received and approved by OMES.

v. Required Programmatic Data

The Subrecipient agrees to provide the applicable required programmatic data listed within the most recent US Department of Treasury’s State and Local Fiscal Recovery Funds Reporting and Compliance Guidance to the State of Oklahoma. An amendment to this Agreement will be provided by OMES at least 30 days prior to any required reporting that identifies required cadence and format for reporting. For projects over \$10 million in the Water, Sewer, and Broadband expenditure categories, this includes the data elements required for the Project Employment and Local impact Report and Workforce Continuity Plan.

vi. Use of Evidence

- a. For projects in expenditure categories 1 (Public Health), 2 (Negative Economic Impacts), and 3 (Services to Disproportionately Impacted Communities), Subrecipient agrees to report annually to the State of Oklahoma the total dollar amount of funds from the subaward expended on evidence-based interventions, as defined by the US Department of Treasury.
 - This requirement does not apply to projects in the following expenditure categories: 1.1 (COVID-19 vaccination), 1.2 (COVID-19 testing), 1.3 (COVID-19 contact tracing), 1.5 (Personal Protective Equipment), 1.6 (Medical Expenses), 1.7 (Other COVID-19 Public Health Expenses including Communications, Enforcement, Insolation/Quarantine), 1.8 (COVID-19 Assistance to Small Businesses), 1.9 (COVID-19 Assistance to Non Profits), 1.10 (COVID-19 Aid to Impacted Industries), 1.14 (Other Public health Services), 2.5 (Household Assistance: Paid Sick and Medical Leave), 2.8 (Household Assistance: Survivor’s Benefit), 2.21 (Medical Facilities for Disproportionately Impacted Communities), 2.22 (Strong Healthy Communities: Neighborhood Features that Promote Health and Safety), 2.23 (Strong Health Communities: Demolition and Rehabilitation of Properties), 2.24 (Addressing Educational Disparities: Aid to High Poverty Districts), 2.27 (Addressing Impacts of Lost Instructional Time), 2.28 (Contribution to UI Funds), 2.29 (Loans or Grants to Mitigate Financial Hardship), 2.31 (Rehabilitation of Commercial Properties or Other Improvements), 2.34 (Assistance to Impacted Nonprofit Organizations Impacted or Disproportionately Impacted), 2.35 (Aid to Tourism, Travel, or Hospitality), 2.36 (Aid to Other Impacted Industries)
 - The Subrecipient is exempt from reporting on evidence-based interventions if the State of Oklahoma conducts a program evaluation.

vii. Additional Assurances

- a. The Subrecipient acknowledges that if the Subrecipient expends more than \$750,000 in Federal awards during their fiscal year, the Subrecipient will be subject to audit under the federal Single Audit Act Amendments of 1996, Pub. L. No. 104-156, (July 5, 1996). The Subrecipient will inform the State of Oklahoma that a Single Audit will be required for the prior fiscal year and each fiscal year which will be covered pursuant to this Agreement.

- b. The Subrecipient acknowledges that all funds must be expended by December 31, 2026, and the balance of unspent funds must be returned to the State of Oklahoma.
- c. Upon identification of unallowable costs or misuse of funds, the Subrecipient is entitled to present a written application for appeal of that decision by OMES. Upon receipt of such an application, the OMES Grants Management Office will provide the Subrecipient an opportunity for a hearing on such application, pursuant to 2 CFR §200.342. OMES will invite legislative budget negotiators to the hearing. Subsequent to that hearing OMES will issue a letter approving or denying the application for appeal. If it is still determined that unallowable costs or misuse of funds did occur, corrective action will take place in accordance with OMES policies and procedures, which will be promulgated as rules/and or be made publicly available on OMES' website before any final decision has been rendered. The Subrecipient acknowledges that if the US Department of Treasury recoups funds from the State of Oklahoma based on a determination that these award funds were used in a manner not in compliance with ARPA, the Subrecipient agrees that the State of Oklahoma may recover funds from the subrecipient within twelve (12) months, including by means of the appropriations process controlled by the Oklahoma Legislature.
- d. The Subrecipient agrees to retain records and supporting documentation, including records pertinent to the compliance of all subcontractors or secondary subrecipients paid from funds under this agreement, for a period of five years after all funds have been expended or returned to US Department of Treasury, whichever is later.

ARTICLE III—THE GRANT

Grant Amount. OMES agrees to make, and the Subrecipient agrees to accept, on the terms and conditions stated in this Agreement, one or more Grants, in the Grant Amount(s) specified on the Application(s) attached as Exhibit A hereto. From and after the date hereof, OMES may agree to make and the Subrecipient may agree to accept, on the terms and conditions stated herein, additional Grants pursuant to additional Applications in the Grant Amount stated in each such Application; in such event, such additional Applications will be attached hereto on Exhibit A and shall become a part of this Agreement.

Grant Purpose. Each Grant is being made solely to finance the project described in the applicable Application (each, a "Project").

Grant Distribution. The Subrecipient and OMES agree that the funds will be distributed in accordance with the Subrecipient Funding Disbursement Policies (**Exhibit D**).

Grant Expenditure Schedule. The Grant will not pay any costs other than those obligated during the period from March 3, 2021 to December 31, 2024 (subject to extension in the sole discretion of OMES). All Grant proceeds that remain unexpended the sooner of thirty (30) months after the appropriation date or as of October 2, 2026 (or such later date to which OMES shall extend such deadline, in its sole discretion) shall be returned to OMES promptly (and in any event within ten (10) business days thereafter).

Executed Grant Agreement. OMES shall receive a duly executed original of this Agreement.

Expiration of Offer. The grant Agreement offer will terminate in the event that performance is not rendered in accordance with the grant expenditure schedule discussed in the above paragraph titled "Grant Expenditure Schedule".

Additional Funding. The Subrecipient shall ensure that adequate funding is in place to complete each Project. In the event that any Grant, alone, is for any reason insufficient to complete the applicable

Project, the Subrecipient will obtain or make available and apply other funds (including without limitation, by incurring loans or obtaining other grants) in an aggregate amount necessary to ensure completion of each such Project. Any additional funding may have separate terms and restrictions that do not override these obligations.

Recoupment of Costs. Subrecipient shall be responsible for, and hereby agrees to promptly pay or reimburse OMES for all costs incurred by OMES, its employees, officers, and agents (including without limitation, attorneys' fees) related to or arising out of such recoupment, including without limitation costs of any related investigation, audit and/or collection efforts, provided that sufficient legislative appropriations exist to pay said costs and provided that the costs are substantiated by supporting documentation.

ARTICLE IV – REMEDIES FOR NON-COMPLIANCE

OMES in its sole and absolute discretion of Subrecipient non-compliance, may impose additional conditions for compliance as described in 2 CFR §200.208. If OMES determines that noncompliance cannot be remedied by imposing additional conditions, OMES may take one or more of the following appropriate actions, in accordance with 2 CFR§ 200.339:

- a. Temporarily withhold cash payments pending correction of the deficiency by the Subrecipient or more severe enforcement action.
- b. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- c. Wholly or partly suspend or terminate the grant.
- d. Recommend a proceeding be initiated with the US Department of Treasury for suspension or debarment in accordance with 2 CFR part 180.
- e. Take other remedies that may be legally available.

Notice of Remedy. OMES shall provide the Subrecipient and the Passthrough entity with written notice of required remedy(ies), setting forth the reason(s) for remedy(ies).

ARTICLE V -AMENDMENT

This Agreement sets out the entire agreement between OMES and the Subrecipient. It replaces all previous agreements, understandings and representations between the parties, whether oral or in writing. After execution of the Agreement by both OMES and the Subrecipient, any additional appropriation of ARPA Federal Recovery Funds made by the Oklahoma legislature to the Subrecipient for new or expanded projects, programs or services shall be added to and governed under this Agreement in the same manner as the initial appropriation referenced herein, and as described in (**Exhibit E**). Exhibit E shall be appended to this Agreement and shall consist of an amendment signed and dated by both parties identifying the amount of the additional appropriation, a description of the new or expanded projects, programs and services, and a copy of the legislation, as enacted, making the appropriation. The Subrecipient shall also append any application that gave rise to each additional appropriation to Exhibit A in the same manner as the initial Application(s).

Any other amendment to this Agreement shall only be valid if it is in writing and signed by an authorized representative of both parties.

OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES FOR THE STATE OF OKLAHOMA

By: _____

Name: _____

Title: _____

Organization: _____

Date: _____

SUBRECIPIENT AGENCY OR NON-FEDERAL ENTITY

By: _____

Name: Matt Muller, Chairman

Title: Chairman

Organization: Oklahoma Water Resources Board

Date: _____

ATTEST

By: _____
Jennifer Castillo, Secretary

(Seal)

EXHIBIT A “APPLICATION AND COMPLETED FUNDING REVIEW PACKET”

Attachment A1: Lugert-Altus Irrigation District Funding Review Packet

EXHIBIT B STATE FISCAL RECOVERY FUND PROGRAM ASSURANCES ISSUED ON 6/2/2021

Effective June 2, 2021, State Fiscal Recovery Fund (SFR) recipients are required to include the below list of assurances in their SFR program applications and/or awards. Agencies and departments can add to these assurances, but please do not alter or remove any of the listed assurances.

Unless noted otherwise, these assurances apply to all SFR grant/beneficiary programs.

An authorized signatory of Subrecipient must attest to the following by checking the box next to the statement and signing this document.

- 1. I have the authority to request payment from the State of Oklahoma. I am requesting payment for costs incurred in connection with section 602 of the Social Security Act, as amended by section 9901 of the American Rescue Plan Act, Public Law No. 117-2 (March 11, 2021) (“section 602”).
- 2. As required by federal law, the SFR will only be used for approved economic support or costs incurred during the period that begins on March 3, 2021 and December 31, 2024, in response to the COVID-19 public health emergency and its negative economic impacts.
- 3. Subrecipient will report on incurred expenses and/or losses, in a form and at a frequency prescribed by the State of Oklahoma and will cooperate with the State of Oklahoma in creating and retaining appropriate documentation to demonstrate that the proposed uses meet the requirements of section 602.
- 4. To the extent that actual expenditures or demonstrated need is less than the total award amount, Subrecipient agrees to return the balance of unspent funds to the State of Oklahoma. If the United States Department of the Treasury recoups funds from the State of Oklahoma based on a determination that these award funds were used in a manner not in compliance with section 602, Subrecipient agrees that the State of Oklahoma may recover funds from Subrecipient by reducing future funding in State budgets.
- 5. Subrecipient must repay the award or portion of the award to OMES if: any funds received were issued in error; are based on incorrect representations made to OMES; or any costs forming the basis of an award under this program have been or will be covered by other federal grants or awards or federally forgiven loans received by Subrecipient. I agree that the final determination of whether there has been a duplication of benefits and the amount to be repaid, if any, will be made by OMES.
- 6. *[Applies only to grants to subrecipients¹]* Subrecipient has applied for FEMA-Public Assistance funding first for all FEMA-eligible expenses before applying to this grant. Subrecipient will only use this grant to cover expenses that are not eligible for FEMA-Public Assistance reimbursement.
- 7. Subrecipient shall maintain and make available to the State of Oklahoma and/or United States Department of the Treasury, upon request, all documents and financial records sufficient to establish compliance with section 602. Records and supporting documentation must be maintained for a period of five years after all funds have been expended or returned to Treasury, whichever is later. Records to support compliance with subsection 602 may include, but are not limited to, copies of the following:

¹ For assistance in determining whether the relationship between the State, and the entity receiving the funds from the State, is a subrecipient relationship, please complete the Federal Award Classification Checklist. CFO written approval is required to classify any entities as “beneficiaries” of COVID-19 relief funding.

