

Oklahoma Water Resources Board (83500)

Head of Agency:

Julie Cunningham

FY'18 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Administration	\$1,721,824		\$831,906		\$109,608	\$2,663,338
Financial Assistance		\$3,433,010	\$309,889			\$3,742,899
Planning and Management	\$217,831	\$1,182,949	\$3,258,343	\$151,000	\$98,562	\$4,908,685
Water Quality	\$1,989,948	\$899,955	\$1,022,463	\$251,400	\$15,929	\$4,179,695
Information Technology	\$97,191	\$290,469	\$852,411			\$1,240,071
REAP Appropriation(Non Operational)	\$1,220,468				\$0	\$1,220,468
						\$0
Total	\$5,247,262	\$5,806,383	\$6,275,012	\$402,400	\$224,099	\$17,955,156

*Source of "Other" and % of "Other" total for each.

"LOCAL FUNDING" is for the Cooperative Technical Partnership (CTP) . Local funding is passed through OWRB to help facilitate these community projects. Also OWRB assists local organizations with stream gauging.

"OTHER FUNDING" - FY17 Carryover and refund totaling \$224,099 that was added to the initial submitted budget. Also, GRDA will pass \$200,000 through to aid local agencies. OWRB helps facilitate this. Also, \$100,000 was budgeted in the 72000 fund for the Governor's Water Conference. These are 700 series funds and don't normally appear on budget reports or fund operations. REAP funding is shown here as well. These funds are passed through appropriations to the REAP fund and also do not fund operations; but are shown here for reference.

FY'17 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'17 Carryover	\$46,639					\$46,639
FY'17 GR Refund	\$27,460					\$27,460

*Source of "Other" and % of "Other" total for each.

What Changes did the Agency Make between FY'17 and FY'18?

1.) Are there any services no longer provided because of budget cuts?

No

2.) What services are provided at a higher cost to the user?

None

3.) What services are still provided but with a slower response rate?

Due to staffing areas being left vacant for longer periods of time; water permits are slower to get issued, water testing and monitoring has been reduced, and some legal services are being performed at a slower pace.

4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document.

The agency has had 5 market adjustments which resulted in an increase to salary costs of \$1,694.54 per month.

FY'19 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$1,721,824		\$831,906			0.0%
Financial Assistance		\$3,433,010	\$309,889			0.0%
Planning and Management	\$217,831	\$1,182,949	\$3,258,343	\$151,000		0.0%
Water Quality	\$1,989,948	\$899,955	\$1,022,463	\$251,400		0.0%
Information Technology	\$97,191	\$290,469	\$852,411			0.0%
REAP Appropriation(Non Operational)	\$1,220,468					0.0%
Total	\$5,247,262	\$5,806,383	\$6,275,012	\$402,400	\$0	0.0%

*Source of "Other" and % of "Other" total for each.

The agency has not requested additional funding for FY2019. These number represent the same figures as the FY2018 budget work program without the appropriation carryover.

FY'19 Top Five Appropriation Funding Requests	
	\$ Amount
None	

Total Increase above FY-18 Request \$ -

How would the agency handle a 2% appropriation reduction in FY'19?
(\$41,743) Water Quality will look at the viability of using less expensive private laboratory contractual services and explore renegotiating contractual services for lab analysis from (\$24,000) In Financial Assistance there would be about \$24,000 less for REAP Grants awarded to Oklahoma communities based on the FY2018 levels.
(\$4,356) Planning and Management: Vacant positions will remain unfilled or will be under filled, restrict in-state and out-of-state travel, and purchase no vehicles During FY17 and FY18 appropriations were supported by fee revenues, increased reliance on cash balances, and federal grants.
(34,436) Administrative Services will look at further decreasing IT initiatives and will leave current vacant positions unfilled as long as feasibly possible.

How would the agency handle a 4% appropriation reduction in FY'19?
(\$83,486) Water Quality will look at the viability of using less expensive private laboratory contractual services and explore renegotiating contractual services for lab analysis from ODEQ or cut monitoring sites or parameters analyzed (metals/bacteria) and curtailing staffing or under fill staffing. In addition, field staff (seasonal temporary employees) would have to be reduced, resulting in the reduction of surface and groundwater monitoring data collected for decision making. It will also slow down or halt the State's ability to; modify the impaired waters list, promulgate Water Quality Standards rule updates and equitably manage all groundwater resources. Aging critical infrastructure purchases would be delayed or perhaps not (\$49,000) In Financial Assistance there would be about \$49,000 less for REAP Grants awarded to Oklahoma communities based on the FY2018 levels.
(\$8,713) Planning and Management: Reduce as proposed with a 2% reduction and reduce field work related to water right inspections and well inspections, and plan no father IT projects.
(64,873) Administrative Services will look at further decreasing IT initiatives and will leave current vacant positions unfilled as long as feasibly possible.

