

Oklahoma Water Resources Board (83500)

Lead Administrator: Julie Cunningham, Interim Executive Director

1/24/2017

FY'17 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Administration	\$ 1,153,928.00		\$1,032,477		\$189,231	\$2,375,636
Financial Assistance		\$4,817,130	\$419,750			\$5,236,880
Planning and Management	\$ 462,469.00	\$1,264,608	\$3,220,895	\$151,000	\$200,000	\$5,298,972
Water Quality	\$ 2,141,722.00	\$750,022	\$1,303,252	\$275,257		\$4,470,253
Information Technology	\$ 164,653.00	\$135,948	\$663,628			\$964,229
						\$0
Total	\$3,922,772	\$6,967,708	\$6,640,002	\$426,257	\$389,231	\$18,345,970
	21%	38%	36%	2%	2%	

*Source of "Other" and % of "Other" total for each.
 local organizations with stream gauging.
 "OTHER FUNDING" - FY16 Carryover and refund totaling \$181,231 that was added to the initial submitted budget. Also, GRDA will pass \$200,000 through to aid local agencies. OWRB helps facilitate this.

FY'16 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'16 Carryover					\$85,587	\$85,587
FY'16 GR Refund**					\$103,644	\$103,644

*Source of "Other" and % of "Other" total for each.
 **Indicate how the FY'16 General Revenue refund was budgeted
 The agency's executive director resigned to become the Director for the Department of Wildlife. There were annual leave costs related to the move; and by letter from the Governor, the agency is required to under go an audit after such a move. Those funds were also budgeted to help offset audit costs. Additionally, a portion of those funds had to be turned back to the agency's Financial Assistance Division for REAP funding. Those funds, by law, would have gone to the program when the agency received its monthly allotment. Therefore, they had to be returned to the same program.

What Changes did the Agency Make between FY'16 and FY'17?

- 1.) Are there any services no longer provided because of budget cuts?
NA
- 2.) What services are provided at a higher cost to the user?
The agency has not requested fee increases to cover reductions in general revenue.
- 3.) What services are still provided but with a slower response rate?
NA
- 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.
Yes:
The agency made four market adjustments which resulted in an increase to salary costs of \$1,711.19 per month.

FY'18 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$ 1,153,928.00		\$1,232,477		\$2,386,405	0.45%
Financial Assistance		\$4,817,130	\$419,750		\$5,236,880	0.00%
Planning and Management	\$ 462,469.00	\$1,264,608	\$3,371,895	\$351,000	\$5,449,972	2.85%
Water Quality	\$ 2,141,722.00	\$750,040	\$1,303,252	\$275,257	\$4,470,271	0.00%
Information Technology	\$ 164,653.00	\$135,948	\$663,628		\$964,229	0.00%
					\$0	
					\$0	
Total	\$3,922,772	\$6,967,726	\$6,991,002	\$626,257	\$18,507,757	0.88%

*Source of "Other" and % of "Other" total for each.
 No Additional Request for Appropriations were made - FY2017 BWP is used less FY16 refund and carryover. Combined "Local" and "Other" from FY2017 Budget.

FY'18 Top Five Appropriation Funding Requests

	\$ Amount
No Additional Funding Requests Have Been Made	

Total Increase above FY-18 Request 0

How would the agency handle a 5% appropriation reduction in FY'18?

FA- (~\$78,912) A decrease in Rural Economic Action Plan (REAP) grant funding to small communities (>7,000 population) needed for construction and repair of water treatment systems, water distribution systems, water acquisition, sewer lines, and wastewater treatment and reclamation projects.

PM – (\$23,000) Delay permitting modernization project, specifically the development/implementation of online portal to provide for automated well drillers and pump installers licensing (\$23,000)

WQ - (\$107,086). Potentially identify less expensive private laboratory contractual services and explore renegotiating contractual services for lab analysis from ODEQ. Alternately, monitoring sites or parameters analyzed (metals/bacteria) would be cut and field staffing under filled.

How would the agency handle a 7.5% appropriation reduction in FY'18?

FA - (~\$118,369) A decrease in Rural Economic Action Plan (REAP) grant funding to small communities (>7,000 population) needed for construction and repair of water treatment systems, water distribution systems, water acquisition, sewer lines, and wastewater treatment and reclamation projects.

PM - (\$35,000) Delay permitting modernization project, specifically the development/implementation of online portal to provide for automated well drillers and pump installers licensing

WQ - (~\$160,629) Potentially identify 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 under fill staffing. In addition, a 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 and equitably manage all groundwater resources. Aging critical infrastructure purchases would be delayed or perhaps not happen at all.

How would the agency handle a 10% appropriation reduction in FY'18?

FA - (~\$157,825) A decrease in Rural Economic Action Plan (REAP) grant funding to small communities (>7,000 population) needed for construction and repair of water treatment systems, water distribution systems, water acquisition, sewer lines, and wastewater treatment and reclamation projects.

PM – (\$46,000) Delay permitting modernization project, specifically the development/implementation of online portal to provide for automated well drillers and pump installers licensing (\$44,000) and cancel purchase of down-hole inspection equipment for well drillers program (\$2,000).