- a. General ledger and subsidiary ledgers used to account for (a) the receipt of SFR payments and (b) the disbursements from such payments to meet eligible expenses related to the public health emergency due to COVID-19;
 - b. Budget records;
 - c. Payroll, time records, human resource records to support costs incurred for payroll expenses related to addressing the public health emergency due to COVID-19;
 - d. Receipts of purchases made related to addressing the public health emergency due to COVID-19;
 - e. Contracts and subcontracts entered into using SFR payments and all documents related to such contracts;
 - f. Grant agreements and grant subaward agreements entered into using SFR payments and all documents related to such awards;
 - g. All documentation of reports, audits, and other monitoring of contractors, including subcontractors, and grant recipient and subrecipients;
 - h. All documentation supporting the performance outcomes of contracts, subcontracts, grant awards, and grant recipient subawards;
 - i. All internal and external email/electronic communications related to use of SFR payments; and
 - j. All investigative files and inquiry reports involving SFR payments.
8. To the best of my knowledge, neither Subrecipient nor Subrecipient's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.
9. *[Applies only to subrecipient relationships¹]* Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Oklahoma whether a Single Audit is required for the prior fiscal year. If a Single Audit is required, Subrecipient will submit a copy of the audit report to the State of Oklahoma within 9 months. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F.
10. Subrecipient will submit reports as required by the State of Oklahoma, Agency of Administration, and/or Office.
11. OMES may share the information on this federal award with other Oklahoma state agencies, and other Oklahoma agencies can share information with Office for the purpose of verifying Subrecipient's eligibility for this or another award or stimulus payment related to the COVID-19 pandemic.
12. Subrecipient authorizes the State of Oklahoma to share data relevant to this award with the U.S. Department of Treasury, including but not limited to previously submitted W-9 data that is related to this award.
13. All of Subrecipient's tax returns are completed and filed through the date of application filing.
14. Subrecipient complies with local, state, and federal labor laws.

- 15. Subrecipient is in good standing with the Oklahoma Secretary of State.
- 16. *[Applies only to hazard grants]* Please certify the following:
 - a. Subrecipient has established a process to permit eligible employees to elect not to receive hazard pay funded by a grant provided pursuant to the Program and record keeping procedures to track which employees have elected not to receive a grant.
 - b. Subrecipient acknowledges and agrees that grant funds received for hazard pay will only be used to cover hazard pay for eligible employees in accordance with section 602.
- 17. *[Applies to economic support programs]* Subrecipient, its secondary subrecipient, or its grant beneficiaries has faced economic harm resulting from or exacerbated by the COVID-19 public health emergency. This award will support Subrecipient in addressing the economic harm brought on by the COVID-19 public health emergency.
- 18. I attest, under penalty of perjury, that all information provided on this form is true and accurate. I understand that the State of Oklahoma will rely on this certification as a material representation in making this federal award. Further, I understand that intentional misrepresentation of information is fraud and may subject me or my organization to disqualification from receiving further benefits, administrative penalties, and criminal prosecution.
- 19. Subrecipient understands that, if Federal guidance on the regulations of the State Fiscal Recovery Fund change, it may change the terms of this award.

By (signature): _____

ATTEST:

Name (print): Matt Muller

By: _____

Name: Jennifer Castillo, Secretary

Title: Matt Muller, Chairman

(SEAL)

Organization: Oklahoma Water Resources Board

Date: _____

EXHIBIT C SUBRECIPIENT MONITORING SCHEDULE

Quarterly Project and Expenditure Report Timeline

Report	Year	Quarter	Period Covered	Due Date
1	2021	2-4	March 3-December 31	1/10/22
2	2022	1	January 1 - March 31	4/10/22
3	2022	2	April 1 - June 30	7/10/22
4	2022	3	July 1 - September 30	10/10/22
5	2022	4	October 1 - December 31	1/10/23
6	2023	1	January 1 - March 31	4/10/23
7	2023	2	April 1 - June 30	7/10/23
8	2023	3	July 1 - September 30	10/10/23
9	2023	4	October 1 - December 31	1/10/24
10	2024	1	January 1 - March 31	4/10/24
11	2024	2	April 1 - June 30	7/10/24
12	2024	3	July 1 - September 30	10/10/24
13	2024	4	October 1 - December 31	1/10/25
14	2025	1	January 1 - March 31	4/10/25
15	2025	2	April 1 - June 30	7/10/25
16	2025	3	July 1 - September 30	10/10/25
17	2025	4	October 1 - December 31	1/10/26
18	2026	1	January 1 - March 31	4/10/26
19	2026	2	April 1 - June 30	7/10/26
20	2026	3	July 1 - September 30	10/10/26
21	2026	4	October 1 - December 31	1/10/27

EXHIBIT D FUNDING DISBURSEMENT POLICIES

Subrecipient Funding Disbursement Controlled Advance Grant Policy

Overview

Subrecipients who, based on a risk assessment, demonstrate that they maintain written procedures for minimizing time lapse between transfer of funds and distribution, and have a financial management system that meets standards for fund control and accountability, will be eligible to have funding disbursed as advance payment. Advance payments will take place on a pre-payment basis, pursuant to a draw schedule determined by OMES and the Subrecipient, and after the receipt of a budget of forecasts and expenditures that may include itemized invoices and/or such additional supporting documentation detailing each proposed expenditure. Draw requests are available to the Subrecipient for advanced funding in thirty (30) day increments up to ninety (90) days for Subrecipients with a Low Moderate risk rating and increments up to one-hundred and twenty (120) days for Subrecipients with a Low risk rating. Subsequent draw requests can be made once every thirty (30) days.

Controlled Advance Grant Process

Draw Schedule

- An Authorized Officer of the Subrecipient may submit a proposed draw schedule to OMES. Subrecipients should work to minimize the time between the transfer of funds and the expenditure of such funds.
 - Timing of draw schedule:
 - Subrecipients should ensure the draw schedule is limited to the minimum amount needed for the time frame requested. The draw schedule must align as closely as possible with the actual expenditure of funds.
 - Except in emergency cases, no more than one draw per month will be allowed.
 - Subrecipients may not draw funds on the end date of a U.S. Treasury reporting period.
 - If a Subrecipient determines that circumstances necessitate a change to the draw schedule, an Authorized Officer of the Subrecipient shall notify OMES in writing of such circumstances and provide a new draw schedule and supporting documentation for review and approval by OMES.
 - Administrative Expenses
 - Upon written request to the Office of Grants Management, Subrecipients eligible for advance payments may request an advance of, in thirty (30) day increments, up to twelve (12) months of the administrative expenses provided for in legislation associated with a particular appropriation, without duplication of any other amounts requested in the draw schedule. Subsequent administrative expense requests may be made within thirty (30) days of the end of the last period requested by Subrecipient for the lesser of

the remaining amount of administrative expenses provided for in legislation or up to twelve (12) months of administrative expenses.

- OMES will review proposed draw schedule for compliance with state and federal laws, rules, and policy. If approved, OMES will transfer advance payments based on the draw schedule, pending review and approval of documentation discussed below for each individual draw.

Documentation for Individual Draws

- Prior to approval of an individual draw, a Subrecipient is to submit to OMES a budget of forecast expenditures and any available detailed documentation for proposed expenditures, including copies of quotes or estimates for service providers, unpaid itemized invoices for proposed purchases, Purchase Orders, executed contracts or subaward agreements, or similar documents indicating upcoming receipt of items or services. For salaries, OMES will consider an Offer Letter as documentation, multiplying the salary by a standard benefit percentage unless the subrecipient is able to provide more detailed information. Subrecipients will also submit proof of competitive bidding and document consideration of small, minority-, women- and US-owned companies, where required.
- An advance payment will not be disbursed unless the entire amount proposed is documented as described above.
- If proposed expenditures changed after the transfer of advance funds, the Subrecipient must highlight those changes and document in the Subrecipient's next financial report.

Additional Considerations

- Subrecipient will be required to submit Invoices, Purchase Orders, Payroll reports from the payroll system of record, and Bills of Lading to OMES on a quarterly basis for monitoring and eligibility review. If OMES finds that purchases made with advanced payments were non-compliant with the Grant Agreement, a dispute process may be initiated, and OMES may take action including withholding or delaying future payments of funds, rescission of the Grant Agreement, modification of funding disbursement methodology, reduction of grant award, and payback of funds to OMES.
- The Controlled Advance Grant disbursement is contingent on the continued compliance of the Subrecipient with all its financial and programmatic compliance and reporting duties. Failures or deficiencies in these activities can result in several punitive measures in response, including withholding funds, requiring more frequent reporting, terminating further funding and requesting the return of moneys transferred back to OMES.
- If the Subrecipient submits request for Controlled Advance Grant disbursement, and OMES has insufficient funds remaining from the project appropriation, the Subrecipient will obtain or make available and apply other funds necessary to ensure the completion of the project and payment to vendors or subgrantees.

Subrecipient Funding Disbursement Post-Payment Reimbursement Policy

Overview

Subrecipients may elect to receive funding on a reimbursement basis at their own request. Additionally, subrecipients who, based on a risk assessment, do not maintain written procedures for minimizing time lapse between transfer of funds and distribution and do not have a financial management system that meets standards for fund control and accountability, will be paid on a reimbursement basis. If a Subrecipient does not have the operating capital to operate on a reimbursement basis, the Subrecipient may request a cash advance in accordance with the **Working Capital Policy**.

Post-Payment Reimbursement

- Subrecipients who provide a written election or Subrecipients who are unable to maintain written procedures for minimizing time lapse between transfer of funds and distribution and do not have a financial management system that meet standards for fund control and accountability, will be paid on a post-payment reimbursement basis.
- To receive post-payment reimbursement, the subrecipient will submit documentation showing proof of payment for expenditures, copies of invoices for purchases, and proof of receipt of goods including bills of lading. OMES will review documentation to determine compliance with the grant, and if approved, OMES will make the payment to the Subrecipient. Subrecipients will also submit proof of competitive bidding and document consideration of small, minority-, women- and US-owned companies, where required.
- If OMES finds that the purchases were non-compliant with the grant in accordance with the Grant Agreement, then the expenditure will be deemed non-compliant. If the non-compliance is not remedied via corrective action, OMES may withhold all or a portion of the payment.
- If OMES discovers that purchases were non-compliant with the Grant Agreement subsequent to a payment being reimbursed, OMES may seek to take action to offset non-compliant amount against future payments, or initiate other corrective actions including the withholding or delay of additional funding, rescission of the agreement, reduction of grant award, and payback of funds to OMES.
- If OMES initiates any of the corrective measures above, then the Subrecipient may initiate dispute resolution for recovery of funds and OMES may take action including the withholding or delay of additional funding, rescission of the agreement, reduction of grant award, and payback of funds to OMES.

Additional Considerations

- If a Subrecipient does not have sufficient operating capital to operate the project on a reimbursement basis, OMES may provide a cash advance in accordance with the **Working**

Capital Policy. This cash advance would then position the Subrecipient to pay for expenditures with funds from the cash advance and seek reimbursement from OMES.

- Reimbursement is contingent on the continued compliance of the Subrecipient with all its financial and programmatic compliance and reporting duties. Failures or deficiencies in these activities can result in several punitive measures in response, including withholding funds, requiring more frequent reporting, terminating further funding and requesting the return of moneys transferred for expenditures deemed to be non-compliant with the grant or the terms of the Grant Agreement back to OMES.
- If the Subrecipient submits a request for reimbursement, and OMES has insufficient funds remaining from the project appropriation, the Subrecipient will obtain or make available and apply other funds necessary to ensure the completion of the project and payment to vendors or subgrantees.

Subrecipient Funding Disbursement Working Capital Policy

Overview

Subrecipients who do not qualify for advance payment and do not have sufficient working capital to operate the project on a reimbursement basis are eligible to receive a working capital advance. Once the working capital advance is made, the Subrecipient will convert their funding disbursement method into a reimbursement-based process, in accordance with the **Post-Payment Reimbursement Policy**; provided, however, that a Subrecipient may amend a working capital request amount as anticipated working capital needs change.

