



OKLAHOMA
Water Resources Board

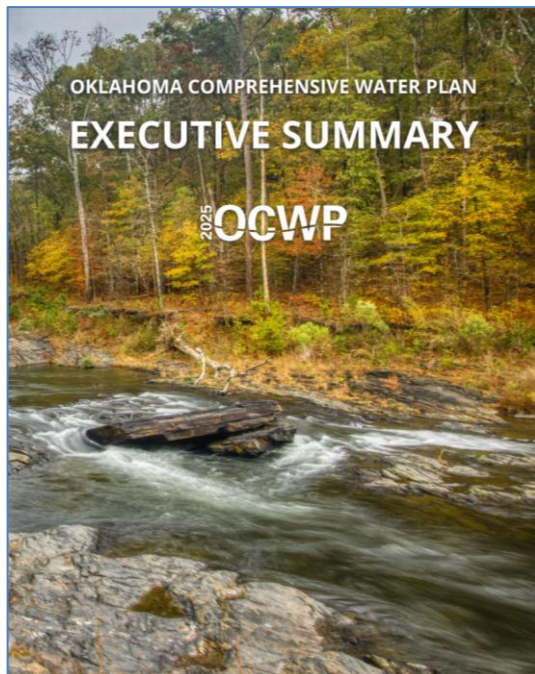
Rural Water System Financing and Long-term Asset Planning Mechanisms in Oklahoma Interim Study 2026-20

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2025 Oklahoma Comprehensive Water Plan



Policy Focus Areas:

Water System
Infrastructure
& Workforce

Water
Supplies and
Storage

Water Policy &
Management

Water Data &
Information

Ultimate Goal: Long-term Water Supply Security!



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2024 Infrastructure Needs Survey: >\$24B



OWRB Activities and Infrastructure Needs by Legislati...



Senate District
0 - Select a D...



House District
0 - Select a D...



OCWP Planning ...
Select a Region



County
Select C...

OWRB Infrastructure Needs

Oklahoma Comprehensive Water Plan Wastewater Project Needs Survey

- Projects
- Statewide

Oklahoma Comprehensive Water Plan Water Supply Project Needs Survey

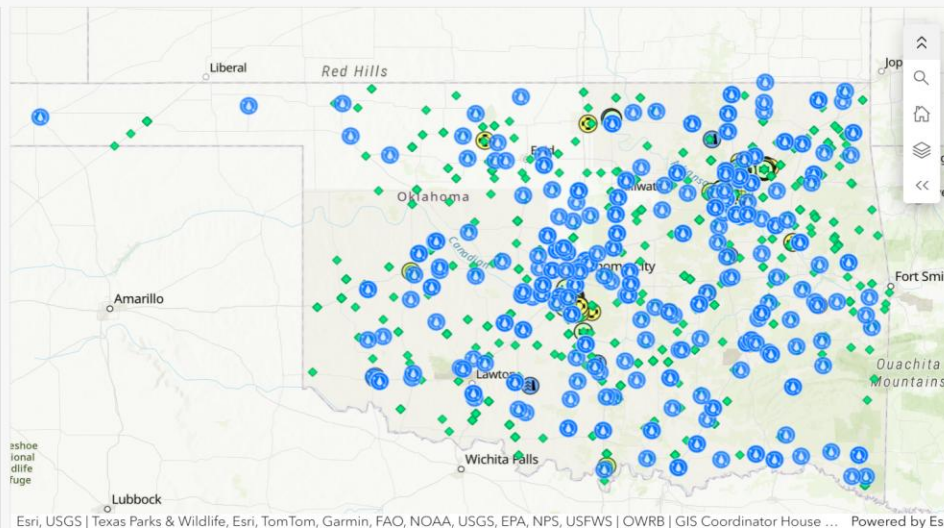
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State Flood Plan Project Needs Survey

Project Type

- Channel
- Storm Drain
- Infrastructure
- Detention Pond
- Dam or Reservoir
- Flood Walls and Levees
- Property Acquisition

Oklahoma Senate Districts



Infrastructure Needs

Wastewater Projects Needs Survey

\$6.9B

for 922 projects

Water Supply Project Needs Survey

\$16.6B

for 2.3k projects

State Flood Plan Project Needs Survey

\$709.3M

for 210 projects

OWRB Activities

\$8.3B

approved loans & grants
for 2.9k projects

11.3k

groundwater permits
for 4.1M acre-feet per year

2.2k

surface water permits
for 2.8M acre-feet per year

125.7k

groundwater wells

4.7k

jurisdictional dams



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OCWP Recommendations

Water Infrastructure & Workforce

1. Establish a recurring state investment **to address \$24 billion infrastructure financing need** (water, wastewater, stormwater, and conservation/water loss).
 - Fully leverage **proven loan and grant programs** and **new “gap” assistance program**
 - Expand **technical assistance** programs
 - Extend 27 Budget request: **\$50 million recurring**; 100% pass through
2. Expand investment through **new capitalization sources and partnerships** (e.g. expanded WICERF (state backed security), cost-share, tribal match, tourism tax).
3. Address **water workforce shortage**. Partnership with Oklahoma Workforce Commission, trade organizations, operator training, OSU well drillers-groundwater university.