WQ - (\$214,172) Items stated above plus reduce additional seasonal temporary positions and an additional 1.5 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 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.

Is the agency seeking any fee increases for FY'18?

The agency is seeking no fee increase for FY2018

\$ Amount

\$0
\$0
\$0

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

Enhanced ability for more internet based information sharing and fee payment. IT project such as these will be reviewed an, if cost prohibitive, will have to be postponed until the State's economic situation improves.

Federal Government Impact

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

FA - NA

PM - NA

WQ - We receive \$64,000 federal dollars to explicitly be used for development of standards. Total cost for meeting that mandated work is approximately \$260,000.

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

FA - NA

PM - NA

WQ - 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.

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

FA – The consequence would be that OWRB would have approximately \$48 million less funding for low-interest loans to local communities for the construction of new capacity or rehabilitation of aging wastewater collection and treatment infrastructure that protects public health and prevents contamination of streams and groundwater.

PM - The state would lose over \$1.65 million in federal funds used to implement Oklahoma’s Dam Safety Act (dam construction oversight, breach analysis); Ok. Floodplain Management Act to prevent/reduce costly flooding to protect human health and environment; conduct/complete the GRDA Grand River Comprehensive 50-year Water Planning study to meet water supply and hydropower production demands and Oklahoma water management (statutory provisions requiring the OWRB to appropriate water based on water availability studies and implement water planning recommendations of Oklahoma Comprehensive Water Plan). This action would eliminate funding for technical assistance to 398 communities; dam breach and floodplain mapping; and training for dam owners and community officials. Approximately \$300,000 of these monies are 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.

WQ - Without available federal funds, 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 the possibility of 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 \$200,000 would need to occur.

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

FA – Reduction in the number of local entity water and wastewater projects which could be funded.

PM - Unknown

WQ - 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

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

FA - NA

PM - To continue to make progress on the Governor's Water For 2060 initiative and statutorily mandated hydrologic and water planning and drought studies while seeing reduced revolving fund receipts associated with low oil and gas price (both gross production tax and lower water right permit applications from energy companies) 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.

WQ - NA

Division and Program Descriptions

Financial Assistance Division-- Building Community and Rural District Water and Wastewater Infrastructure

As the State's primary water infrastructure financing agency the OWRB has provided over \$3.5 billion in financing at a savings of \$1.2 billion to Oklahoma's communities. The Division 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 and other authorities established under Title 82 of the Oklahoma Statutes. 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.

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

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

Financial Assistance Programs - These State programs provide funding for improvements to qualified water and wastewater treatment projects through Rural Economic Action Plan Grants, Emergency Grants, and the Financial Assistance Loan Program. 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.

Planning and Management: Managing Water Resources through Water Allocation, Availability Studies, Comprehensive Planning, and Mitigation

Water Rights Administration - As the state's designated water management agency, the OWRB manages over 13,000 water rights and issues new permits based on water availability studies, coordinates statewide water use reporting, manages shortages during times of drought, and conducts complaint response from domestic users and compliance activities. The program's purpose is to manage the State's water resources and meet statutorily-mandated water appropriation, use, and protection laws.

Dam Safety Program - The OWRB ensures the safety of more than 4,700 non-federal dams across the State. To ensure safety and maintenance, staff engineers oversee periodic inspections based on downstream development; perform dam modification engineering review and board recommendations, inspection, and enforcement. Statistical records maintenance/reporting, dam breach inundation mapping, emergency action planning, and dam-owner education are conducted at a level of effort which allows the State to leverage available federal (FEMA) dollars on a 50/50 basis, at minimum.

Floodplain Management - This section serves as National Flood Insurance Program State Coordinator, partnering with other state, federal, and local entities to prevent and mitigate the catastrophic effects of flooding disasters and assisting over 400 participating communities with local land-use ordinances that reduce future flood damages. State appropriations leverage available federal (FEMA) dollars on a 25/75 basis. By following regulations and ensuring that development in the floodplain meets required standards, taxpayers and local governments will save money and overall federal disaster recovery costs can be reduced.

Water Well Drillers and Pump Installers Program - To ensure the integrity of water well construction and prevention of groundwater pollution, this section supervises the licensing and continuing education of water well drillers and pump installers (water supply, geothermal, observation, and monitoring wells). Guided by comprehensive standards developed in cooperation with the legislatively-established water Well Drillers Advisory Council, this program also oversees complaint response, and compliance activities, and on-line well log databases and mapping. During 2016 staff licensed 56 new operators, received 4,200 well completion reports. OWRB's website houses over 176,000 well records available to the public.