Working Capital Advance Process

- Subrecipients are eligible for a working capital advance if they do not qualify for advance payment and do not have the operating capital to conduct the project on a reimbursement basis initially. To be considered for a working capital advance, the Subrecipient must submit a written request to OMES (*see “Required Documentation” below*).
- The available working capital amount will be determined by the risk category of the Subrecipient.
 - Subrecipients that qualify as high risk subrecipients will be eligible for an advance of sixty (60) days of projected project expenditures.
 - Subrecipients that qualify as moderate risk will be eligible for an advance of ninety (90) days of projected project expenditures.
 - Subrecipients, regardless of their risk ranking, are eligible to receive an incremental advance up to twenty-five percent (25%) of the administrative allowance provided for in legislation associated with a particular appropriation, without duplication of any projected project expenditures.
- Working capital advances can be made upon OMES’s receipt of (i) documentation satisfactory to OMES detailing that the funds are expected to be expended within the applicable timeframe based on the Subrecipient’s risk category and (ii) a written request from an Authorized Officer of the Subrecipient (*see “Required Documentation” below*).
- Once the working capital advance is made, the Subrecipient will then operate on a reimbursement-based process, in accordance with the **Post-Payment Reimbursement Policy**.
- Should a subrecipient need to adjust its working capital amount, an Authorized Officer of the Subrecipient shall provide updated Required Documentation supporting the adjusted request for review by OMES.

Required Documentation:

- OMES will consider the following required documentation as support for projected project expenditures:
 - Purchase orders, unpaid invoices, estimates, quotes, executed contracts, subgrant agreements, or similar agreements as such documentation.
 - Subrecipients may also provide a budget containing forecasted project expenditures as required documentation in a form acceptable to OMES.
- All documentation must be provided to OMES by an Authorized Officer of the Subrecipient.

Additional Considerations

- The working capital advance payment is contingent on the continued compliance of the Subrecipient with all its financial and programmatic compliance and reporting duties, as required in the Grant Agreement. Failures or deficiencies in these activities can result corrective actions, including the elimination of the Subrecipient’s ability to be eligible for working capital.

By: _____

Name: Jennifer Castillo, Secretary

(SEAL)



OKLAHOMA

ATTACHMENT A1

AMERICAN RESCUE PLAN ACT



State of Oklahoma

ARPA State & Local Fiscal Recovery Funds (SLFRF) Project Funding Review

By: _____

Name: Jennifer Casillo, Secretary

(SEAL)

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Summary

This Funding Review Template is sent to the Oklahoma ARPA project applicant prior to consideration by a Working Group of the Joint Committee on Pandemic Relief Funding. The Template includes the information collected through the project intake workflow and collects further information necessary for Working Group, Joint Committee, Steering Committee and Governor consideration and review.

SLFRF Resources

- Final Rule (FR) ([link](#))
- Overview of Final Rule ([link](#))
- Frequently Asked Questions ([link](#))
- Compliance and Reporting Guidance (February 22, 2022) ([link](#))

Project Overview

Project Name: **Lugert-Altus Irrigation District**

Organization Name: *Oklahoma Water Resources Board*

Primary Contact

Name: Julie Cunningham
 Email: julie.cunningham@owrb.ok.gov
 Phone: 405-530-8800

Project Lawyer

Name: Sara Gibson
 Email: sara.gibson@owrb.ok.gov
 Phone: 405-530-8800

Project Cost: \$25,000,000

Project Cost Breakdown: *The submitter must complete the template below. An incomplete project cost breakdown or a breakdown provided in a different format may result in delays in project review. The goal of the budget is to provide a clear and concise description of the expenses requested to support the activities in your application. A successful budget will show what each expense is, how much it costs, and the calculation used to get that amount.*

By: Jennifer Castillo, Secretary
 (S)

Proposed Project Cost Breakdown		
Total Requested Amount	\$ 25,000,000	Total of all below sections
Personnel	\$ 1,000,000	Details
<i>Example: Program Coordinator</i>	<i>Example: \$35.00/hour x 4 hours/day x 5 days/month x 12 months = \$8,400.</i>	<i>Example: The coordinator will be responsible for programmatic needs, reporting and evaluating the program</i>
Administration for Programs	Up to \$1,000,000.00	Up to 4% requested for the administration of ARPA grant programs for LAID project. 4% is the standard in the SRF programs for administration. Administration of the programs will include communications and coordination with LAID, grant agreements, award, review and approval of technical documents, project construction inspection, compliance oversight and reporting. Amount

State of Oklahoma
 ARPA SLFRF Project Funding Review
Lugert-Altus Irrigation District Project

		charged for personnel will not to exceed this amount.
Services	\$ 24,000,000	Details
<i>Example: Substance Use Services</i>	<i>Example: \$150,000</i>	<i>Example: Funds will be used to provide evidence-based outpatient treatment to 40 clients during the grant period</i>
Grant to LAID for modernizing LAID current infrastructure to maximize water efficiency.	\$ 24,000,000	Costs include planning, design, acquisition and construction costs. Main goal is water savings.

Other funding identified by applicant (non-SLFRF, matching funds, SLFRF from other sources, private, etc.):

Local funds from the district have totaled \$2.75 million on water conservation projects to date.

The district has also secured a WaterSMART grant from the Federal Bureau of Reclamation (BOR).

What goods or services will you need to complete this project?

For OWRB, there is a potential need for contracting out some of the oversight of the programs, but those costs would be included in the administration of the program. Examples for contracting out could include but not be limited to engineering construction oversight, reporting and ranking, or IT related expenses. However, we anticipate doing most of the oversight in house.

Have you identified competitive bidding procedures to be utilized to procure the necessary goods or services?

Yes, we are aware of the requirement of 2 CFR 200 for federal procurement requirements of the program.

Project Timeline (all projects must expend funds before December 31, 2026) identifying anticipated start date, completion date, and any milestone date goals

OWRB would anticipate having the program controls, structure, etc. by Fall 2022 to award the grant to LAID with construction beginning around winter/spring 2023. All funds will be expended by Dec. 30, 2026 at the latest.

How many Oklahomans will benefit from this project?

See project funding template submitted by LAID

What is the potential return on investment for this project?

See project funding template submitted by LAID

Project Description to include impact of COVID-19, intended impact of project, and general description of services

[See project funding template submitted by LAID](#)

Reporting and Planning

Which Expenditure Category should this project be reported under? (See Appendix A)

[5.8 Clean Water: Water Conservation](#)

JC
JC

Initial here to confirm that you understand you will be a subrecipient and required to comply with federal compliance, reporting, and contract requirements, including the Uniform Guidance (2 CFR Part 200). Among other requirements of the Uniform Guidance, you are confirming that you have:

- A financial management system capable of separately tracking individual Federal programs, and providing accurate, current, and complete information
- Written procedures regarding compensation and benefits, procurement (including a conflict-of-interest policy), and allowability of costs
- Established and will maintain effective internal controls over each Federal award to provide reasonable assurance that such awards are managed in compliance with Federal statutes, regulations, and the terms and conditions of the award

JC
JC

Initial here to confirm understanding that subrecipients expending more than \$750,000 total in Federal funds during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements.

Does your organization plan to expend \$750,000 or more in Federal funding in a single fiscal year when accounting for this request and any other federal awards you receive?

[Yes](#)

What are the performance indicators (inputs, outputs, and outcomes) that this project will track to capture impact?

[See project funding template submitted by LAID](#)

Please provide an outline/brief summary of your performance management plan. A complete performance management plan will be required after grant agreement execution. [OWRB has financial controls, technical expertise, and processes in place to administer federal programs, oversee construction, and audit projects. The board has approved 2,409 projects for nearly \\$5.5 billion, spanning over thirty years, with documented, longstanding AAA bond ratings on multiple issuances, and consistently clean annual program audit reviews from independent auditors and EPA \(available upon request\). Project performance is ultimately measured by successful construction and regulatory approval. The OWRB will oversee, facilitate, and document information on project management, pre-construction approvals by various regulatory agencies, bidding and](#)

contracting, site inspections, invoice compliance review, financial controls and project close out. Grant agreements with awardees will also be in place to help ensure compliance with requirements.

Please provide an outline/brief summary of your community engagement or outreach plan. A complete community engagement/outreach plan will be required after grant agreement execution.

See project funding template submitted by LAID

Please explain how non-English speaking constituents will be able to benefit from this program. Note that more documentation may be required around this after grant agreement execution.

OWRB has adopted a "Discrimination and Federal Funding Policy" to ensure that OWRB or any sub-recipient of funding must comply with civil rights laws and regulations. The policy can be found on OWRB's website at https://www.owrb.ok.gov/about/about_pdf/discriminationpolicy.pdf

Capital Expenditure Requirements

Definitions: Per the Uniform Guidance, the term "capital expenditures" means "expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life." Equipment with a useful life of more than one year and a per-unit acquisition cost greater or equal to \$5,000 is considered a capital expenditure.

Does your project include a capital expenditure? If yes, is the total capital expenditure greater than \$1 million?

Yes

Do you or your team have prior experience in administering capital expenditure projects? If yes, briefly describe your years of experience. Please list details on project scope and size, as well as any relevant experience in handling capital expenditure projects.

OWRB has been administering grant and loan programs with both state and federal funding since the 80's to address water/sewer infrastructure projects.

JC

JC Initial here to confirm that you have reviewed and understand provisions of the US Treasury Final Rule regarding the use of State and Local Recovery Funds for capital expenditure, including the requirement to complete a written justification, including an alternatives analysis for capital expenditures of more than \$1 million in SLRF funds. See 87 Fed. Reg. 4450, Sec. 35.6(b)(3)(ii)(E)(4)(January 27, 2022) (summary: Appendix B)

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JC Initial here to confirm that you agree to complete and meet the substantive requirements of a written justification for capital expenditure projects, where capital expenditures are greater than \$1million.

JC Initial here to confirm that you have read and understand fully the real property provisions, laid out under 2 CFR 200, specifically, 2 CFR 200.310 – 2 CFR 200.316 and 2 CFR 200.330.

JC Initial here to confirm that you have undertaken due diligence to ensure that the project will comply with all applicable federal and state laws, and including, but not limited to, environmental, siting and permitting laws and regulations.

JC Initial here to confirm you would be able to provide information regarding required programmatic data upon request (pg. 23-28, US Treasury State and Local Fiscal Recovery Funds Compliance and Reporting Guidance version 3.0)

JC Risk Assessment

JC Initial here to confirm your understanding that 2 CFR Part 200.206 requires the State to perform a risk assessment of applicants focusing on items such as financial stability, management systems and standards, history of performance, audit reports and findings, and ability to implement programs.

JC Initial here to confirm your understanding that 2 CFR Part 200.206 requires any subrecipient that subgrants State and Local Recovery Funds provided by the State of Oklahoma for this project to its own subrecipients to perform a risk assessment of those potential subrecipients for financial stability, management systems and standards, history of performance, audit reports and findings, and ability to implement programs.

Will you be administering the project? If so, describe your prior experience administering federal or state grants. How many years of experience do you have? If not, who will be administering and what is their prior experience?

Yes, Over 30 years experience administering State Revolving Funds capitalization grant, STAG Grant Program and American Recovery & Reinvestment Act funding (2009) to subsidize water/sewer loan programs; Over 25 years experience administering the Rural Economic Action Plan (REAP) program for water/sewer infrastructure, Emergency Grant, and various drought assistance grants.

What administrative costs do you expect to incur from the funds requested? (Expressed as a percentage or an amount). Does your organization have a Negotiated Indirect Costs Rate Agreement (NICRA) established with a federal agency?