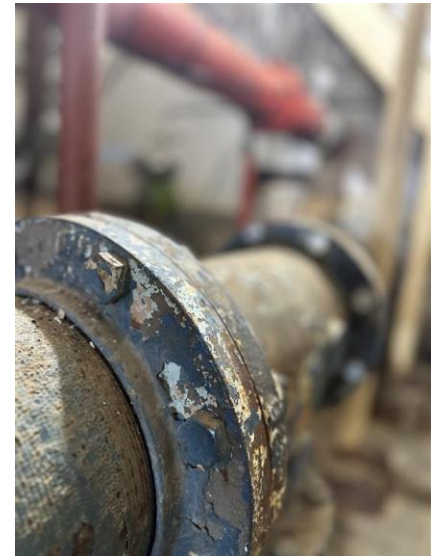


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Oklahoma's rural water challenge is not simply an infrastructure problem. It is a challenge of infrastructure, financial capacity, technical capacity and long-term sustainability. OWRB is evolving its tools to help utilities move from identifying a problem, to developing a solution, to financing it, and ultimately to sustaining it.

Four Challenges Facing Rural Water Systems

1. Aging Infrastructure
2. Financial Sustainability
3. Operational Capacity
4. Project Readiness



Aging Infrastructure

Challenge: Breaks, leaks, outdated equipment and deferred maintenance increase cost and compliance issues and lose reliability among customers.

OWRB's Solution: Low cost or no cost financial products to address infrastructure needs and expanded technical assistance through the new *Resilient Utility Partnership Program* (RUPP) to provide a strategic approach to addressing needs.



Financial Sustainability

Challenge: Small customer bases and lack of diverse revenue streams make it harder to spread major infrastructure and operational costs across ratepayers.

OWRB's Solution: Expansion of RUPP to provide rate studies and a new CFO-to-go program that helps systems prepare financially infrastructure improvements. OWRB's low cost/no cost financial products help keep costs low for their ratepayers.



Operational Capacity

Challenge: Utilities may lack staff, systems or expertise for planning, financial management, and asset management.

OWRB's Solution: RUPP also provides assessments and targeted support to help in areas including general technical assistance, capital improvement planning, system mapping, operator training, board member training, office management and SOP development, audit preparedness and cybersecurity assessments.



Project Readiness

Challenge: Identifying a need is different from developing a fundable, finance-ready project.

OWRB's Solution: RUPP's technical assistance helps utilities understand their deficiencies and provide a roadmap with solutions to implement. The new Water and Wastewater Microloan program can assist with planning and design to get a project construction ready.



OWRB Program Updates

Water and Wastewater Microloan Program : The Water and Wastewater Infrastructure Investment Program's \$35M state appropriation supported creation of a new funding program that champions flexibility paired with the ability to access funding quicker through an expedited loan application process. Loans up to \$500,000 with 1% interest rate, up to 20-year term, and no federal requirements or bond counsel requirements, reducing costs to borrowers.

****Applications accepted starting on 11/2/2026.***



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OWRB Program Updates

Resilient Utility Partnership Program: The expanded program, funded through the new *Water and Wastewater Infrastructure Investment Program*, prioritizes efficiency by establishing a network of service providers that can assist multiple utilities concurrently, ensuring communities receive timely, targeted support when they need it.

****OWRB is currently engaged with over 20 entities to provide TA services across the state.***



OWRB Program Updates

REAP Grant: Additional \$10M state appropriation increased capacity of program from \$1.1M in FY26. Program modernized to increase maximum funding to \$350,000 (*HB1438-2025*) and adjust ranking to incentivize sustainability planning.

****In FY27, REAP applications totaled over \$27M.***



OWRB Program Updates

CWSRF Loan Forgiveness (LF): In the final year of IJA funding, the OWRB restructured the FY27 LF to encourage strategic funding and planning. By replacing 100% LF with a shared project cost structured as 25% LF and 75%, the OWRB has increased the number of entities we can assist.

****The OCWP has identified over \$6.9B in wastewater projects needing completed by 2030.***



Appropriation Impacts

- **FY25 \$5M REAP Appropriation (SB1125-2024):**
 - *Increased projects funded from 12 in FY24 to 49*
- **FY27 \$10M REAP Appropriation (SB1177-2026):**
 - *Increased projects funded by 300% (>50 projects in FY27 from only 17 in FY 26)*
- **FY27 New Water and Wastewater Infrastructure Investment Program \$35M Appropriation (SB1177-2026):**
 - *Provides an easily accessible, low-interest revolving loan program and additional Technical, financial, managerial assistance*



Appropriation Impacts

- **FY 23-26 over \$476 ARPA Water Appropriations:**
 - *Helped fund \$1.3 billion across 196 projects*
- **FY 27 \$26M State ARPA Interest Appropriation (HB4075-2026):**
 - *Targeted approach for 29 projects*
- ***Progressing Rural Economic Prosperity Appropriations:***
 - *Advanced economic development and future growth and replaced contaminated water wells with public supply through targeted grants*



Discussion & Recommendations

These recent investments have helped entities across Oklahoma

- *Address aging infrastructure,*
- *provide additional capacity for future growth,*
- *provide economic opportunities,*
- *reach compliance,*
- *reduce water loss,*
- *manage stormwater and reduce flooding,*
- *increase TMF capacity, and*
- *ultimately protect public health and the environment.*



Discussion & Recommendations

\$10m permanent appropriation for OWRB REAP water

- *Reach more entities and provide a hand-up (not a hand-out) for the smallest entities struggling*

\$35m recurring Investment for newly created Water & Wastewater Infrastructure Investment Program

- *Provide easily accessible funding to address gaps in current funding programs.*

Consider Arkansas example (Arkansas Act 605)

- *Ensure financial and managerial accountability for water/wastewater utilities by requiring and implementing rate studies to cover cost of service.*



Summary

- *Rural Water Districts have a responsibility to provide access to safe drinking water for current and future generations.*
- *Rural Water Districts must ensure they have the technical, financial, and managerial capacity to serve their customers.*
- *Legislature must continue to invest in financial and technical assistance programs to ensure generational investment in infrastructure.*



Thank You

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Chief



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