Technical Studies - OWRB hydrogeologists, modelers, private engineering consultants, and the U.S. Geological Survey section conduct statutorily-directed hydrologic studies of the State's stream water and groundwater resources to determine water availability and allocates water accordingly. These studies are also used to identify effects of groundwater pumping, surface water recharge of groundwaters, water demand, and contaminant flow paths, among other uses. These studies are accomplished by staff hydrogeologists and technical modelers and through contracts with private engineering firms and other state and federal agencies, namely the U.S. Geological Survey and U.S. Bureau of Reclamation

Comprehensive Water Planning - conducts on-going water planning activities, including the State's 50-year water plan, and implements recommendations adopted by the Oklahoma Legislature in 2012. The OCWP provides a guidance and technical information for management and development of the State's water resources and serves as an expert in local and regional water planning efforts. Staff also leads efforts toward progressing the State's "Water for 2060" initiative through conservation, reuse, efficiency, and developing untapped water sources and regulatory path. As an example, in 2015 Governor Fallin tasked the OWRB with exploring viable sources and uses of produced water to conserve other fresh waters through the Produced Water Working Group.

Interstate Stream Compacts - The State of Oklahoma is a party to four separate interstate stream compacts involving all the surface waters that flow into or out of Oklahoma. Compacts are written agreements between States, approved by the U.S. Congress and enacted in Federal and State statutes, which apportion waters in major streams and tributaries between States.

Water Quality

USGS Cooperative Stream Gauging - Through this Cooperative Program, the USGS and the OWRB insure that data is collected to characterize the water resources of the State. This data is necessary to administer water rights programs, interstate water compacts with neighboring states, assess water quality, and for planning purposes. To the extent funds are available, the U.S. Geological Survey matches state and cooperator contributions to maximize our efforts. Local cooperators participate in the program on stream gages that affect the management of their public water supplies or may cause flooding in their jurisdiction.

Water Monitoring - The 2003 Legislative session placed \$1 million into the OWRB's base appropriation for water quality monitoring that became the Beneficial Use Monitoring Program (BUMP). BUMP is designed to collect scientifically defensible data that can be used to assess water quality and identify waters that are not meeting their assigned beneficial uses. Additionally data is utilized to aid in the development and refinement of water quality standards. The data collected in the program is used by a wide variety of users including; federal, state and local governments, environmental and engineering consulting firms, businesses, academia, and the public. In 2012, the Legislature placed another \$1.5 million in the OWRB's base appropriation to address increased program costs for surface water monitoring and to initiate a holistic groundwater quality/quantity monitoring program for Oklahoma. The monitoring and technical studies programs work to restore, protect and enhance Oklahoma's lakes through implementation of various in-lake water quality improvement techniques. Special studies and site-specific studies may also be a component of this work.

Technical Team - The Technical Team provides support to the divisional sections by through technical input and oversight. They also provide support for our studies of publicly-owned lakes, makes recommendations for remedial action and help implement those recommendations when funding sources are identified and secured. The Technical Team manages the division's Water Quality database and provides quality assurance and quality control support for the division.

Water Quality Standards - Standards establish water quality benchmarks and provide a basis for pollution control programs, including permits for treated wastewater discharge by municipalities and industry. Staff conduct scientific studies to classify the State's water resources and support the promulgation of water quality standards, classify Oklahoma's water to their best attainable beneficial uses, and provide guidance to other agencies with water regulation authority in the implementation of the standards.

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

Public Information

FY'17 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administrative Services	5	7	0	0	3	5
Water Quality	8	15.01	34	0	24.7	23.31
Financial Assistance	5	6	8	3	9	4
Planning and Management	8	10	21.99	0.7	16.6	12.69
Total	26	38.01	63.99	3.7	53.3	45

FTE History					
	2017 Budgeted	2016 Budgeted	2013 Budgeted	2010 Budgeted	2006 Budgeted
Administrative Services	17.0	17.0	16.5	16.5	20.7
Water Quality	30.0	31.0	31.4	31.0	40.0
Financial Assistance	24.0	24.0	22.0	22.7	19.0
Planning and Management	34.5	33.3	34.5	34.0	25.5
Total	105.5	105.3	104.4	104.2	105.2

This Submission shows budgeted FTE for the years requested

	FY'16	FY'15	FY'14	FY'13	FY'12
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'14-16 Avg. Revenues	FY'14-16 Avg. Expenditures	June '16 Balance
21000- Well Drillers & Installers Indemnity Title 82, Section 1020.16D2	\$ 29,765.00	\$ -	\$ 69,510.00
21500 - OWRB Revolving Fund Title 82, Section 1085.2 11	\$ 1,855,391.94	\$ 1,961,500.04	\$ 523,187.81
22500 - REAP Water Project Fund Title 62, Section 2002.1	\$ 983,019.47	\$ 983,019.47	\$ 2,028,193.32 (\$400,000 was allowed to be taken from the 22500 balance and moved to operations in FY17)
24000 - Oklahoma Water Resources Revolving Title 82, Section 1085.7	\$ 842,150.22	\$ 997,116.00	\$ 595,500.01
24500 - Well Drillers and Installers Regulatory Title 82, Chapter 11, Section 1020.16E	\$ 9,433.33	\$ 30,204.03	\$ 63,735.40
25000-Community Water Infrastructure Development Title 82, Chapter 11 Section 185.7A	\$ 2,326,103.91	\$ 2,450,850.56	\$ 520,336.70