4%; Yes, OWRB has a Negotiated Indirect Cost Agreement with EPA.

Have you successfully completed a similar project in the past?

If yes, how many years of experience do you have in completing projects similar in scope and size?

Yes, over 30 years experience

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Has your organization or entity been administratively responsible for expending, monitoring and compliance reporting for other pandemic relief funds?

If yes, how much funding was received by your organization or entity?

Yes, \$67,431.14 was our reimbursement for Covid-19 related expenditures.

Does your organization receive other Federal Funding?

If yes, please describe the type of funding (i.e., federal agency grant source, specific grant description etc.). How many years of experience does your organization have with other Federal funding and the corresponding federal grant requirements, including the Uniform Guidance.

Yes; See above. OWRB has received the EPA CWSRF capitalization grant since it was established over 30 years, the EPA Sewer Overflow and Stormwater Reuse Municipal Grant (our first year), the FEMA High Hazard Potential Dam Grant since it was established in 2019.

Is your proposal a pre-existing project or program?

If yes, how much funding has already been committed to the project? Please describe any other assets that have been committed to the project.

Yes, See project funding template submitted by LAID.

Does your organization have a record retention policy, procedure, and/or system to comply with the federal requirement to retain records for 5 years? If yes, please describe. If no, how do you plan to develop a record retention policy, procedure, and/or system?

Yes, The State's Consolidated General Records Disposition Schedule requires agencies, boards, commissions, and institutions whose programs are funded all or in part by federal funds shall retain all records in accordance with applicable records keeping requirements. OWRB has an electronic filing database where records are maintained indefinitely.

Is your organization registered in SAM.gov? If yes, please provide the DUNS and unique entity identifier (UEI). Please note that registration in SAM.gov is required prior to the execution of the grant agreement.

Yes, DUNS 0056213700000; UEI: E5KGD1NYA1S5

Monitoring & Internal Controls

Has your organization ever been subject to an audit or state or federal monitoring in the last three years? If yes, describe and provide reports.

Yes, the OWRB's CWSRF, DWSRF and FAP loan programs and administrative accounts undergo annual audits, including a single audit. Also, the SRF programs undergo an annual evaluation of the programs by EPA. The audits are contained on our website at <https://www.owrb.ok.gov/audit/>

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Describe all of the internal controls that will be used to ensure use of funds is consistent with State and Local Fiscal Recovery Funds regulations. (e.g., written policies and procedures, standard of conduct, etc.)

OWRB will develop Standard Operating Procedures (SOP's) and a grant recipient packet to ensure the recipient complies with the regulations of SLFR.

Does your organization utilize a financial management system? Would that same system be used to monitor/ track/ report projects financial compliance? If yes, please describe your accounting software and financial management system.

Yes, Our accounting software is a proprietary system, Infrastructure Financing Software (IFS), and has the capability to assign unique identifiers, track and account for different sources of funding, and create reports on the project level or funding source level.

Will this project distribute sub-grants or funds to beneficiaries (households, individuals, small businesses, non-profits, etc.)? If you plan to distribute these funds, what internal controls will be in place for eligibility determination to ensure funds are distributed in compliance with the U.S. Treasury Final Rule guidelines?

Yes, Lugert-Altus Irrigation District will be the secondary sub-recipient according to SB429. US Treasury Final Rule establishes eligibilities closely in line with both the CWSRF and DWSRF program. OWRB administers the CWSRF program and co-administers the DWSRF program with ODEQ and has process in place to determine eligibility.

Please provide the job titles and years of experience for individuals who would be responsible for monitoring compliance.

Joe Freeman, Chief of Financial Assistance Division, 30+ years experience

Lori Johnson, Assistant Chief of Financial Assistance Division, 10+ years experience

Jerri Hargis, Grant Manager, approx. 10 years experience

Other Project Questionnaire Information

In which county is your organization headquartered?

Oklahoma

In 100 words or less, please describe any evidence or sources that validate the interventions proposed in your project or program.

OWRB has a long history of administering grants and loans for water/sewer infrastructure projects.

See project funding template submitted by LAID

Describe communities or vulnerable populations, including those that have been disproportionately impacted, that will benefit from this project. Include details on how this

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community was impacted by the pandemic. A complete analysis of disproportionately impacted populations will be required after grant agreement execution.

[See project funding template submitted by LAID](#)

Which counties would be most impacted by this project or program?

[Jackson, Greer, and Kiowa](#)

Will this project support qualified census tracts?

[Yes](#)

If so, please identify which qualified census tracts will be impacted.

[See project funding template submitted by LAID](#)

Are matching funds or co-investment available from other organizations (philanthropic, local governments, other) that are interested in this project?

[Yes. See project funding template submitted by LAID.](#)

In 50 words or less, tell us which organizations have agreed to match or co-invest funds or have promised in-kind work and tell us what kind of organization they represent (business interest, non-profit, municipal agency, state agency, individual, etc.)

In total, how many dollars have outside organizations financially committed to this project? Alternatively, describe any other assets that have been committed to the project or program.

[See project funding template submitted by LAID](#)

After initial funding from the state, would this project be able to continue operation, or would ongoing investment be required?

[See project funding template submitted by LAID](#)

If not able to continue operations without additional State general fund appropriations, describe the amount of additional funding, the period of time such additional state funding would be required and potential alternative sources for the additional funding.

[N/A](#)

Will this project bring revenue to the state or impacted communities?

[Yes](#)

If yes, how much revenue may be generated by this project annually, over the next five years?

[See project funding template submitted by LAID](#)

Appendix A: Expenditure Categories

*Denotes areas where recipients must identify the amount of the total funds that are allocated to evidence-based interventions
 ^Denotes areas where recipients must report on whether projects are primarily serving disproportionately impacted communities.

Additional programmatic data and justifications required for projects in Public Health and Negative Economic Impact categories (EC 1.1-3.5) and projects with Capital Expenditures. See details below table 7.

Table 1: Public Health

Section	Public Health	
	COVID-19 Mitigation & Prevention	
1.1	COVID-19 Vaccination ^	
1.2	COVID-19 Testing ^	
1.3	COVID-19 Contact Tracing^	
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, Child care facilities, etc.)*^	
1.5	Personal Protective Equipment^	
1.6	Medical Expenses (including Alternative Care Facilities)^	
1.7	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)^	
1.8	COVID-19 Assistance to Small Businesses^	➤ Number of small businesses served (by program if recipient establishes multiple separate small businesses assistance programs)

Section	Public Health	
1.9	COVID 19 Assistance to Non-Profits^	<ul style="list-style-type: none"> ➤ Number of Non-Profits served (by program if recipient establishes multiple separate non-profit assistance programs)
1.10	COVID-19 Aid to Impacted Industries^	<ul style="list-style-type: none"> ➤ If aid is provided to industries other than travel, tourism, and hospitality (EC 2.36), describe if the industry experienced at least 8 percent employment loss from pre-pandemic levels, or the industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, and rationale for providing aid to the industry ➤ For each subaward: <ul style="list-style-type: none"> ○ Sector of employer (Note: additional detail, including list of sectors, to be provided in the user guide posted to www.treasury.gov/SLFRP) ○ Purpose of funds (e.g., payroll support, safety measure implementation)
Community Violence Interventions		
1.11	Community Violence Interventions*^	
Behavioral Health		
1.12	Mental Health Services*^	
1.13	Substance Use Services*^	
Other		
1.14	Other Public Health Services^	

Table 2: Negative Economic Impacts

Section	Negative Economic Impact		
Assistance to Households			
2.1	Household Assistance: Food Programs*^	➤ Number of households served (by program if recipient establishes multiple separate household assistance programs)	
2.2	Household Assistance: Rent, Mortgage, and Utility Aid*^		
2.3	Household Assistance: Cash Transfers*^		
2.4	Household Assistance: Internet Access Programs*^		
2.5	Household Assistance: Paid Sick and Medical Leave^		
2.6	Household Assistance: Health Insurance*^		
2.7	Household Assistance: Services for Un/Unbanked*^		
2.8	Household Assistance: Survivor's Benefits^		
2.9	Unemployment Benefits or Cash Assistance to Unemployed Workers*^		
2.10	Assistance to Unemployed or Underemployed Workers (e.g. job training, subsidized employment, employment supports or incentives)*^		
2.11	Healthy Childhood Environments: Child Care*^		
2.12	Healthy Childhood Environments: Home Visiting*^		

Section	Negative Economic Impact	
2.13	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System ^{*^}	
2.14	Healthy Childhood Environments: Early Learning ^{*^}	<ul style="list-style-type: none"> ➤ The National Center for Education Statistics (“NCES”) School ID or NCES District ID. List the School District if all schools within the school district received some funds. If not all schools within the school district received funds, list the School ID of the schools that received funds. These can allow evaluators to link data from the NCES to look at school-level demographics and, eventually, student performance.
2.15	Long-term Housing Security: Affordable Housing ^{*^}	
2.16	Long-term Housing Security: Services for Unhoused Persons ^{*^}	
2.17	Housing Support: Housing Vouchers and Relocation Assistance for Disproportionately Impacted Communities ^{*^}	
2.18	Housing Support: Other Housing Assistance ^{*^}	
2.19	Social Determinants of Health: Community Health Workers or Benefits Navigators ^{*^}	
2.20	Social Determinants of Health: Lead Remediation ^{*^}	
2.21	Medical Facilities for Disproportionately Impacted Communities [^]	

Section	Negative Economic Impact	
2.22	Strong Healthy Communities: Neighborhood Features that Promote Health and Safety^	
2.23	Strong Healthy Communities: Demolition and Rehabilitation of Properties^	
2.24	Addressing Educational Disparities: Aid to High-Poverty Districts^	<ul style="list-style-type: none"> ➤ The National Center for Education Statistics (“NCES”) School ID or NCES District ID. List the School District if all schools within the school district received some funds. If not all schools within the school district received funds, list the School ID of the schools that received funds. These can allow evaluators to link data from the NCES to look at school-level demographics and, eventually, student performance.
2.25	Addressing Educational Disparities: Academic, Social, and Emotional Services*^	
2.26	Addressing Educational Disparities: Mental Health Services*^	
2.27	Addressing Impacts of Lost Instructional Time^	
2.28	Contributions to UI Trust Funds^	
Assistance to Small Businesses		
2.29	Loans or Grants to Mitigate Financial Hardship^	<ul style="list-style-type: none"> ➤ Number of small businesses served (by program if recipient establishes multiple separate small businesses assistance programs)
2.30	Technical Assistance, Counseling, or Business Planning*^	
2.31	Rehabilitation of Commercial Properties or Other Improvements^	
2.32	Business Incubators and Start-Up or Expansion Assistance*^	
2.33	Enhanced Support to Microbusinesses*^	
Assistance to Non-Profits		

Section	Negative Economic Impact	
2.34	Assistance to Impacted Nonprofit Organizations (Impacted or Disproportionately Impacted)^	➤ Number of Non-Profits served (by program if recipient establishes multiple separate non-profit assistance programs)
Aid to Impacted Industries		
2.35	Aid to Tourism, Travel, or Hospitality^	➤ If aid is provided to industries other than travel, tourism, and hospitality (EC 2.36), describe if the industry experienced at least 8 percent employment loss from pre-pandemic levels, or the industry is experiencing comparable or worse economic impacts as the national tourism, travel, and hospitality industries as of the date of the final rule, and rationale for providing aide to the industry
2.36	Aid to Other Impacted Industries^	➤ For each subaward: <ul style="list-style-type: none"> ○ Sector of employer (Note: additional detail, including list of sectors, to be provided in the user guide posted to www.treasury.gov/SLFRP) ○ Purpose of funds (e.g., payroll support, safety measure implementation)
Other		
2.37	Economic Impact Assistance: Other*^	

