Many Oklahoma water systems are looking for affordable financing options in order to construct needed drinking water system improvements necessary to comply with the Safe Drinking Water Act. The DWSRF was authorized by the 1996 Amendments to the Safe Drinking Water Act and is funded by EPA capitalization grants to the DEQ. The DEQ and OWRB jointly administer this low interest loan program.

**Eligible Entities**
- Towns and municipalities with proper legal authority
- Rural water districts established under the Title 82 of the Oklahoma Statutes

**Eligible Projects**
- Drinking water treatment
- New intake/raw water lines
- Major distribution/storage system rehabilitation
- New storage
- Engineering
- New transmission/distribution systems

**DWSRF Loan Terms**
- Interest rate equal to 70 percent of Municipal Market Daily (MMD) AAA scale spot rates for each year through maturity plus 55 basis points, calculated 10 days before loan closing
- 0.50 percent administration fee
- 20-30 years maximum payback period
- 1.25 rate covenant factor
- No reserve requirements (unless required by borrower’s existing outstanding debt)
- Loan proceeds drawn down as costs are incurred
- Interest and administrative fees billed every 6 months
- Principal will be billed every 6 months after construction completion

**Program Requirements**
- Projects must be listed on the DWSRF Project Priority List and current Intended Use Plan maintained by the DEQ
- Projects that are ready to proceed will receive the highest priority
- Environmental Review as required by the DEQ
- Engineering Report as required by the DEQ, including cost-effective analysis
- Public participation/public hearing with public notice
- Project will be required to comply with federal Safe Drinking Water Act requirements and federal cross-cutting laws and authorities