How would the agency handle a 6% appropriation reduction in FY'19?
(\$125,228)Water Quality will look a the items stated above plus reduce additional seasonal temporary positions and an additional 1.0 FTE which will set back all surface and groundwater monitoring programs which provide critical data for decision making. It will also slow down or halt the states ability to; modify the impaired waters list, promulgate Water Quality Standards rules and equitably manage all groundwater resources. Aging critical infrastructure purchases would be prioritized for replacement to minimize the impacts to employee safety and some purchases would most likely not happen at all.
(\$73,200) In Financial Assistance there would be about \$73,000 less for REAP Grants awarded to Oklahoma communities based on the FY2018 levels.
(13,070) Planning and Management: Reduce as proposed with a 4% reduction and close field offices.
(103,309) Administrative Services will look at further decreasing IT initiatives and will leave current vacant positions unfilled as long as feasibly possible. At this rate however, the division may have to look at reductions in force or furloughs

Is the agency seeking any fee increases for FY'18?		\$ Amount
Increase 1	Water Rights Fees Various. Proposed to generate an additional \$100,000 in operating funds yearly	various fee changes
Increase 2	Water Quality Fee. Proposed to generate an additional \$5,000 in operation funds yearly	one new fee
Increase 3		

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

Water Quality - We receive \$64,000 federal dollars to explicitly be used for development of water quality standards. Total cost for meeting that mandated work is approximately \$222,238 plus legal staff expense for promulgating rules.

Financial Assistance receives federal funds for Clean Water State Revolving Funds (CWSRF) and Drinking Water State Revolving Fund(DWSRF) but it's not tied to a mandate.

Planning and Management - N/A

2.) Are any of those funds inadequate to pay for the federal mandate?

Water Quality - The federal funds received by the OWRB are inadequate. Portions of the funds provided to Oklahoma are also currently statutorily assigned to other state agencies.

Financial Assistance - N/A

Planning and Management - N/A

3.) What would the consequences be of ending all of the federal funded programs for your agency?

Water Quality- Without available federal funds (\$64,000), the Oklahoma Water Quality Standards (OWQS) program would be hard pressed to keep functioning. To keep the OWQS program functional, cuts to other programs would need to occur (including eliminating FTE positions). In addition, federal monitoring monies would no longer be available to support agency monitoring priorities, so cuts in our monitoring program of approximately \$553,000 would need to occur. In addition, Federal monies are used by other entities to support their contractual work with the OWRB, so an additional fiscal impact of \$45,000 which would result in a total financial impact of approximately \$662,000.

Financial Assistance - For the CWSRF and DWSRF, it would mean higher interest rates, fewer loans funded - unless this would mean eliminating the programs all together. That

Planning and Management - The state would lose over \$1.03 million in federal funds used to implement Oklahoma's Dam Safety Act (dam construction oversight, breach analysis) and administer Oklahoma's Floodplain Management Act to prevent/reduce costly flooding to protect human health and environment. This action would eliminate funding for technical assistance to 403 communities; dam breach and floodplain mapping; and training for dam owners and community officials. Approximately \$300,000 are currently funding crucial, drinking water reservoir management studies by the U.S. Dept. of Interior on Upper Red River and the Upper Washita River and Water for 2060 initiatives in chronically drought-stricken western Oklahoma. The state will not be able to complete the Grand River Dam Authority (GRDA) Comprehensive 50-year Water Planning study to meet water supply and hydropower production demands. GRDA is depending on the additional federal Corp of Engineers PAS funds to help pay for water planning in the form of modeling and allocation of the lakes and stream systems in their designated watersheds. Federal match from the US Bureau of Reclamation is assisting with the current and presumably subsequent investigations as to how best to treat, recycle, transport, and/or discharge produced water from oil and gas operations in Oklahoma as recommended by the Produced Water Working Group (PWWG) . The produced water challenge has a two-fold impact in Oklahoma to reduce the number and intensity of earthquakes and the amount of water necessary to complete a well. Including research in state universities, and the PWWG studies, the state will need \$500,000 per year answering this challenge. Funded brackish water studies will be greatly hindered without the help of the USGS and USBR as we begin to look for alternative sources of marginal waters to help with both our oil and gas as well as our municipal and irrigation sources statewide. Statutory provisions requiring the OWRB to appropriate water based on water availability studies and implement water planning recommendations of Oklahoma Comprehensive Water Plan would be greatly hampered. The OCWP update expected to begin in State FY2020 for completion in State FY 2023 will have a planned need of \$300,000 per year of federal match from the USACE Planning Assistance to States dollars. Furthermore, Federal funding is critical for completion of this redesign project to improve accuracy and timeliness of the water use data. The OWRB received a \$100,000 grant mandated through the USGS Water-Use Data and Research (WUDR) program that was authorized by the SECURE Water Act. The SECURE Water Act supports activities related to data collection, methods, research, and development at the State level. The program provides financial assistance through cooperative agreements with State water resource agencies to improve the availability, quality, compatibility, and delivery of water-use data that is collected or estimated by States. The Act requires that State water use and availability datasets be integrated with appropriate datasets that are developed and/or maintained by the USGS. In-kind services are approximately \$244,000, bringing the project total to about \$344,000.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