Table 3: Services to Disproportionately Impacted Communities

Section	Public Sector Capacity	
General Provisions		
3.1	Public Sector Workforce: Payroll and Benefits for Public Health, Public Safety, or Human Services Workers	➤ Number of government FTEs responding to COVID-19 supported under this authority
3.2	Public Sector Workforce: Rehiring Public Sector Staff	➤ Number of FTEs rehired by governments under this authority
3.3	Public Sector Workforce: Other	
3.4	Public Sector Capacity: Effective Service Delivery	
3.5	Public Sector Capacity: Administrative Needs	

Table 4: Premium Pay

Section	Premium Pay	
4.1	Public Sector Employees	<ul style="list-style-type: none"> ➤ List of sectors designated as critical to protecting the health and well-being of residents by the chief executive of the jurisdiction, if beyond those included in the final rule ➤ Number of workers to be served ➤ Employer sector for all subawards to third-party employers (i.e., employers other than the State, local, or Tribal government) ➤ For groups of workers (e.g., an operating unit, a classification of worker, etc.) or, to the extent applicable, individual workers, other than those where the eligible worker receiving premium pay is earning (with the premium pay included) below 150 percent of their residing state or county's average annual wage for all occupations, as defined by the Bureau of Labor Statistics Occupational Employment and Wage Statistics, whichever is higher, on an annual basis; OR the eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions ➤ Number of workers to be served with premium pay in K-12 schools
4.2	Private Sector: Grants to Other Employers	

Table 5: Infrastructure

Section	Infrastructure	
Water and Sewer		
5.1	Clean Water: Centralized Wastewater Treatment	➤ See Final Rule and reporting guidance for details
5.2	Clean Water: Centralized Wastewater Collection and Conveyance	
5.3	Clean Water: Decentralized Wastewater	
5.4	Clean Water: Combined Sewer Overflows	
5.5	Clean Water: Other Sewer Infrastructure	
5.6	Clean Water: Stormwater	
5.7	Clean Water: Energy Conservation	
5.8	Clean Water: Water Conservation	
5.9	Clean Water: Nonpoint Source	
5.10	Drinking water: Treatment	
5.11	Drinking water: Transmission & Distribution	
5.12	Drinking water: Lead Remediation, including in Schools and Daycares	
5.13	Drinking water: Source	
5.14	Drinking water: Storage	
5.15	Drinking water: Other water infrastructure	
5.16	Water and Sewer: Private Wells	

Section	Infrastructure	
5.17	Water and Sewer: IIJA Bureau of Reclamation Match	
5.18	Water and Sewer: Other	
Broadband		
5.19	Broadband: "Last Mile" projects	➤ See Final Rule and reporting guidance for details
5.20	Broadband: IIJA Match	
5.21	Broadband: Other projects	

Table 6: Revenue Replacement

Section	Revenue Replacement	
6.1	Provision of Government Services	
6.2	Non-federal Match for Other Federal Programs	

Table 7: Administrative

Section	Administrative	
7.1	Administrative Expenses	
7.2	Transfers to Other Units of Government	

Additional Required Programmatic Data

Public Health and Negative Economic Impact (EC 1.1-3.5)

Collection to begin in April 2022

- Brief description of structure and objectives of assistance program(s), including public health or negative economic impact experienced
- Brief description of how a recipient's response is related and reasonably and proportional to a public health or negative economic impact of COVID-19.18

Capital Expenditures (EC 1.1-3.5)

Collection began in January 2022, with additional optional fields to begin in April 2022; optional fields will become required in July 2022

- Does this project include a capital expenditure? (Collection began in January 2022)
- Total expected capital expenditure, including pre-development costs, if applicable (Collection began in January 2022)
- Type of Capital expenditure, based on the following enumerated uses (This field is optional in April 2022; required in July 2022)
 - COVID-19 testing sites and laboratories, and acquisition of related equipment
 - COVID-19 vaccination sites
 - Medical facilities generally dedicated to COVID-19 treatment and mitigation (e.g., emergency rooms, intensive care units, telemedicine capabilities for COVID-19 related treatment)
 - Temporary medical facilities and other measures to increase COVID-19 treatment capacity, including related construction costs

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- Acquisition of equipment for COVID-19 prevention and treatment, including ventilators, ambulances, and other medical or emergency services equipment
- Emergency operations centers and acquisition of emergency response equipment (e.g., emergency response radio systems)
- Installation and improvement of ventilation systems in congregate settings, health facilities, or other public facilities
- Public health data systems, including technology infrastructure
- Adaptations to congregate living facilities, including skilled nursing facilities, other long-term care facilities, incarceration settings, homeless shelters, residential foster care facilities, residential behavioral health treatment, and other group living facilities, as well as public facilities and schools (excluding construction of new facilities for the purpose of mitigating spread of COVID-19 in the facility)
- Mitigation measures in small businesses, nonprofits, and impacted industries (e.g., developing outdoor spaces)
- Behavioral health facilities and equipment (e.g., inpatient or outpatient mental health or substance use treatment facilities, crisis centers, diversion centers)
- Technology and equipment to allow law enforcement to efficiently and effectively respond to the rise in gun violence resulting from the pandemic
- Affordable housing, supportive housing, or recovery housing development
- Food banks and other facilities primarily dedicated to addressing food insecurity
- Transitional shelters (e.g., temporary residences for people experiencing homelessness)
- Devices and equipment that assist households in accessing the internet (e.g., tablets, computers, or routers)
- Childcare, daycare, and early learning facilities
- Job and workforce training centers
- Improvements to existing facilities to remediate lead contaminants (e.g., removal of lead paint)
- Medical equipment and facilities designed to address disparities in public health outcomes (includes primary care clinics, hospitals, or integrations of health services into other settings)
- Parks, green spaces, recreational facilities, sidewalks, pedestrian safety features like crosswalks, streetlights, neighborhood cleanup, and other projects to revitalize public spaces
- Rehabilitations, renovation, remediation, cleanup, or conversions of vacant or abandoned properties
- Schools and other educational facilities or equipment to address educational disparities
- Technology and tools to effectively develop, execute, and evaluate government programs
- Technology infrastructure to adapt government operations to the pandemic (e.g., video-conferencing software, improvements to case management systems or data sharing resources), reduce government backlogs, or meet increased maintenance needs

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- For recipients (other than Tribal governments) investing in projects with total expected capital expenditures for an enumerated eligible use of \$10 million or more, as well as projects with total expected capital expenditures for an “other” use of \$1 million or more, please provide a written justification (This field is optional in April 2022; required in July 2022) (See Appendix B)
- For projects with total expected capital expenditures of over \$10 million, provide labor reporting as outlined for infrastructure projects on pages 26 and 27 [of the reporting and compliance guidance] (This field is optional in April 2022; required in July 2022)

Appendix B: Capital Expenditure Written Justification

For projects expending greater than or equal to \$1 million for capital expenditures, Treasury requires a written justification for the capital expenditure:

- **Description of the harm or need to be addressed.** Provide a description of the specific harm or need to be addressed and why the harm was exacerbated or caused by the public health emergency. Recipient may provide quantitative information on the extent and the type of harm, such as the number of individuals or entities affected.
- **Explanation of why a capital expenditure is appropriate.** For example, recipients should include an explanation of why existing equipment and facilities, or policy changes or additional funding to pertinent programs or services, would be inadequate.
- **Comparison of proposed capital project against at least two alternative capital expenditures and demonstration of why the proposed capital expenditure is superior.** Recipients should consider the effectiveness of the capital expenditure in addressing the harm identified and the expected total cost (including pre-development costs) against at least two alternative capital expenditures.

AGENDA ITEM 3D(3)

AGREEMENT

WITH: Oklahoma Ground Water Association (OGWA)

PURPOSE: For Continuing Education Services for Well Drillers
and Pump Installers

AMOUNT: Not to exceed \$13,900.00

TERM: Through December 31, 2023

CONTRACT
between
OKLAHOMA WATER RESOURCES BOARD
and
OKLAHOMA GROUND WATER ASSOCIATION

This Contract between the Oklahoma Water Resources Board ("OWRB"), an agency of the State of Oklahoma, and the Oklahoma Ground Water Association ("OGWA"), a not for profit unincorporated association doing business within the State of Oklahoma, dated for convenience of reference, April 1, 2023, but to be effective as provided below.

WITNESSETH:

WHEREAS, 82 O.S. § 1020.16 of the Oklahoma Statutes requires persons engaged in the commercial drilling or plugging of groundwater wells, monitoring wells, observation wells, heat exchange wells and geotechnical borings, and the commercial installation of water well pumps, to make application to and become licensed by the OWRB; and

WHEREAS, 82 O.S. § 1020.16(E) of the Oklahoma Statutes provides that the Well Drillers and Pump Installers Regulation Account shall be used by the Board for certain activities such as licensing, enforcement and education.

WHEREAS, the OWRB's rules codified in Oklahoma Administrative Code ("OAC") Title 785, Chapter 35 require holders of such driller licenses and operator certifications to complete continuing education courses annually as a condition to renewal of their licenses and certifications; and

WHEREAS, the OGWA, recognized by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, is a nonprofit organization whose purposes are to assist, promote, encourage, and support the interest and welfare of the groundwater industry by lobbying for laws to maintain the integrity and quality among members, by fostering and promoting continuing education and by promoting harmony and cooperation between contractors and scientific and regulatory agencies; and

WHEREAS, in furtherance of its purposes, OGWA provides specialized training for licensed well drillers and pump installers through trade shows and conferences, maintains a web site, and otherwise engages in efforts to educate contractors and the general public about proper construction of wells and installation of pumps; and

WHEREAS, OGWA is the only entity that can provide the continuing education services within the time frames needed by the OWRB as set forth in the documentation executed in connection with this Contract; and

WHEREAS, the OWRB and OGWA are agreeable to entering into this Contract upon the terms which follow; and

WHEREAS, this Contract is authorized by 82 O.S. § 1085.2.

THEREFORE, in consideration of the foregoing premises and the mutual covenants stated herein, the OGWA and the OWRB agree as follows:

1. OGWA Obligations

A. Notification of Classes. OGWA shall provide advance notification of the location and date of each continuing education class to OWRB staff, all active firms, certified well drillers and pump installers licensed by the OWRB. The first notification shall be sent by first class mail to the address on file with the OWRB for each licensee and operator twenty-one (21) days prior to the first scheduled class. Additional notifications shall be sent fourteen (14) days and seven (7) days prior to the first scheduled class via electronic communications, when available. OGWA shall maintain and update a website that will provide information regarding the Continuing Education workshops being offered throughout the year and one (1) or more email addresses provided for questions and additional information.

B. Class Instruction. OGWA shall provide continuing education classes to well drillers and pump installers who are licensed by the OWRB. All four (4) categories of the WDPI Program shall be considered in the curriculum development. At least one (1) member of the OGWA, preferably a Board member, shall be onsite during each workshop. Curriculum/speakers shall not include sales pitches, insurance sales, or negative comments regarding another firm, their equipment, products, goods or services. For purposes of this paragraph, fifty (50) minutes of instruction shall constitute one (1) unit or hour of continuing education credit. During the period after this Contract becomes effective and through June 30, 2023, OGWA shall schedule and provide opportunities for a minimum of two (2) continuing education credits provided via interactive videoconferences on two (2) occasions, or sessions, and shall schedule and provide four (4) continuing education credits at in-person workshops in both Woodward and Wilburton.

OGWA will provide instructors, classroom set-up and coordination, and coordination of the instruction team. OGWA will provide training using an established curriculum prepared and presented by qualified instructors specialized in topics related to well drilling and pump installation. OGWA shall submit the instructor's names and topics to OWRB for approval at least fourteen (14) days prior to the first notification mail out as defined in the Section 1.A. If for any reason the approved instructor fails to attend the class, OGWA shall provide a substitute instructor with similar knowledge and experience. The substitute instructor must be pre-approved by OWRB at a minimum seven (7) days prior to the scheduled course.