Water Quality - Any cuts to federal funding that come in conjunction with additional cuts in state funding would be very difficult to absorb without making large cuts to the division's monitoring and OWQS programs (including critical personnel).

Financial Assistance - Potentially smaller EPA Capitalization Grants coming into the CWSRF and DWSRF programs reducing the amount of funding for Oklahoma

Planning and Management - Unknown

5.) Has the agency requested any additional federal earmarks or increases?

Water Quality / NA

Financial Assistance put in the appropriation request to change the allotment formula for the CWSRF based on a Report to Congress. This would result in an increase for Oklahoma based on our request.

Planning and Management -To continue to make progress on the Governor's Water For 2060 initiative and statutorily mandated hydrologic and water planning and drought studies, we have identified additional federal and state funding and other project partners that could contribute matching dollars for federal dollars available through the Corp of Engineers, USGS, Bureau of Reclamation and FEMA.

Division and Program Descriptions

Financial Assistance Programs

As the State's primary water infrastructure financing agency, the OWRB has provided more than \$3.8 billion in financing (currently with 152 borrowers in the SRF program for a total of 291 loans) to Oklahoma communities at an estimated savings of \$1.3 billion over conventional financing. The OWRB manages three loan and two grant programs for eligible entities, including all Oklahoma counties, towns and municipalities with proper legal authority, public works authorities, school districts, and other authorities including rural water and sewer districts. The purpose of the programs are to protect the health and safety of Oklahomans by providing funding to meet the critical need for safe drinking water supplies and adequate wastewater treatment.

The Clean Water State Revolving Fund loan program provides lower than market rate loans to qualifying entities to construct wastewater treatment/collection systems and green infrastructure and to make system improvements to ensure water quality in rivers, streams, and lakes is safe for humans and wildlife per the Clean Water Act.

The Drinking Water State Revolving Fund (DWSRF) loan program, operated cooperatively with the Oklahoma Department of Environmental Quality (ODEQ), provides low-interest loans to communities to fund drinking water infrastructure projects to provide safe drinking water per the Safe Drinking Water Act. The Board provides financial services for the program while the ODEQ provides engineering and technical services.

The OWRB provides funding for community water and wastewater treatment construction projects through Rural Economic Action Plan Grants, Emergency Grants, and Financial Assistance Program loans to help systems meet and improve water quality standards, drought mitigation, energy efficiency, and infrastructure sustainability.

Planning and Management Programs

The OWRB manages more than 13,000 surface water and groundwater rights, issues new permits, coordinates statewide water use reporting, manages shortages during times of drought, and responds to public complaints. The agency issues approximately 1,500 90-day Provisional Temporary permits on average each year, mostly utilized for oil and gas developers in need of a temporary source of water.

The OWRB ensures the safety of more than 4,700 non-federal dams across the State by approving applications to construct, overseeing periodic inspections and reviewing modification plans. The agency leverages federal funds for recordkeeping/reporting, dam breach inundation mapping, emergency action planning, and dam owner education.

The OWRB coordinates the National Flood Insurance Program for Oklahoma, partnering with other state, federal, and local entities to prevent and mitigate the catastrophic effects of flooding disasters and assisting more than 400 participating communities with local land-use ordinances that reduce future flood damages. The agency leverages federal funds to assist communities in ensuring that development in the floodplain meets required standards.

The OWRB regulates proper water well construction and prevention of groundwater pollution through the licensing and continuing education of water well drillers and pump installers. OWRB staff investigates public complaints, performs well inspections and assists drillers with required well log reporting. More than 176,000 well logs are available to the public via the agency's website through record searches and an interactive GIS application.

The OWRB oversees statutorily-directed hydrologic studies of the State's stream water and groundwater resources. The studies determine water availability for allocation by utilizing hydrogeologists, modelers, private engineering consultants, and federal agency assistance to characterize the aquifer's hydrologic properties such as recharge, effects of groundwater pumping, water demand, and contaminant flow paths.