C. Documentation. OGWA shall provide sign-in sheets at each workshop that include the date, location, operator name, operator number, firm name, firm number, email address and cell phone number. A certificate of attendance which includes the workshop date, location, attendee's name, firm name, DPC number, operator number and the total amount of CEUs earned, shall be issued to each licensee/certified operator in attendance. In addition, OGWA shall create,

distribute, and collect a post-course evaluation survey. OGWA shall submit continuing education attendance documentation and the survey to the OWRB within 14 days of the completion of each workshop.

D. Invoices. Following completion of a workshop as described in Paragraph 1B, and submission of documentation thereof, the OGWA shall submit to the OWRB, an invoice following completion of each of the two (2) videoconferences and two (2) workshops. The total amount invoiced for all classes/workshops shall not exceed thirteen thousand nine hundred dollars (\$13,900.00). If an invoice is not approved by the OWRB it shall be returned to the OGWA with a written explanation of the reason(s) for the disapproval.

2. OWRB Obligations

A. Invoices. The OWRB shall review and approve for payment the invoices from the OGWA within 45 days of receipt of the invoice, unless the OWRB notifies the OGWA within 10 days of receipt that the invoice is disapproved or any portion is in dispute.

B. Payment. In consideration of the obligations performed by OGWA, following approval of each of OGWA's invoices, the OWRB shall pay OGWA a total amount not to exceed thirteen thousand nine hundred dollars (\$13,900.00).

3. Performance. Payment will be contingent upon the OGWA meeting its obligations as defined in Sections 1.A through 1.D.

4. OGWA Personnel Not Considered Employees of OWRB. The OGWA is an independent contractor of the OWRB and no person or entity associated with the OGWA shall be considered to be an employee of the State of Oklahoma or the OWRB solely on account of the person's or entities association with the OGWA. OGWA has no employees and shall utilize independent contractors to perform its obligations under this Contract.

5. State Audit. Books, records, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form, of OGWA relevant to this Contract shall be subject to examination by the OWRB, the State Auditor and Inspector of the State of Oklahoma and the State Purchasing Director of the Department of Central Services. OGWA shall maintain accurate records and documentation of all expenditures of time and resources in fulfilling its obligations under this Contract and shall retain the same for three (3) years following completion and/or termination of the Contract. Access to such records and documentation shall be made available during reasonable business hours to any proper representative of the OWRB and State of Oklahoma for inspection, copying and audit purposes. If an audit, litigation, or other action involving such records is started before the end of the three-year period, the records are required to be maintained for three years from the date that all issues arising out of the action are resolved or until the end of the three-year retention period, whichever is later.

7. Contract Period; Termination; Extension or Other Modifications. This Contract shall become effective on the date when approved by all necessary signatories and, if necessary,

the Office of Management and Enterprise Services or its successor. This Contract shall terminate on December 31, 2023 unless earlier terminated by either party giving written notice to the other party at least 30 days in advance of the party's intention to terminate the Contract. The Contract may be extended, renewed, or otherwise modified by written agreement of the parties for next calendar year i.e. from January 1 to December 31 or the date agreed by both the parties.

In witness whereof, the parties have approved and executed this Agreement on the dates shown below.

OKLAHOMA WATER RESOURCES BOARD

OKLAHOMA GROUND WATER ASSOCIATION

Matt Muller
Chairman

Date

President

Date

ATTEST:

Jennifer Castillo
Secretary

(SEAL)

3. SUMMARY DISPOSITION AGENDA ITEMS

WATER RIGHTS ADMINISTRATION DIVISION
AND
ENGINEERING AND PLANNING DIVISION

March 21, 2023

WATER RIGHTS ADMINISTRATION DIVISION
Applications to Amend Regular Permits to Use Stream Water

March 21, 2023

APP. NO. & DATE FILED	NAME OF APPLICANT	POINTS OF DIVERSION	COUNTY & STREAM SYSTEM	PURPOSE & AMOUNT RECOMMENDED
2002-056 11/28/2022	Synar Farms I, LLC, Synar Farms II, LLC, John Synar	One point of diversion On the Canadian River Section 15, T10N, R20EIM	Haskell County SS 2-2	Irrigation 2,190 a.f.

**WATER RIGHTS ADMINISTRATION DIVISION
Well Driller and Pump Installer Licensing**

March 21, 2023

DPC NUMBER	NAME OF FIRM	CERTIFIED ACTIVITIES	OPERATORS
New Licenses, Accompanying Operator Certificates and Activities:			
DPC-0140	Moore Drilling	Water Well Drilling & Pump Installation	Franklin Moore OP-2454
DPC-1083	2L Waterwell	Water Well Drilling	Sheldon Laverty OP-2455
DPC-1085	Hess Water Well Service	Water Well Drilling & Pump Installation	Jacob Hess OP-2456
New Operators, License Name Change, and/or Activities for Existing Licenses:			
DPC-0363	Oklahoma Environmental Services, Inc	Monitoring Wells	Hayley Cooney OP-2453
DPC-0459	Jay's Waterwell LLC	Pump Installation	Justin Cox OP-2457

ENGINEERING AND PLANNING DIVISION
Applications to Construct, Enlarge, Repair or
Alter Dam and/or Spillway

March 21, 2023

NID. NO. & COUNTY	NAME OF APPLICANT & NAME OF PROJECT	PLANS & SPECS PREPARED BY	HAZARD CLASSIFICATION	LEGAL DESCRIPTION
OK30603	Swan Real Estate Management LP	J. Steven Fox, PE	Low	Sec. 20, T05S, R01WIM
Carter County	Bayou Ranch Dam	Fox Engineering		

The applicant requests approval for the construction of a new, low hazard potential dam. The primary purpose of the dam will be fish & wildlife. The dam will be 35 feet tall. It will have a normal impoundment capacity of 78 acre-feet and a maximum impoundment capacity of 129 acre-feet.

ENGINEERING & PLANNING DIVISION
Permit Applications for Proposed Development on
State Owned or Operated Property with Floodplain Areas

March 21, 2023

Application NO.	NAME OF APPLICANT	LOCATION	PROJECT NARRATIVE
FP-2023-7	ODOT	SH- 63 on Chun Creek. Section 16, T3N, R14EIM, Pittsburg County, OK	Shoofly going across The channel downstream and a temporary single 36" CGMP being Installed under the shoofly.
FP-2023-8	ODWC	Newkirk, OK Kaw Lake WMA and Arkansas River At 36.884, -96.9416	Construction of shooting range on adjacent property. Construction work within the limits of the flood plain will be an earthen berm of the pistol range and V- ditch drainage outlet.

**ENGINEERING AND PLANNING DIVISION
Floodplain Administrator Accreditation Applications**

March 21, 2023

NUMBER	NAME OF COMMUNITY	FLOODPLAIN ADMINISTRATOR
FPA-21	Texas County	Tonde Christian
FPA-642	Latimer County	Jana Scott
FPA-731	City of Blanchard, McClain and Grady County	Hayden Wilkes
FPA-431	City of Glenpool, Tulsa County	Carl Prescott

5. SPECIAL CONSIDERATION

WATER RIGHTS ADMINISTRATION DIVISION

March 21, 2023

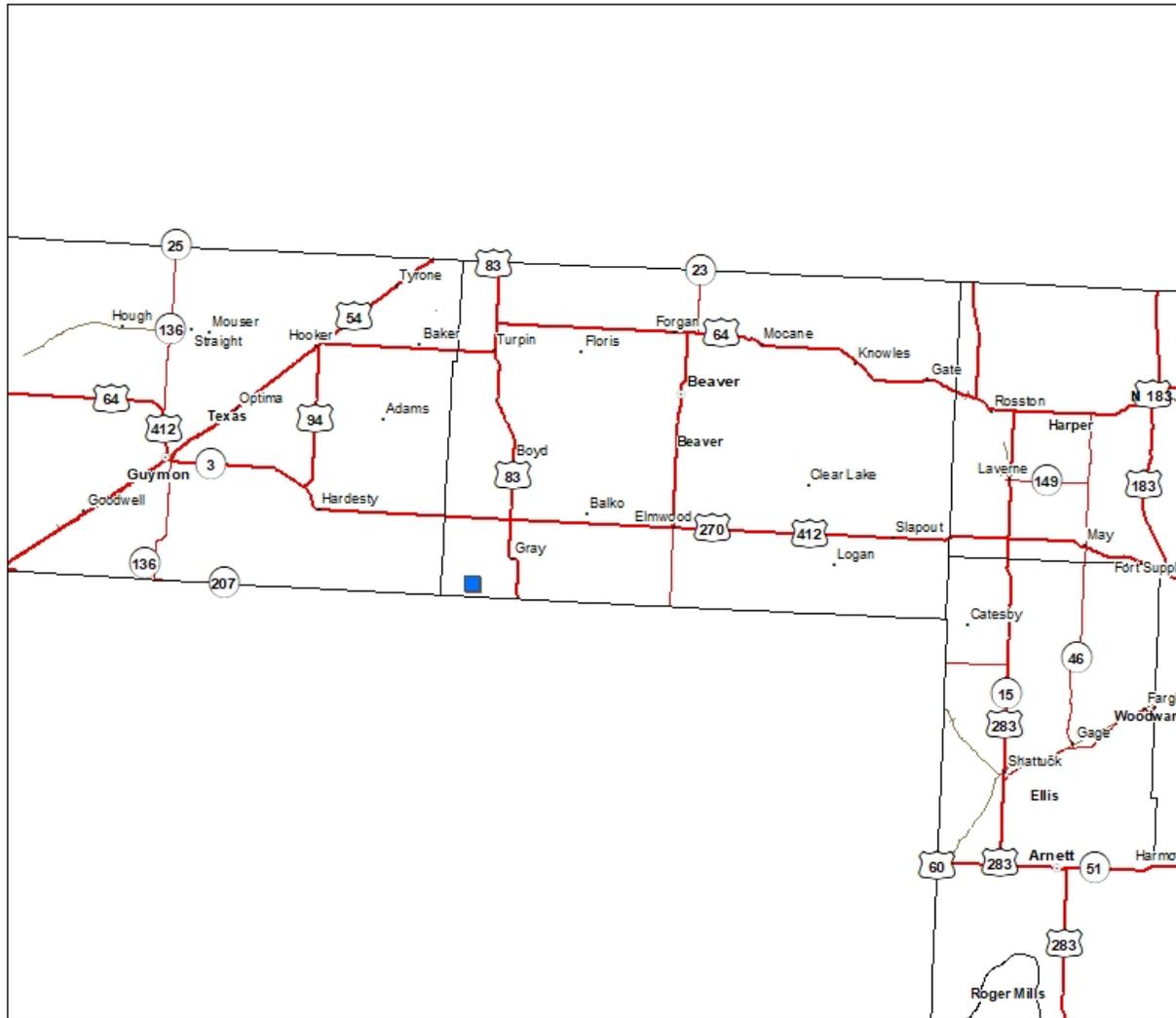
WATER RIGHTS ADMINISTRATION DIVISION
Application for a Regular Groundwater Permit

March 21, 2023

NUMBER & DATE	COUNTY	NAME OF APPLICANT	RECOMMENDATION
1977-866 01/12/2021	Beaver County	CapturePoint LLC	Approval of Proposed Order

CapturePoint LLC c/o Kirk Love, 1101 Central Expwy S, Suite 150, Allen, TX 75013, under the authority given in Oklahoma State Law, Title 82 §1020.7, has filed an application with the Oklahoma Water Resources Board, pursuant to Board rules, to amend groundwater permit #1977-866. Currently the permit authorizes the withdraw and use of 256.42 a.f. acre-feet of groundwater per calendar year from five wells for the purposes of the drilling and primary completion of oil and gas wells. Lands currently dedicated to this permit total 128.21 acres and is in the SW of Section 27, T1N, R20ECM, Beaver County. The application requests adding the beneficial use of enhanced oil recovery - secondary waterflood. All other aspects of the permit remain the same. Use of groundwater is governed by Sections 1020.1 and following of Title 82 of the Oklahoma Statutes and rules of the Board, Oklahoma Administrative Code (OAC), Title 785, Chapter 30. The applicant gave proper Public Notice, the application was protested, and an administrative hearing was held February 7, 2023. The hearing examiner recommends approval.

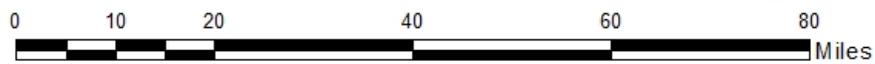
Special Consideration: Amendment to Groundwater Permit #19770866 - CapturePoint LLC - Beaver County



Legend

- 19770866 Location
- Counties
- City
- County Seat
- Town
- State Highway
- US Highway

Date: 3/9/2023



SW/4 of Sec. 27-1N-20 ECM, Beaver County, Oklahoma, LESS AND EXCEPT a tract of land located in the SW/4 of Sec. 27 described as beginning at the Northwest corner of the SW/4 of said Sec. 27; THENCE South a distance of 985 feet; THENCE East a distance of 1,320 feet; THENCE North a distance of 985 feet; THENCE West a distance of 1,320 feet to the point of beginning LESS AND EXCEPT the following which was deeded to Tri-County Electric Cooperative for a substation

A tract of land located in the Southwest Quarter (SW/4) of Section Twenty-seven (27), Township One (1) North, Range Twenty (20) E.C.M., Beaver County, Oklahoma, being more particularly described as follows:

Commencing at the Northwest (NW) corner of the Southwest Quarter (SW/4) of Section Twenty-seven (27), Township One (1) North, Range Twenty (20) E.C.M., Beaver County, Oklahoma, said corner being a #4 rebar; thence with a State Plane Coordinate Bearing (Oklahoma North-3501-NAD 83-U.S. Survey Feet) of S 01°30'35" W along the West line of the Southwest Quarter (SW/4) of said Section a distance of 196.95 feet to a point; thence S 85°22'27" E a distance of 33.05 feet to a #4 rebar on the East county road right of way line, said rebar being the TRUE POINT OF BEGINNING for this description; thence continue S 85°22'27" E a distance of 378.59 feet to a #4 rebar; thence S 01°30'35" W paralleling the West line of the Southwest Quarter (SW/4) of said Section a distance of 215.00 feet to a #4 rebar; thence N 88°24'08" W paralleling the North line of the Southwest Quarter (SW/4) of said Section a distance of 378.03 feet to a #4 rebar on the East county road right of way line; thence N 01°30'35" E paralleling the West line of the Southwest Quarter (SW/4) of said Section a distance of 235.00 feet"), with reversionary clause;

See OWRB Exhibit 1. These five existing groundwater wells equal the total number of wells under this permit. Applicant's proposed change in the use of the groundwater will be in Beaver County. The application indicated that water would be taken from the Ogallala – Panhandle groundwater basin. *See* OWRB Exhibit 1.

3(a). To support this application, Applicant submitted the following deed(s) recorded in the Office of the County Clerk of Beaver County:

General Assignment and Conveyance (Book 1366, Pages 345-376)
Quit Claim Deed (Book 1185, Pages 463-464)
Warranty Deed (Book 1036, Page 294)
Warranty Deed (Book 0962, Page 537)
Special Warranty Deed (Book 1366, Pages 327-332)

See OWRB Exhibit 2, Applicant's Exhibit 4. Ownership of land was not disputed.

3(b). To support this application, Applicant submitted the following instruments related to the dedicated lands in Beaver County:

Texas Secretary of State Certificate of Filing of CapturePoint, LLC. [formerly Perdue Petroleum LLC.] dated October 11, 2021
Texas Secretary of State Certificate of Amendment of CapturePoint LLC from Perdue Petroleum LLC. dated October 11, 2021

See OWRB Exhibit 2.

4. Applicant revised the application as necessary by Board rules and statutes. See OWRB Exhibit 1. Applicant also submitted a surface estate owner's map for notification purposes. See OWRB Exhibit 1.

NOTICE

5. On May 4, 2022, Board staff notified Applicant that the application had been reviewed and directed Applicant to give notice of the application by certified mail to each surface owner of land within 1,320 feet of the outside boundary of the ten-acre tract of land with a groundwater well location covered by the application, and publish notice of the application in a newspaper of general circulation in the county in which the wells are located during the weeks beginning May 15, 2022 and May 22, 2022. See OWRB Exhibit 3. The notice was published on May 19, 2022, and May 26, 2022, in The Herald-Democrat of Beaver, Oklahoma, a newspaper of general circulation in Beaver County. The notice listed a protest deadline of June 20, 2022. See OWRB Exhibit 4. Applicant also sent, by certified mail, direct notice to those individuals listed on the surface estates owner's map. See OWRB Exhibit 8.

PROTESTS

6. G. Don and Sharon A. Williams, G. Don Williams as President of Williams Fulton Creek Farms, Albert A. Littau, Betty and Floyd Baggett, and Tri-County Electric Cooperative, Inc., each protested the application and was made a party herein. It is noted that only G. Don Williams individually and as President of Williams Fulton Creek Farms actually attended the Hearing on February 7, 2023, and the protest of Tri-County Electric Cooperative, Inc. is deemed to be withdrawn. See OWRB Exhibit 9.

HEARING

7. The hearing commenced on February 7, 2023, at the Board's office in Oklahoma City, Oklahoma. Appearing on behalf of Applicant was L. Mark Walker and Tim Sowecke, Crowe & Dunlevy, P. C., Oklahoma City, Oklahoma, Protestants' G. Don Williams individually and as President of Williams Fulton Creek Farms, appeared with counsel, John A. Mackechnie, Gum, Puckett, Mackechnie, Coffin & Matula, LLP., Oklahoma City, Oklahoma. The hearing was opened, appearances were entered, witnesses were sworn and testified, evidence was admitted, the protestants' arguments were heard, and the hearing was adjourned. Thereafter, a proposed order was prepared, served on the parties, and presented to the Board for consideration at its March 21, 2023, meeting.

FINDINGS OF FACT

OWNERSHIP OF LAND

8. During the hearing, Applicant presented its Chemical Engineer, Kirk Love. Mr. Love, of CapturePoint, LLC., was the project manager for the CapturePoint, LLC. Project. Mr. Love prepared the application for the Applicant and no hydrogeologist was hired by the Applicant for this project and none was required. Mr. Kirk testified the amendment seeks to remove 1.94 acres from the S2 SW NW SW of Section 27-01N-20 ECM due to the transfer of a small parcel to Tri-County Electric Cooperative, Inc. to build a substation, reduce the corresponding groundwater usage by 3.88 acre feet, and use the existing five groundwater wells on property that is owned by the Applicant for the beneficial use of enhanced recovery of oil and gas and primary drilling and completion of oil and gas wells.

The surface of land dedicated to this application to amend the permit is 128.21 acres and is located in Beaver County, Oklahoma, as follows:

SW/4 of Sec. 27-1N-20 ECM, Beaver County, Oklahoma, LESS AND EXCEPT a tract of land located in the SW/4 of Sec. 27 described as beginning at the Northwest corner of the SW/4 of said Sec. 27; THENCE South a distance of 985 feet; THENCE East a distance of 1,320 feet; THENCE North a distance of 985 feet; THENCE West a distance of 1,320 feet to the point of beginning LESS AND EXCEPT the following which was deeded to Tri-County Electric Cooperative for a substation

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See OWRB Exhibit 1. The title to the land is held by CapturePoint, LLC. *See* OWRB Exhibit 2. Ownership of land was not disputed at the hearing.

LAND LOCATED OVER GROUNDWATER BASIN

9. Mr. Love testified consistent with the application that the land dedicated to this application overlies the Ogallala-Panhandle groundwater basin. Pursuant to the application, the maximum annual yield determination established by the Board is 2 acre-foot per year per acre of land. This was not disputed at the hearing.

BENEFICIAL USES

10. The proposed change in use of the groundwater is to add enhanced recovery of oil and gas to the previously permitted drilling and completion of oil and gas wells, both being beneficial uses. See OWRB Exhibit 1. During the hearing, Mr. Love testified that due to the lack of available carbon dioxide (“CO2”) or salt water without corrosive hydrogen sulfide (“H2S”) gas for this project, it intends to engage in enhanced recovery of oil and gas through a secondary waterflood and to drill and complete oil and gas wells. The beneficial uses of enhanced recovery of oil and gas and primary drilling and completion of oil and gas wells was not disputed at the hearing.

WASTE BY DEPLETION

11. Mr. Love testified that, based on his professional opinion, no waste by depletion will occur by the granting of the application to amend the permit to add enhanced recovery of oil and gas, that the groundwater would be used and reused 3 or 4 times, and the evidence presented did not indicate that putting the groundwater to the beneficial use of enhanced recovery of oil and gas in compliance with applicable statutes and rules would cause waste by depletion. No testimony was presented that waste by depletion would occur through the granting of the Application. Mr. Love’s testimony made no reference to any past waste and no evidence was admitted refuting Mr. Love’s testimony.

SPECIAL RULE OAC 785:30-3-2 “ADDITIONAL APPLICATION REQUIREMENTS FOR ENHANCED RECOVERY OF OIL AND GAS”

12. Mr. Love testified as to the requirements of OAC 785:30-3-2 entitled “Additional application requirements for enhanced recovery of oil and gas” as follows:

Mr. Love testified that in compliance with OAC 785:30-3-2, the Applicant furnished the following:

- (a) (1) A copy of the easements or leases from the surface right owners giving the Applicant the right to develop and use the fresh groundwater for the recovery process was provided through documents in OWRB Exhibit 2, Applicant’s Exhibit 7;
- (2) An estimated schedule of use showing the amount of fresh water used each year in the recovery process was provided through OWRB Exhibit 1, pages 7-10, Applicant’s Exhibit 13;
- (3) An economic study containing the following information:
 - (A) A detailed analysis of the relative cost of obtaining salt water and any other feasible alternative versus the relative cost of obtaining fresh water was provided through OWRB Exhibit 1, pages 7-10, Applicant’s Exhibit 14 ;
 - (B) Total project costs and the amount of oil and gas expected to be recovered and the value expected to be realized was provided through OWRB Exhibit 1, pages 7-10, Applicant’s Exhibit 14;
 - (C) The estimated value of fresh water for other purposes (purposes or uses common to the area or vicinity subject of the application) as measured against the overall estimated value of oil and gas to be recovered was provided through OWRB Exhibit 1, pages 7-10, Applicant’s Exhibit 21;
 - (D) The additional expense per barrel recovered if the applicant is required to use or treat salt water instead of fresh water in the recovery process was provided through OWRB Exhibit 1, pages 7-10, Applicant’s Exhibit 14; and

(E) An evaluation of other recovery methods or alternatives considered and why recovery requiring the use of fresh water was deemed to be necessary or the most feasible was provided through OWRB Exhibit 1, pages 7-10, Applicant's Exhibit 14.

(4) An inventory of all wells, fresh water, salt water, oil, gas, disposal, injection, both active and abandoned, within the boundaries of the proposed unitization and within two miles of the outside boundaries of the proposed unitization was provided through OWRB Exhibit 1, pages 7-10, Applicant's Exhibit 19;

(5) The permeability, thickness, and estimated porosity of the injection zone was provided through OWRB Exhibit 1, pages 7-10 (especially page 10), Applicant's Exhibit 10; and

(6) Information about reuse and recycling the fresh water was provided through OWRB Exhibit 1, pages 7-10, Applicant's Exhibit 10.