The OWRB updates and oversees the implementation of the Oklahoma Comprehensive Water Plan, which provides guidance and technical information for management and development of the State's water resources including local and regional water planning efforts. The OWRB promotes Water for 2060, passed by the legislature in 2012 with the statewide goal of using no more fresh water in 2060 than was used in 2010 through conservation, reuse and recycling efforts. The OWRB also leads the Governor appointed Produced Water Working Group (PWWG) to study ways to reuse produced water from oil and gas production.

The OWRB represents Oklahoma on four separate interstate stream compacts involving all the surface waters that flow into or out of Oklahoma. The four Compacts - the Canadian River Compact among New Mexico, Texas and Oklahoma; the Arkansas River Basin Compact between Kansas and Oklahoma; the Arkansas River Basin Compact between Arkansas and Oklahoma; and the Red River Compact among Arkansas, Louisiana, Oklahoma and Texas - are written agreements among or between the States which have been approved by the United States Congress, enacted in Federal statutes, and enacted in statutes of each of the agreeing States.

Water Quality Programs

Water quality monitoring through the state’s Beneficial Use Monitoring Program provides scientifically defensible data to aid in the development and refinement of Oklahoma’s Water Quality Standards and in identifying waters that are meeting or not meeting their assigned beneficial uses. The information is used to assist businesses; federal, state, and local governments; engineering consultants; and the public in making water resources decisions. OWRB staff also provide technical assistance for lake restoration projects.

Oklahoma’s Water Quality Standards (OWQS) establish water quality benchmarks (numeric and narrative) and provide a basis for pollution control programs, including the permitting of wastewater discharge by municipalities and industry. OWRB staff classify Oklahoma’s water resources to their best attainable beneficial uses and provide guidance to other agencies in regulating implementation of OWQS.

The OWRB stream gauge network, enhanced through partnering with the USGS Cooperative Stream Gauging program, provides data for multiple uses including administration of water rights, assessment of water quality, drought planning, and interstate stream compacts. Stream gauge data directly guide the day-to-day management of local and regional public water supplies, including the issuance of early flood warnings.



Administrative Services

Administration - to provide administrative support, fiscal guidance, and oversight to all agency programs
 Executive Administration
 Legal
 Financial Management
 Human Resources
 Geographic Information Systems

Information Technology (IT)

Oversight of IT is the responsibility of Administrative Services, but contracted through the Office of Management and Enterprise Services (OMES). Information Technology maintains, equips, and plans for OWRB IT Services.

FY'19 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administrative Services	7	9	11	4	11	6
Water Quality	5	13	16	0	22	7
Financial Assistance	6	19	3	0	16	5
Planning and Management	7	20	11	1	25	5
Information Technology	N/A					

Total	25	61	41	5	74	23
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FTE History					
	2018 Budgeted	2017	2014	2011	2007
Administrative Services	20	20	16	17	17
Water Quality	29	29	27	20	32
Financial Assistance	21	21	21	17	15
Planning and Management	32	32	23	20	20
Information Technology					
In 2014 the agency began hiring staff, with new financial assistance from the legislature, to perform groundwater availability yield studies for unstudied basins and overdue 20-year studies per statute.					
Between 2017 and 2011; IT staff transferred to OMES/ISD					
Total	102	102	87	74	84

Performance Measure Review					
	FY'17	FY'16	FY'15	FY'14	FY'13
Please see attached Program and Performance Measures document from the budget request and strategic plan. The agency's long range plan and measures will relate directly to the Water for 2060 initiative.					

Revolving Funds (200 Series Funds)			
	FY'15-17 Avg. Revenues	FY'15-17 Avg. Expenditures	June '17 Balance
21000- Well Drillers & Installers Indemnity Title 82, Section 1020.16D2	\$ 31,455.00	\$ 31,711.67	\$ 64,405.00
21500 - OWRB Revolving Fund Title 82, Section 1085.2 11	\$ 2,197,335.01	\$ 2,155,395.31	\$ 284,073.65
22500 - REAP Water Project Fund Title 62, Section 2002.1	\$ 1,416,049.68	\$ 1,543,803.02	\$ 1,688,154.32
24000 - Oklahoma Water Resources Revolving Title 82, Section 1085.7	\$ 788,016.30	\$ 979,618.27	\$ 450,856.24
24500 - Well Drillers and Installers Regulatory Title 82, Chapter 11, Section 1020.16E	\$ 31,711.67	\$ 37,903.46	\$ 63,272.10
25000-Community Water Infrastructure Development Title 82, Chapter 11 Section 185.7A	\$ 2,153,619.27	\$ 1,563,999.41	\$ 596,203.32
Total All Funds	\$0	\$0	\$3,082,560