(b) According to Mr. Love, the Applicant was only required by the Board to furnish certain other information as to (b)(1) the plan of unitization on file with the Oklahoma Corporation Commission, which Applicant provided through Applicant's Exhibit 4.

(4) The name and chemical composition of any material or substance proposed to be injected underground in connection with the proposed enhanced recovery operation (other than fresh water), while not required by the Board, was provided through Applicant's Exhibits 20 and 24.

WASTE BY POLLUTION

13. Mr. Love testified that, in his professional opinion, the groundwater from the basin would be put to the beneficial use of enhanced recovery of oil and gas professionally managed in compliance with applicable statutes and rules, that fresh water would be reused or recycled 3 to 4 times, and once the groundwater entered the Applicant's system, it would cease to be fresh water. No testimony was presented that there would be any waste by pollution if the Application is approved. Mr. Love's testimony made no reference to any past waste and no evidence was admitted refuting this testimony.

CONCLUSIONS OF LAW

Based upon applicable law, and as applied to the above Findings of Fact and evidence in the record, the Board draws the following Conclusions of Law:

USE OF GROUNDWATER

14. Under 60 O.S. § 60, the owner of the surface of a given tract of land owns the fresh groundwater beneath the surface of that land. That surface owner may use such groundwater in accordance with the use regulations imposed by the Oklahoma Groundwater Law, 82 O.S. § 1020.1 et seq..

SUBJECT MATTER JURISDICTION

15. The Board has subject matter jurisdiction to adjudicate applications for permits according to the Oklahoma Groundwater Law and the Board's rules promulgated pursuant thereto. 82 O.S. § 1020.7. *See* OWRB Exhibits 6 and 7.

PERSONAL JURISDICTION; DUE PROCESS

16. Due and proper notice of the application and subsequent proceedings was given to all potentially interested persons as required by law. Applicant and Protestants are interested parties to this proceeding. All other potentially interested persons have defaulted or abandoned their interests. Oklahoma Administrative Code (“OAC”) 785:4-7-3.

ISSUES TO BE DETERMINED

17. When a person makes an application for a groundwater permit, 82 O.S. § 1020.9 and OAC 785:30-3-5 requires the Board to determine several specific issues. These are:

- (a) whether the applicant owns the surface of the dedicated land or holds a valid lease for the taking of groundwater from the land;
- (b) whether the dedicated land overlies a fresh groundwater basin or subbasin;
- (c) whether the use to which the applicant intends to put the water is a beneficial use; and
- (d) that waste by depletion and waste by pollution as specified in 82 O.S. § 1020.15 will not occur.

Generally, if the Board finds for the applicant on all these issues, the rule provides that the Board shall approve the application and issue the appropriate permit. Section 1020.9(D) of Title 82 provides further that the Board may specify conditions in the permit, including but not limited to the rate of withdrawal and the level of perforation and sealing wells.

OWNERSHIP OF LAND

18. Ownership of land was not challenged at the hearing. Regardless, based on the information submitted in the application and the evidence admitted at the hearing, the Board concludes that Applicant provided evidence of the Applicant’s right to take groundwater from the land identified on the application, in the form of ownership documentation listed above in paragraph three. *See* OWRB Exhibits 1 and 2.

GROUNDWATER BASIN

19. The dedicated land in this Application overlies the Ogallala-Panhandle groundwater basin. The Board has determined a maximum annual yield for this basin and set the equal proportionate share for this basin is 2 acre-foot per acre per year. This issue was not challenged at the hearing. Therefore, based on that maximum annual yield, Applicant is entitled to a groundwater allocation of two acre-foot per acre per year, as provided in 82 O.S. § 1020.11(A).

BENEFICIAL USE

20. This Board defines beneficial use in OAC 785:30-1-2 as follows:

“Beneficial use” means the use of such quantity of stream or groundwater when reasonable intelligence and reasonable diligence are exercised in its application for a lawful purpose and as is economically necessary for that purpose. Beneficial uses include but are not limited to municipal, industrial, agricultural, irrigation, recreation, fish and wildlife, etc.

21. Although beneficial use was not challenged at the hearing, the evidence established that Applicant’s proposed changed use of enhanced recovery of oil and gas together with its existing permitted use to drill and complete oil and gas wells meets the definition of beneficial use.

ENHANCED RECOVERY OF OIL AND GAS

22. The Board defines enhanced recovery of oil and gas in OAC 785:30-1-2 as follows:

“Enhanced recovery of oil and gas” means a long-term process using fresh water to recover substantial quantities of additional oil and gas which would not be recoverable under ordinary primary methods or under short-term stimulation techniques. This definition applies to all non-primary forms of oil and gas recovery including but not limited to secondary, tertiary, or other enhanced recovery operations.”

ADDING OR CHANGING USES

23. According to OAC 785:30-7-1

- (a) “Adding or changing a use, or increasing the amount of water allocated to a permit.
 - (1) The permittee may add or change a use from that specified in the permit upon approval of such addition or change by the Board. The permittee may increase the amount of water authorized by an existing permit for lands already dedicated to that permit upon approval of such addition by the Board.
 - (2) Petition for such addition or change shall be made in writing.
- (b) The petition to add or change a use or increase the amount of water allocated to a permit, shall be considered and granted pursuant to the following:
 - (1) The permittee must give notice as set forth in [OAC] 785:30-3-4.
 - (2) *Upon receipt of a protest which meets the requirements of Section [OAC] 785:4-5-4, the Board shall schedule a hearing on the petition and notify the applicant and protestant of such hearing. [82:1020.8]* Even if no protest is received, the petitioner shall be advised and given an opportunity for hearing if the petition cannot be recommended for approval to the Board. The Board shall determine whether the proposed use is a beneficial use and whether waste as described in [OAC] 785:30-3-5 will occur by the proposed use.
 - (3) If the Board finds that the use is a beneficial use and that there is no indication that waste will occur, the Board shall approve the request by amending the permit.”

WASTE BY DEPLETION

24. The Board must determine whether Applicant will allow waste as specified by 82 O.S. § 1020.15 to occur. Section 1020.15 is quoted as follows:

A. The Oklahoma Water Resources Board shall not permit any fresh groundwater user to commit waste by:

1. Drilling a well, taking or using fresh groundwater without a permit, except for domestic use;
2. Taking more fresh groundwater than is authorized by the permit;
3. Taking or using fresh groundwater in any manner so that the water is lost for beneficial use;
4. Transporting fresh groundwater from a well to the place of use in such a manner that there is an excessive loss in transit;
5. Using fresh groundwater in such an inefficient manner that excessive losses occur;
6. Allowing any fresh groundwater to reach a pervious stratum and be lost into cavernous or otherwise pervious materials encountered in a well;
7. Permitting or causing the pollution of fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin. The Board shall be precluded from determining whether waste by pollution will occur pursuant to the provisions of this paragraph if the activity for which the applicant or water user intends to or has used the water as specified under Section 1020.9 of [Title 82] is required to comply with rules and requirements of or is within the jurisdictional areas of environmental responsibility of the Department of Environmental Quality or the Oklahoma Department of Agriculture, Food and Forestry;
8. Drilling wells and producing fresh groundwater therefrom except in accordance with the well spacing previously determined by the Board;
9. Using fresh groundwater for air conditioning or cooling purposes without providing facilities to aerate and reuse such water; or
10. Failure to properly plug abandoned fresh water wells in accordance with rules of the Board and file reports thereof.

According to OAC 785:30-1-1, paragraphs (1) through (6) and paragraphs (8) and (9) are forms of “waste by depletion” (as that term is used in the case of *Oklahoma Water Resources Board v. Texas County Irrigation and Water Resources Ass’n*, 1984 OK 96). Paragraphs (7) and (10) are forms of “waste by pollution”).

25. The Board acknowledges Protestant’s written concern about the groundwater supply in the area and that existing water wells could be adversely affected by Applicant’s withdrawal of groundwater from the same basin. However, there is no basis in this case to determine that Applicant’s proposed use will be impermissible or unlawful. The legislative policy expressed in the Oklahoma Groundwater Law is “to utilize the groundwater resources of the state.” 82 O.S. § 1020.2(A). To implement that policy, the Oklahoma Groundwater Law authorizes the controlled reduction of a groundwater basin as long as that reduction is done in an orderly fashion according to the statutory scheme for reasonable restrictions on such use. The surface owner or lessee of land

overlying a fresh groundwater basin is entitled to use the groundwater beneath the surface once certain elements of the Oklahoma Groundwater Law have been met. Here the application is in accordance with and not contrary to the law and rules.

26. The Board concludes that waste by depletion will not occur if the application to amend permit is approved.

WASTE BY POLLUTION

27. The provisions of 82 O.S. § 1020.15(A)(7) provide the Board shall not permit any groundwater user to commit waste by “permitting or causing the pollution of a fresh water strata or basin through any act which will permit fresh groundwater polluted by minerals or other waste to filter or otherwise intrude into such a basin or subbasin. As stated above, there was no evidence presented that waste by pollution would occur by the granting of this application. Therefore, the Board concludes that waste by pollution will not occur.

CONCLUSION

28. The Board hereby orders that application to amend groundwater permit no. 1977-0866 in the name CapturePoint, LLC. shall be and is hereby **APPROVED**.

ORDER

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED that Application No. 1977-0866 in the name of CapturePoint, LLC. shall be and the same is hereby approved. A permit shall be issued which authorizes the five groundwater wells located as follows:

The surface of land dedicated to this application to amend the permit is 128.21 acres and is located in Beaver County, Oklahoma, as follows:

SW/4 of Sec. 27-1N-20 ECM, Beaver County, Oklahoma, LESS AND EXCEPT a tract of land located in the SW/4 of Sec. 27 described as beginning at the Northwest corner of the SW/4 of said Sec. 27; THENCE South a distance of 985 feet; THENCE East a distance of 1,320 feet; THENCE North a distance of 985 feet; THENCE West a distance of 1,320 feet to the point of beginning LESS AND EXCEPT the following which was deeded to Tri-County Electric Cooperative for a substation

A tract of land located in the Southwest Quarter (SW/4) of Section Twenty-seven (27), Township One (1) North, Range Twenty (20) E.C.M., Beaver County, Oklahoma, being more particularly described as follows:

Commencing at the Northwest (NW) corner of the Southwest Quarter (SW/4) of Section Twenty-seven (27), Township One (1) North, Range Twenty (20) E.C.M., Beaver County, Oklahoma, said corner being a #4 rebar; thence with a State Plane Coordinate Bearing (Oklahoma North-3501-NAD 83-U.S. Survey Feet) of S 01°30'35" W along the West line of the Southwest Quarter (SW/4) of said Section a distance of 196.95 feet to a point; thence S 85°22'27" E a distance of 33.05 feet to a #4 rebar on the East county road right of way line, said rebar being the TRUE POINT OF

BEGINNING for this description; thence continue S 85°22'27" E a distance of 378.59 feet to a #4 rebar; thence S 01°30'35" W paralleling the West line of the Southwest Quarter (SW/4) of said Section a distance of 215.00 feet to a #4 rebar; thence N 88°24'08" W paralleling the North line of the Southwest Quarter (SW/4) of said Section a distance of 378.03 feet to a #4 rebar on the East county road right of way line; thence N 01°30'35" E paralleling the West line of the Southwest Quarter (SW/4) of said Section a distance of 235.00 feet", with reversionary clause;

IT IS FURTHER ORDERED that all other terms and provisions set forth in the application and not inconsistent with provisions of this Order shall be incorporated into and made a part of the permit.

IT IS SO ORDERED by the Oklahoma Water Resources Board in regular and open meeting this __ day of _____, 2023.

OKLAHOMA WATER RESOURCES BOARD

Matt Muller, Chairman

ATTEST:

Jennifer Castillo, Secretary

(SEAL)